



Commonwealth of Massachusetts
Office of the State Auditor
Suzanne M. Bump

Making government work better

Official Audit Report – Issued July 21, 2015

Massachusetts Office on Disability

For the period July 1, 2012 through June 30, 2014





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Making government work better

July 21, 2015

Mr. David D'Arcangelo, Director
Massachusetts Office on Disability
One Ashburton Place, Room 1305
Boston, MA 02108

Dear Mr. D'Arcangelo:

I am pleased to provide this performance audit of the Massachusetts Office on Disability. This report details the audit objectives, scope, methodology, findings, and recommendations for the audit period, July 1, 2012 through June 30, 2014. My audit staff discussed the contents of this report with management of the agency, whose comments are reflected in this report.

I would also like to express my appreciation to the Massachusetts Office on Disability for the cooperation and assistance provided to my staff during the audit.

Sincerely,

A handwritten signature in blue ink, appearing to read "SMBump".

Suzanne M. Bump
Auditor of the Commonwealth

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LIST OF ABBREVIATIONS

ISP	information security plan
MassIT	Massachusetts Office of Information Technology
MOD	Massachusetts Office on Disability

EXECUTIVE SUMMARY

In accordance with Chapter 11, Section 12, of the Massachusetts General Laws, the Office of the State Auditor has conducted an audit of certain activities of the Massachusetts Office on Disability (MOD) for the period July 1, 2012 through June 30, 2014.

The objectives of our audit were to review certain aspects of MOD's administration of its Client Services Program and to evaluate MOD's process for tracking advocacy case information and responding to requests from the public. The audit focused on MOD's ability to manage its caseload efficiently. It included a review and analysis of MOD's compliance with laws, rules, and regulations for the tracking of, and timely response to, requests for assistance from the public. We also sought to determine how long it took MOD to respond to calls and the extent of the backlog of pending cases.

Below is a summary of our findings and recommendations, with links to each page listed.

Finding 1 Page 8	MOD did not have adequate controls over information in its case files and case-management database.
Recommendation Page 10	MOD should establish the controls necessary to ensure that its case-management information is up to date, actively monitored, and maintained in accordance with prescribed procedures.
Finding 2 Page 11	MOD did not provide sufficient documentation to support the accuracy, completeness, and verifiability of some of the information in its 2013 performance report.
Recommendation Page 12	MOD should establish the processes and controls necessary to identify information needed to measure and document the Client Services Program objectives and performance measures detailed in its annual performance report.

Finding 3 Page <u>12</u>	MOD's access-security controls over its database were insufficient.
Recommendations Page <u>14</u>	<ol style="list-style-type: none"><li data-bbox="423 302 1453 380">1. MOD should pursue the possibility of obtaining a new case-management system to replace its existing, ineffective database.<li data-bbox="423 380 1453 590">2. Once an implementation date has been established, management should seek guidance from the Massachusetts Office of Information Technology (MassIT) on ensuring that necessary access-security controls are in place and are consistent with established MassIT policies and standards. At a minimum, the controls should include periodic reviews of user access privileges; deactivation of access privileges for terminated users; and passwords of at least eight characters.<li data-bbox="423 590 1453 779">3. Until a new system is in place, MOD should establish policies for access security that could include, for instance, periodically reviewing access privileges, refraining from sharing passwords, and providing employees with appropriate training on what are considered "good security practices."

OVERVIEW OF AUDITED ENTITY

The Massachusetts Office on Disability (MOD) is organized under Chapter 6, Section 185, of the Massachusetts General Laws and operates under the direction and control of the Executive Office for Administration and Finance in accordance with Chapter 7, Section 4G, of the General Laws. MOD has a director, who is appointed by the Governor, and 12 staff members, including a deputy director and three assistant directors. In fiscal year 2013, MOD received \$586,000 in state appropriations and \$227,000 in federal grants. In fiscal year 2014, it received \$652,000 in state appropriations and \$248,000 in federal grants.

According to MOD's 2013–2015 strategic plan,

The purpose of the Office is to bring about full and equal participation of people with disabilities in all aspects of life. It works to assure the advancement of legal rights and for the promotion of maximum opportunities, supportive services, accommodations and accessibility in a manner which fosters dignity and self-determination.

By providing information, referral, and advocacy, MOD helps people obtain vocational rehabilitation, accessible housing, employment, and other services. MOD is also the agency charged with ensuring the Commonwealth's compliance with the Americans with Disabilities Act of 1990.

According to its website, MOD responds to the needs of more than 18,000 individuals yearly through three major programs: Community Services, Client Services, and Government Services.

The Community Services Program helps people learn about their rights and responsibilities as people with disabilities. Through training and technical assistance, the Community Services Program also helps ensure that state and local governmental entities, as well as places of public accommodation, meet their nondiscrimination responsibilities.

Responding to more than 10,000 requests a year, the Client Services Program provides disability-related services to businesses; federal, state, and local officials; and other interested parties.

The Government Services Program works to ensure that Massachusetts's policies and practices regarding people with disabilities are consistent with state and federal laws. MOD also provides mediation and representation services to clients of the Massachusetts Rehabilitation Commission, the

Massachusetts Commission for the Blind, and independent living centers under a grant from the U.S. Department of Education's Rehabilitation Services Administration.

AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Chapter 11, Section 12, of the Massachusetts General Laws, the Office of the State Auditor has conducted a performance audit of certain activities of the Massachusetts Office on Disability (MOD) for the period July 1, 2012 through June 30, 2014. We extended our audit scope to include dates through October 2014 to accommodate our audit test of elements of the Client Services Program because MOD database limitations prevented us from receiving case information for time periods prior to our actual test dates.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Below is a list of our audit objectives, indicating each question we intended our audit to answer; the conclusion we reached regarding each objective; and, if applicable, where each objective is discussed in the audit findings.

Objective	Conclusion
1. Did MOD properly administer its Client Services Program, including monitoring the backlog of cases to be reviewed and resolved?	No; see Findings <u>1</u> and <u>3</u>
2. Did MOD maintain an adequate process for tracking and responding to requests for assistance from the public?	No; see Finding <u>2</u>

The scope of our audit included an assessment of the Client Services Program's oversight of cases, including the backlog of unresolved issues. We also reviewed and evaluated MOD's process for tracking and responding to requests for assistance from the public.

To achieve our audit objectives, we gained an understanding of the internal controls we deemed significant to our audit objectives and evaluated the design and effectiveness of those controls. In addition, we performed the following procedures:

- We randomly selected and tested a series of four separate non-statistical samples, each consisting of 35 out of the 829 closed cases for fiscal years 2013 and 2014, to test four key controls:

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- We tested 35 closed cases to determine whether each client had been contacted within 48 hours after the case was initially assigned to an advocate, in accordance with agency procedures.
 - We tested 35 closed cases to determine whether the case activity had been properly documented and cases had been actively monitored.
 - We tested 35 closed cases to determine whether MOD had complied with Client Services procedures requiring that cases not be open for extended periods of time without contact with the clients.
 - We tested 35 closed cases to determine whether all required procedures had been performed to close cases in accordance with MOD policies.

 - We randomly selected and tested a non-statistical sample of 20 out of 149 open cases to determine whether files were complete and accurate and to evaluate the efficiency of the agency's response to client requests and its ability to resolve cases in accordance with established policies and procedures.
 - We reviewed MOD's strategic plan for 2013–2015 and its annual performance report for 2013¹ to determine whether the Client Services Program's performance goals had been met and whether complete, accurate, and verifiable information on these goals had been reported.
 - We examined all 66 client satisfaction surveys received in response to a follow-up on 829 closed cases to determine whether MOD had complied with established procedures for closed cases and to determine the degree to which clients were satisfied with MOD advocacy services.
 - To assess the reliability of the data elements needed to achieve our audit objectives, we gained an understanding of access-security controls by interviewing selected MOD staff members and reviewing the requirements of the Massachusetts Office of Information Technology's Enterprise Access Control Security Standards. Our test of access-security controls over the case-management system included a review of user accounts for all MOD employees authorized to access database files. To determine whether access to the case-management system was adequately maintained to ensure that only authorized users could access information, we compared the authorized user list provided by MOD to a current organization chart. In addition, we reviewed password-security controls, such as requirements regarding activation and deactivation, password length and composition, and the frequency of password changes.
 - To assess the reliability of electronic data, we reviewed available documentation and interviewed MOD officials responsible for compiling the data to determine the completeness of the data, and we performed a data-reliability assessment of MOD's Omega database. We found system access control deficiencies, database limitations, and instances of inaccurate information, which we have documented in this report.

1. At the time of our audit, the 2014 report had not been completed, so our review was limited to MOD's 2013 performance report.

We used non-statistical random sampling approaches, as discussed above, to achieve our audit objectives. When a non-statistical judgmental or random approach is used, the results cannot be projected to the entire population, but apply only to the items selected.

DETAILED AUDIT FINDINGS WITH AUDITEE'S RESPONSE

1. Deficiencies in the Massachusetts Office on Disability's case-management process resulted in unreliable data.

The Massachusetts Office on Disability (MOD) did not have adequate controls to ensure that its case files and case-management database information were properly maintained. As a result, some information in the system was incorrect, unsupported, or unavailable.

A lack of current and complete information can inhibit MOD's ability to effectively track and monitor cases and ensure that they are maintained and ultimately closed in accordance with MOD policies. We found several problems with MOD's case-management process:

- The electronic system that MOD uses to maintain its case-management records has significant limitations. Specifically, MOD could not use this system to produce a list of all the cases that were opened and closed during the audit period. In addition, in its calendar year 2013 performance report,² regarding the number of client interactions that had been resolved, MOD stated, "Due to the technological limitations of our client-management software, we are not able to track this information."
- MOD does not properly maintain information about the number of open cases in its case-management database. Specifically, our test of open cases revealed that, as of September 23, 2014, MOD had a backlog of 264 cases, but as of October 27, 2014—just one month later—this number had decreased by 115 (44%) to 149. We brought this matter to the attention of MOD officials, who acknowledged that employees had not been properly closing cases in the case-management system when they should have been closed or reviewing open cases monthly to ensure that they were still active and current.
- Our examination of 20 of the 149 cases that were open as of October 27, 2014 revealed that eight cases (40%) had not been promptly followed up on or documented. Specifically, we identified 4 case files that showed no client contact for more than a month; 2 cases that were reported as resolved in the case-management database even though case notes indicated that the advocate was waiting for additional information from the client; and 2 cases that should have been closed in keeping with MOD's policies and procedures because the clients had not responded to three or more requests for information, but had remained open with no documented justification.
- In early 2013, MOD suspended its requirement that employees maintain a list of closed cases, and as of the end of our audit fieldwork, MOD still had not reinstated this requirement.

2. This report was developed pursuant to Executive Order 540, which calls on state executive departments to develop and publish strategic reports. MOD's performance report describes progress toward the goals set out in its 2013–2015 strategic plan.

Authoritative Guidance

In order to perform proper monitoring, MOD must be able to produce lists of relevant data, such as the numbers of cases opened and closed.

In addition, MOD's Client Service Procedures give the following instructions to employees assigned to advocacy cases:

All open cases should be consistently progressing toward resolution/closure. With this in mind, you should frequently review your last case notes on your open cases and ensure that there is ongoing activity. If not, you should take steps to resume activity. This could include following up with a client, an opposing agency, or a decision maker.

At the end of each month, you must review all of your open cases to ensure that cases are active and that notes are current.

In the case of an unresponsive client, advocates must make three attempts to communicate with client and inquire as to whether they are still interested in pursuing the matter. The last attempt should be in the form of a letter documenting the status of the case to date and a ten day notice that the case will be closed without contact.

You are responsible for maintaining an ongoing list of your closed cases in a Microsoft Word document titled "Outcomes."

In order to track their cases properly, MOD employees must maintain a closed-case list to monitor, search, and verify closed cases and reconcile them with the information in MOD's database to ensure that the database information is accurate.

Reasons for Noncompliance

MOD did not have in place sufficient internal controls, such as supervisory oversight, to ensure that advocates consistently followed established policies and procedures for updating case information.

MOD had rescinded the requirement that its staff maintain a list of closed cases in Word because it was in the process of implementing a new case-management system; MOD believed maintaining the separate list would place an unnecessary burden on staff. MOD personnel informed us that because of limitations in the current Omega database, they could not give us a list of open and closed cases.

Recommendation

MOD should establish the controls necessary to ensure that its case-management information is up to date, actively monitored, and maintained in accordance with prescribed procedures.

Auditee's Response

The Massachusetts Office on Disability is endeavoring to have a case management process that is as reliable as possible. As a result and per the draft audit report's recommendation, MOD's Staff Attorney and Assistant Director of Client Services are in the process of drafting revised agency policies and procedures given that the current iteration of the "Client Services Procedures" sets timelines, processes and safeguards that are not workable. The revised policies and procedures will ensure that case-management information continues to be actively monitored, and properly maintained. Such revised policies and procedures will better address management challenges present in Client Services. As well, MOD is in the process of training its staff to use the newly established case-management system database. The new database, which will replace the Omega (old) database as of July 1, 2015 is accessible with assistive technology, capable of creating reports in response to inquiries similar to those posed during the audit, and can search by keyword making manual reporting unnecessary. Also, the new database will allow MOD staff to better update information and actively monitor, work on, and close cases in an orderly fashion.

At the time of the auditor's inquiry, it is true that MOD employees that use assistive technology, and keep their notes individually, were overdue in transferring them. This fact mostly accounted for the drastic reduction in open cases from the first inquiry to the second. This does not indicate, however, that the cases were handled improperly on behalf of the clients with whom they worked or that the issue was not resolved. It only indicates that the information was not copied into the database in a timely way. MOD strives to transfer the information promptly so the database is current, however, without any clerical support staff, this remains a challenge. Despite what number the database shows for open cases, both individual Advocates and management are well aware of case activity in the unit. This is true even though the nature of the work that Client Services performs involves gray area that is difficult to measure and quantify. Each case requires a separate analysis based upon the individual facts, the applicable law/rule, and the needs of the client. These factors vary from case to case and dictate the method of advocacy the Advocates select as well as the timeline in which the activity must be performed. Clearly some circumstances require more immediate action than others and Advocates must constantly prioritize activities in light of their caseloads and intake duties. To ensure proper case-management, there is a scheduled unit meeting twice a week at which time open cases are discussed, and staff meets informally throughout the week to discuss details of cases that need attention in between unit meetings.

Additionally, it is important to note that one of the staff members present during the time-period of the audit had been non-compliant with unit procedures including entering case notes in a timely manner and this accounted for some of the original number. MOD was aware of the problem and actually took the first step in disciplining this individual in June of 2014 prior to knowledge of the upcoming audit. The disciplinary process continued throughout the audit review period into March of 2015. This individual is no longer employed at MOD.

Auditor's Reply

Based on its response, we believe that MOD is taking appropriate measures to address our concerns in this area.

2. MOD cannot substantiate performance measures reported for 2013 for its Client Services Program.

MOD did not provide us with documentation to show that the performance information it disclosed in its 2013 annual performance report to the Executive Office for Administration and Finance was accurate, complete, and verifiable. We analyzed all five of the performance measures in MOD's calendar year 2013 performance report that related to its Client Services Program and attempted to verify the reported information by examining various agency records and printouts of data in MOD's Omega case-management system. However, because MOD had not set up systems with the necessary information and communication controls to track this information effectively, it could not substantiate the reported information and may not have accurately represented its performance for these five performance measures.

MOD may not be capturing essential information to measure this program's performance. For example, one of the measures reported by MOD was the percentage of positive evaluations that it received from its advocacy clients. In its performance report for 2013, MOD indicated that 95% of the evaluations it received from its clients were positive. However, although its "Client Services Procedures" require a client-satisfaction survey to be sent when cases are resolved, the Client Services Program was not tracking the surveys sent and could not provide a list of all the surveys it had distributed to substantiate that all closed cases were surveyed as prescribed by management. From our review of agency records, we determined that of the 829 cases closed during our audit period and due a client-satisfaction survey, MOD received surveys from the clients in 66 (8%). This small percentage may not represent the true client satisfaction of the program as a whole.

Authoritative Guidance

Executive Order 540, "Improving the Performance of State Government by Implementing a Comprehensive Strategic Planning and Performance Management Framework in the Executive Departments," states,

Strategic plans shall include outcome measures that relate to their program goals. These outcome measures should enable the Secretariat to measure progress in achieving their goals and must be prepared so they can be reported publicly as per this Order.

Each performance report should detail progress in implementing the Secretariat's strategic plan and describe performance against the outcome measures in the strategic plan. Supporting analysis setting out why better outcomes are being achieved or why they have not been achieved and what actions may be taken to improve performance should be included where appropriate.

Reasons for Noncompliance

MOD did not establish the necessary processes and other controls to identify, collect, and retain information to support the Client Services Program's objectives and performance measures.

Recommendation

MOD should establish the processes and controls necessary to identify information needed to measure and document the Client Services Program objectives and performance measures detailed in its annual performance report.

Auditee's Response

Client Services data collected for the annual performance report was tabulated manually by an MOD employee using the Omega database. The manual process was necessary due to the lack of functionality of the Omega database. The new database will be able to generate this report automatically and document whether or not a survey has been sent out. This, and the revised policies and procedures (discussed above) should significantly increase MOD's ability to substantiate, capture and tabulate essential information and track performance measures.

Auditor's Reply

Based on its response, we believe that MOD is taking appropriate measures to address the concerns we identified.

3. MOD did not have sufficient security controls over its case-management system.

MOD's access-security controls over its mission-critical Omega case-management system did not ensure that only authorized users had access to information in the database. In addition, the system's password-security controls did not comply with the Massachusetts Office of Information Technology (MassIT) Enterprise Access Control Policy. If MOD does not promptly terminate access privileges on user

accounts and ensure that minimum password-security controls are in place, the database is at risk of unauthorized access, alterations, or deletion of critical and personal information.

Our tests of authorized users of MOD's Omega case-management system indicated that there were active user IDs and passwords for individuals no longer employed by MOD. Specifically, we compared an authorized-user list to a current organization chart, dated March 20, 2014. We found that 10 (50%) of MOD's 20 active user accounts belonged to individuals no longer employed by the agency. We also found that two employees in the Client Services Program were using the accounts of former employees. Further, MOD was not performing required regular reviews of user access privileges to ensure that the level of access granted was appropriate to specific job functions and that only current, authorized employees had access to the case-management system.

As required by Executive Order 504, MOD had submitted its information security plan (ISP) to MassIT and obtained its approval. The ISP included controls to address the unauthorized-user issue; for instance, in the ISP, MOD indicated that it "[reviewed] user's access rights at regular intervals using a formal process." However, this practice did not appear to be in place.

In addition, MOD's password-security controls did not adhere to MassIT's policy that passwords be at least eight characters long. Further, even though MOD's ISP indicated that users were "required to follow good security practices in the selection and use of passwords," MOD did not have policies specifically detailing what "good security practices" entailed.

Authoritative Guidance

MassIT's Enterprise Access Control Security Standards require the following:

Regular review of users' access rights, after any change to access rights as a result of a change in employment status or duties, and more frequent reviews for special privileged access rights. . . .

Strong password complexity, commensurate with the level of sensitivity of the systems to be accessed, on devices that support it, with a minimum of eight alphabetical characters in length. . . .

User activity must be regularly logged and audited by the application owner on an ongoing basis for abuses, incorrect role assignments, and other unexpected activity.

Reasons for Inadequate Controls

MOD officials indicated that they could not implement the necessary changes to the department's case-management system to conform to MassIT's Enterprise Access Control Security Standards because of the age of the database and because the system lacked the essential functionality to incorporate basic security measures. According to MOD officials, software limitations prevented them from deactivating access privileges for former employees because doing so would cause related case files to be deleted. Despite these limitations, MOD did not have policies prohibiting current employees from sharing passwords or policies requiring security practices such as periodic review of access privileges.

Recommendations

1. Based on its comments, MOD should pursue the possibility of obtaining a new case-management system to replace its existing, ineffective database.
2. Once an implementation date has been established, management should seek guidance from MassIT on ensuring that necessary access-security controls are in place and are consistent with established MassIT policies and standards. At a minimum, the controls should include periodic reviews of user access privileges; deactivation of access privileges for terminated users; and passwords of at least eight characters.
3. Until a new system is in place, MOD should establish policies for access security that could include, for instance, periodically reviewing access privileges, refraining from sharing passwords, and providing employees with appropriate training on what are considered "good security practices."

Auditee's Response

MOD agrees with the recommendations that it should establish policies for access security; such policies and procedures will be addressed in the updated policies and procedures discussed above. Note, however, that although current MOD employees used profiles in the Omega database that include former employee's identifying initials, at no time did any former employees have access privileges on user accounts subsequent to their separation from the agency. The new database will require a login password for each user. Also, MOD plans to work—as it must given their technical expertise and control of information technology resources—in consultation with MassIT to address password length and will address good security practices in the forthcoming employee handbook, and periodically during Client Services unit meetings.

Auditor's Reply

Based on its response, we believe that MOD is taking appropriate measures to address our concerns in this area.