



New Jersey Legislature
★ *Office of* LEGISLATIVE SERVICES ★
OFFICE OF THE STATE AUDITOR

Department of Community Affairs
Disaster Relief - Superstorm Sandy
Selected Contracts

July 1, 2016 through August 31, 2020

David J. Kaschak
State Auditor

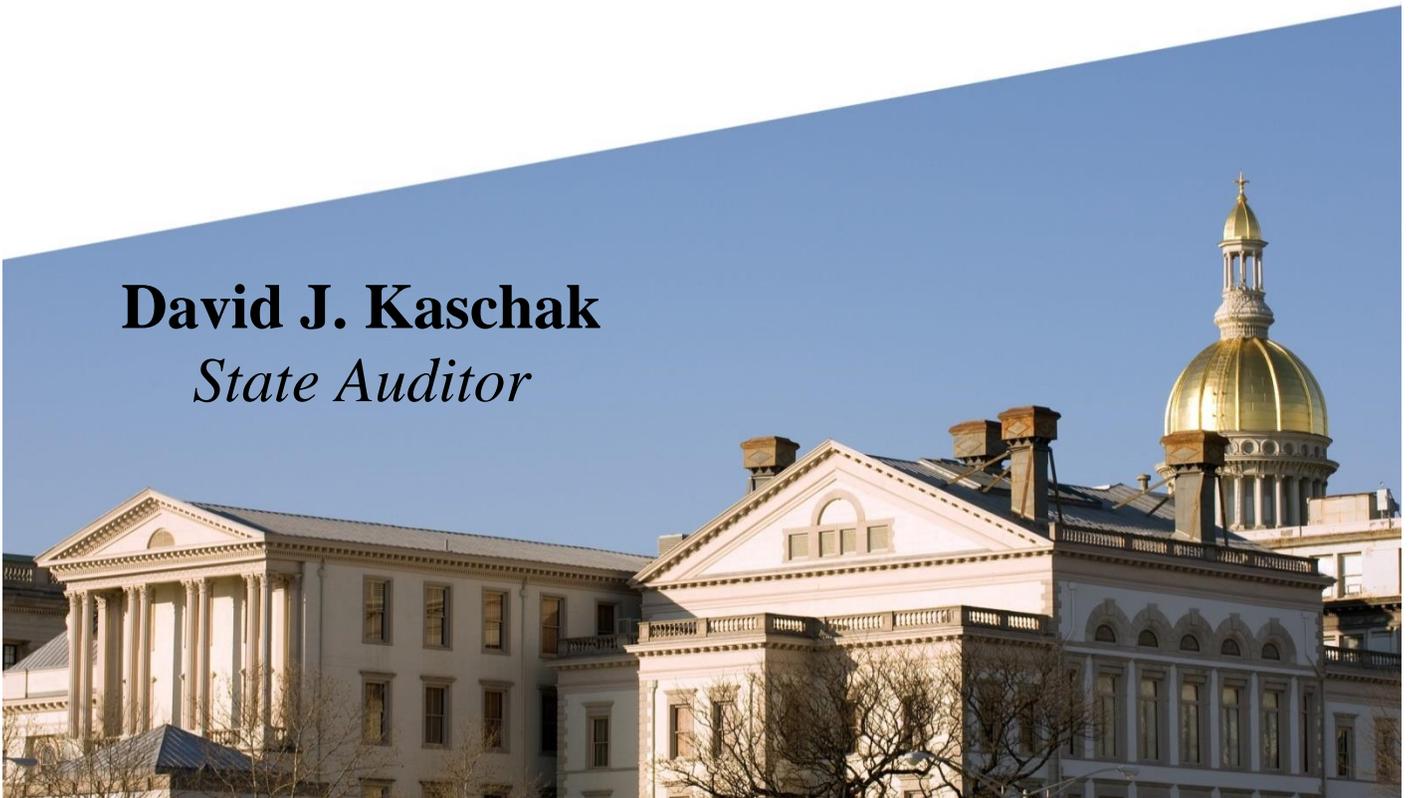


Table of Contents

Scope.....	1
Objectives	1
Methodology.....	1
Conclusions.....	2
Background.....	2
Findings and Recommendations	
Construction Management.....	4
Quarterly Quality Check Reports.....	8
User Access.....	9
Auditee Response.....	10

Scope

We have completed an audit of the Department of Community Affairs (department or DCA), Disaster Relief – Superstorm Sandy, Selected Contracts, for the period July 1, 2016 to August 31, 2020. Our audit included a review of contracts providing maintenance of the state-owned Sandy Integrated Recovery Operations and Management System (SIROMS); project management services in order to implement the Community Development Block Grant Disaster Recovery (CDBG-DR) programs, including tasks related to program implementation and staff augmentation; and project management services for the state’s Reconstruction, Rehabilitation, Elevation, and Mitigation (RREM) Program and the Low-to-Moderate Income (LMI) Homeowners Rebuilding Program. Our audit included financial activities accounted for as federal funds in the state’s General Fund. Annual contract expenditures within in our scope averaged \$21.7 million during fiscal years 2017 through 2020. We also evaluated select general controls related to SIROMS.

The department’s Sandy Recovery Division (division) manages the majority of federal funds being used to assist the state in recovering from Superstorm Sandy. These funds are received from the CDBG-DR programs of the United States Department of Housing and Urban Development (HUD). The division’s mission is to efficiently and effectively address the long-term needs of New Jersey’s Sandy-impacted residents and communities through programs designed to help homeowners, tenants, landlords, developers, and local governments. In February 2021, the division changed its name to the Division of Disaster Recovery and Mitigation.

Objectives

The objectives of our audit were to determine whether financial transactions were reasonable, were properly recorded in the accounting systems, and were paid in accordance with contract requirements. An additional objective was to determine if monitoring controls were implemented in accordance with the contract. Our final objective was to determine the adequacy of select general controls for the SIROMS, including policies and procedures to manage and maintain the system, user logical access, and recovery methods to enable system continuity.

This audit was conducted pursuant to the State Auditor's responsibilities as set forth in Article VII, Section I, Paragraph 6 of the State Constitution and Title 52 of the New Jersey Statutes.

Methodology

Our audit was conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. 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.

In preparation for our testing, we studied federal and state regulations, policies of the department, and applicable Superstorm Sandy contracts. Provisions we considered significant were documented, and compliance with those requirements was verified by interview, observation, and through our testing of transactions. We also reviewed financial trends and interviewed department personnel to obtain an understanding of the programs and the internal controls.

A nonstatistical sampling approach was used. Our samples of transactions were designed to provide conclusions on our audit objectives, as well as internal controls and compliance. Sample populations were sorted, and transactions were judgmentally and randomly selected for testing.

We assessed the reliability of the data by performing electronic testing, reviewing existing information about the data and the system that produced them, and interviewing agency officials knowledgeable about the data. We determined that the data were sufficiently reliable for the purposes of this report.

Conclusions

We found that financial transactions included in our testing were reasonable, were properly recorded in the accounting systems, and were paid in compliance with contract requirements; however, we identified weaknesses in the department's procedures to ensure monitoring controls were implemented in accordance with the contract. These weaknesses were related to monitoring construction management and the completion of quarterly quality check reports. We also found select general controls over SIROMS were adequate. In making this determination, we noted an internal control weakness and a matter of compliance with a state policy related to user system access.

Background

On October 27, 2012, the governor signed Executive Order No. 104 declaring a State of Emergency in New Jersey related to the impact of Superstorm Sandy. It was estimated that the storm caused approximately \$30 billion in damages to the state. On October 30, 2012, the President of the United States declared a major disaster for New Jersey, thereby qualifying the state for federal disaster assistance funds. Approximately \$4.2 billion in federal CDBG-DR funding was awarded to the state to assist in its recovery from Superstorm Sandy. Those funds are intended to address needs not satisfied by private insurance, the Federal Emergency Management Agency, the United States Small Business Administration, or other sources. Using CDBG-DR funds, the state continues to administer various programs to help homeowners, renters, businesses, and communities impacted by the storm.

The Governor's Office designated DCA as the lead agency for use of the CDBG-DR funds. As the lead agency, the department was tasked with formulating and implementing the CDBG-DR Action Plan. The plan describes the state's methodology for spending the CDBG-DR funds and was approved by HUD on April 29, 2013. There are currently 39 amendments to the plan, all of which have been approved by HUD.

Contract expenditures included in our scope are presented in the following summary (in millions):

Contractor	FY 2017	FY 2018	FY 2019	FY 2020	Total
Vendor A	\$ 14.23	\$ 14.04	\$ 13.26	\$ 10.93	\$ 52.46
Vendor B	8.13	5.31	4.18	2.92	20.54
Vendor C	-	0.95	8.11	4.68	13.74
Total	\$ 22.36	\$ 20.30	\$ 25.55	\$ 18.53	\$ 86.74

Vendor A

The department entered into a contract with Vendor A on May 24, 2013 to operate and manage SIROMS, a software program wholly owned by the state which allows quick deployment of the CDBG-DR program to assist New Jersey residents impacted by Superstorm Sandy. The software suite includes the ability to provide detailed tracking of housing grantees across all phases of the program, establish program allocations, monitor contract progress, maintain pertinent documents, and obtain approvals on contract changes. Additionally, the software interfaces with the state accounting system to ensure accurate and timely payments. A second contract was entered into with the vendor for the period November 25, 2018 through November 24, 2021.

Vendor B

The department entered into a contract with Vendor B on May 25, 2013 to provide project management services in order to implement CDBG-DR programs, including tasks related to program implementation and staff augmentation in accordance with the CDBG-DR Action Plan submitted to HUD. Tasks the vendor is responsible for include the implementation of the HUD-approved Action Plan, creation and implementation of project management measures for task prioritization, community outreach, oversight of housing recovery strategies, HUD interactions, and providing staff augmentation services in the Housing Recovery Centers. The contract has been extended to May 24, 2022.

Vendor C

The department entered into a contract with Vendor C on October 17, 2017 to provide project management services for the state's RREM and LMI programs. The contract spanned through October 16, 2019 and is currently in its second of three possible one-year extension periods.

The RREM program provides grant awards to the owners of storm-damaged primary residences to restore their homes, including reconstruction, rehabilitation, elevation, and/or other mitigation activities. The RREM program is intended to fill the gap between the cost of repairs and other funds the owner has received to repair the structure. The LMI program is designed to provide reconstruction, rehabilitation, and elevation assistance to homeowners with low-to-moderate income who were impacted by Superstorm Sandy. These programs provide individual grant awards up to \$150,000.

Construction Management

The monitoring of construction management contract requirements needs to be enhanced.

As of August 28, 2020, 1,835 applications were assigned to Vendor C (vendor), and 895 were submitted for closeout. The contract requires the vendor to provide applicants with construction-related assistance and guidance throughout the construction process and ensure all core services comply with program policies and procedures, as well as federal and state regulations and requirements. Our review disclosed the following internal control weaknesses related to the monitoring of contract requirements.

Workflow Plans

The workflow plan is the detailed plan developed by the vendor that documents the individual steps required to complete the project through the performance of the final closeout. The workflow plan provides applicants with the information they need to track and report progress to the vendor. It is used to supplement the program payment process. The intent of the workflow plan is to provide a tool to ensure construction projects are completed within program guidelines and eligibility regulations. The contract requires the vendor's project managers to develop detailed workflow plans and submit them to the department for review and approval within 15 calendar days of meeting the applicant and builder. According to a vendor-prepared monthly report dated August 28, 2020, the vendor submitted 1,693 workflow plans of which 1,332 (79 percent) were submitted late. As of February 7, 2020, there were 1,496 vendor assigned applications that were either active or closed. We randomly selected 25 workflow plans and reviewed each applicant's file in SIROMS. We noted 23 of the 25 workflow plans were completed by the vendor after the 15 calendar day threshold, ranging from 19 to 139 calendar days after the initial meeting with the applicant and builder. Of the 23 exceptions, 16 were related to the initial workflow plans completed by the vendor. These exceptions ranged from 19 to 67 calendar days after the initial meeting with the applicant and builder. According to division management, if revisions were completed by the vendor the original workflow plans were deleted in SIROMS. As a result, we were unable to determine the original workflow plan completion dates for the remaining seven exceptions. All workflow plans have been completed by the vendor as of the audit report date.

Site Inspections

The contract requires the vendor to conduct site inspections every 45 days after commencement of construction and/or after the applicant submits a funds request to ensure construction progress is continual. In addition, a department-approved site inspection form should be completed as necessary. Site inspection forms include the name and signature of inspector, date of inspection, estimated percentage completed, milestones met, observations, and photographs of construction progress and provide evidence that the inspection was completed.

As of February 7, 2020, there were 1,496 vendor-assigned applications that were either active or closed. Every applicant interaction is required to be documented in SIROMS. We randomly sampled 25 active or closed applications and noted 57 of 263 site inspections documented in SIROMS (22 percent) exceeded the 45-day threshold, ranging from 1 to 179 days late. Additionally, the site inspection form was not documented for 107 of the 263 site inspections (41 percent) conducted.

The contract also requires the vendor to complete a department-approved Operational Plan. The vendor's Operational Plan states "the Project Manager shall update the workflow plan and maintain current status of all milestones and document deliverables over the course of the project. The updates shall be provided to, and reviewed with the applicant at each progress meeting." Workflow plans include a schedule indicating the major milestones an applicant must reach to complete their project and the sequence of activities. Division management indicated the workflow plan is not updated as work progresses because the vendor cannot compel contractors to provide updated dates on their construction progress. As a result, the vendor utilizes the 45-day site inspections to detail construction progress to the division.

As of February 7, 2020, the vendor had closed 807 applications. Workflow plan schedules for 338 of these applications were not required because the Certificate of Occupancy was pending or on file, or the closeout process was already started before the transfer of the application to the vendor. We analyzed the remaining 469 closed applications to determine the difference between the estimated final inspection date per the final workflow plan and the actual date the applicant passed final inspection. We noted 423 of 469 actual final inspections, ranging from 4 to 437 business days, occurred after the estimated final inspection date in the workflow plan. The results of this analysis were as follows.

Business Day Range	Count	Percent
Before Workflow Date	46	9.8%
0 - 50	78	16.6%
51 - 100	105	22.4%
101 - 150	84	17.9%
151 - 200	52	11.1%
201+	104	22.2%
Total	469	100.0%

Since the vendor is unable to update workflow plans, site inspections are utilized as a compensating control to monitor construction progress. Based on our testing, site inspections were not always performed every 45 days as contractually required, and site inspection forms detailing construction progress were not always documented. Following contract requirements would ensure adequate construction progress is being performed for an applicant, and potential contractor issues are resolved in a timely manner.

Final Inspections

Final inspections are performed to determine whether the applicant's scope of work has been completed in accordance with the program's construction and environmental standards. Once the final inspection is completed, the applicant's file is to be reviewed by the division and its Office of Compliance and Monitoring in anticipation of file closeout. After these reviews are completed, the division is to begin the process of releasing the declaration of covenants and restrictions on the applicant's property.

The contract requires the final inspection be conducted within 15 calendar days after the applicant has submitted all required documentation to the vendor. The contract further states that once the Certificate of Occupancy (CO) is obtained, the project manager shall conduct a final inspection to ensure conformity with program requirements and achieve final closeout. According to division management, procedures as outlined in the contract are not necessarily what occurs in practice. They indicated that the vendor will perform final inspections subsequent to the 15 calendar day period after the CO has been submitted. For example, if the CO has been received from the applicant and the scope of work has not been completed, the vendor will delay performing the final inspection.

As of February 7, 2020, the vendor had closed 807 applications. We randomly sampled 50 closed applications to determine the length of time between final inspections and the receipt of the CO. We found the final inspection was not completed within 15 calendar days for 39 applications (78 percent). Five of the exceptions occurred because the final inspections were performed prior to receipt of the CO, and exceptions ranged from 42 calendar days before to 609 calendar days after the receipt of the CO. While there may be reasons for some of these delays between the receipt of the CO and the final inspections, there are no means for the division to determine if final inspections were performed timely.

The contract allows the state to assess liquidated damages of \$350 per week per occurrence for failure to conduct the final inspection within 15 calendar days of an applicant submitting all required documentation to the vendor. Since final inspection procedures outlined in the contract are not necessarily what occurs in practice, it would be difficult for the division to estimate and assess liquidated damages using any two specific date data points.

Applicant Fund Requests

Fund requests include reimbursements, construction advances, construction draws, design services, and retainage to be paid to the applicant upon approval. Per the contract, the vendor is required to review and submit applicant fund requests to the department within 10 business days of receipt for approval. If the applicant's fund request contains inadequate supporting documentation, the vendor shall reject the fund request and provide the applicant a detailed explanation of the rejection within 10 business days.

As of August 28, 2020, the department approved 1,289 applicant fund requests submitted by the vendor totaling \$24.4 million in homeowner payments. We randomly sampled 40 payments

representing construction advances, construction draws, and design services between March 1, 2018 and May 20, 2020. We noted 8 of 40 payment requests (20 percent) were approved or rejected by the vendor after the 10 business day threshold required by the contract. Exceptions ranged from 13 to 74 business days. Following contract requirements would ensure applicants are reimbursed for incurred construction expenses in a timely manner.

Contractor Validation

Per the contract, the vendor is required to conduct a validation of the applicant-selected contractor(s) within five business days of notification. The validation should include documentation that the applicant's contractor has all required state registrations and licenses, as well as documentation confirming the contractor is not debarred by HUD or the State of New Jersey. Documentation should be uploaded to SIROMS within two business days of validation. Contractor Validation and Construction Advance Payment Forms (contractor validation form) serve as a method to provide approval of the contractor by the vendor and detail contractor name, address, and license number, along with the construction advance amount. The vendor is not required to validate the contractor if validation occurred prior to the application being assigned to it. In addition, the vendor is not required to monitor the status of the contractor throughout the construction process. Upon validation approval, the applicant may receive a 50 percent advance payment on their construction award amount.

We randomly selected 25 active or closed vendor applications as of February 7, 2020 to determine compliance with the validation requirements of the contract. Once sampled, it was determined that the applicant was the general contractor for six applications, which were therefore excluded from our test. We reviewed the remaining 19 applications, of which 11 did not require a contractor validation because they were validated prior to assignment to the vendor. Contractor validations were performed for 8 of the 19 applications, with some applications requiring multiple contractor validations. Based on our review, we noted the following:

- Nine of 10 validations performed by the vendor did not include supporting documentation. For example, there were no copies of current licenses or verification the contractor has not been debarred.
- There was documentation of validation checks for three contractors; however, contractor validation forms containing vendor approval were not completed.
- The license for one contractor expired approximately six months prior to the construction closeout and was not renewed. The validation occurred prior to vendor assignment.

Validating documentation ensures that work is being performed by only qualified and licensed professionals.

Recommendation

We recommend the department enhance its monitoring over construction management to ensure contract requirements are properly followed. This includes increased monitoring of site inspections and applicant fund requests. Additionally, site inspection forms should be completed for every site inspection to ensure adequate construction progress, and a methodology should be developed to determine if final inspections are completed timely. We also recommend that contractor validations be performed throughout the construction process to ensure contractor licenses are still active and the contractors have not been debarred. Furthermore, we recommend the department obtain an updated operational plan from the vendor that corresponds with current procedures and consider modifying the contract to accurately reflect the final inspection process.



Quarterly Quality Check Reports

Vendor C did not provide quarterly quality check reports in accordance with the contract.

The contract requires Vendor C (vendor) to conduct quarterly quality checks for all applicant files and provide a written report of the findings to the State Contract Manager. The reports are utilized by the vendor to verify the completeness and accuracy of applicant files. Applications were assigned to the vendor starting in January 2018; however, the first quarterly quality check report was not submitted to the department until February 2020. This report detailed the period January 2018 through December 2019. These reports included reviews of initial meetings with the applicant and contractor, workflow plans, site inspections, and construction payments.

The vendor's policy is to perform weekly random sampling of applicant files to determine if tasks were completed and documented correctly. The department typically does not receive the results of the weekly reviews; however, the department is notified if the vendor needs assistance to correct an error or provide missing documentation. Obtaining quarterly quality check reports in a timely manner would provide the department notification of construction management issues and the ability to take corrective action when necessary.

Recommendation

We recommend the department enforce the provision of the contract requiring timely quarterly quality check reports and continue monitoring these reports to ensure applicant files are complete and contain proper documentation.



User Access

Inactive SIROMS users were not disabled in accordance with state policy.

The SIROMS is a state-owned custom software package that is used to facilitate financial management, grant management, federal reporting, document retention, and various administrative tools to the CDBG-DR program. The New Jersey Office of Homeland Security and Preparedness *Statewide Information Security Manual* (SISM) recommends that inactive user IDs be disabled after 60 days of inactivity to prevent a brute force attack or a continuous process to access agency resources.

We obtained a download of SIROMS users as of February 12, 2020 and noted 56 of 336 users (17 percent) were inactive for more than 60 days. Exceptions ranged from 62 to 2,141 days. According to management, the department's process was to perform investigations of SIROMS user accounts after 90 days of inactivity. Certain users would remain active indefinitely and were reviewed annually. Subsequent to our discussion with department management, their policy was changed to disable user accounts after 60 days of inactivity. We received an updated listing of active SIROMS users as of May 19, 2020 and noted all active users had activity within 60 days.

The SISM was recently updated in February 2021. The user account policy was amended to disable users with 90 days or more of inactivity. Based on current policy, the number of exceptions would have been reduced to 47 of 336 SIROMS users (13 percent) who were inactive for 90 days or more.

Recommendation

We recommend the department continue disabling SIROMS user accounts in accordance with the SISM.





State of New Jersey
DEPARTMENT OF COMMUNITY AFFAIRS
101 SOUTH BROAD STREET
PO Box 800
TRENTON, NJ 08625-0800
(609) 292-6420

PHILIP D. MURPHY
Governor

LT. GOVERNOR SHEILA Y. OLIVER
Commissioner

July 2, 2021

Dear Assistant State Auditor Klingele:

The Department of Community Affairs, Disaster Recovery and Mitigation (“DCA”) is sending this response to the Audit Report issued by the Office of the State Auditor (“Auditor”) titled “Department of Community Affairs Disaster Relief – Superstorm Sandy Selected Contracts, July 1, 2016 through August 31, 2020. DCA appreciates the Auditor’s considerable efforts and thoroughness, and responsiveness during the audit period. DCA is particularly satisfied that the Auditor found no exceptions with the financial transactions between DCA and the three (3) vendors reviewed during this audit. DCA provides the following comments as to the weaknesses cited in the report, which mostly concerned the timeliness of tasks performed by the Vendor rather than the omission of tasks as per contractual obligations.

Workflow Plans

“The contract requires the vendor’s project managers to develop detailed workflow plans and submit them to the department for review and approval within 15 calendar days of meeting the applicant and builder.”

DCA hired Vendor C (“Vendor”) to provide project management services for the Reconstruction, Rehabilitation, Elevation and Mitigation (“RREM”) and Low-to-Moderate Income (“LMI”) housing programs. While the Vendor was tasked with providing workflow plans (“WFPs”) to DCA for review and approval within fifteen (15) days of meeting with the RREM/ LMI applicant and the applicant’s builder, that deadline was frequently missed. As recognized by the Auditor, however, the back-and-forth between the Vendor and DCA was not always captured and when the final WFP was uploaded into SIROMS, the system of record, earlier versions of the WFPs were deleted, so the date of the initial WFP could not always be determined.

Because this contract was the first in which DCA required a WFP, the WFP was, itself, a work-in-process. DCA and the Vendor took a considerable amount of time to finalize a format and process. The conversations and email communications between the Vendor and DCA concerning corrections to the documents for Gantt charts or missing information, for example, were also not captured in SIROMS. During that 15-day period and beyond, the vendor and DCA were addressing the WFPs. The Vendor submitted WFPs that required corrections, but it is also the case that DCA continuously edited the format to produce a more valuable document and therefore contributed to the apparent delays.

All applicants in the housing program have completed the WFP phase at this time.



Site Inspections

“The contract requires the vendor to conduct site inspections every 45 days after commencement of construction and/or after the applicant submits a funds request to ensure construction progress is continual.”

The Auditor found that in twenty-two percent (22%) of its sampling of 263 site inspections, the site inspections exceeded the required 45 days. DCA is confident that the Vendor has diligently implemented its contractual obligation to visit the RREM/LMI properties every 45 days, however, and that many exceptions have been caused by factors outside the control of the Vendor’s Project Managers (“PMs”), such as applicants, themselves. Several factors and conditions can affect the timing of site inspections within the 45-day time frame, especially the difficulty in scheduling site inspections with applicants and especially during the pandemic (the audit scope covered the period July 1, 2016 to August 31, 2020). Certain applicants did not want anyone on their property during the pandemic. In addition, inclement weather has caused delays in scheduling and completing the site inspections on time

The Vendor also identified files where the site inspection was completed, but the PM uploaded the site inspection form (“SIF”) to the Vendor’s internal case management system and did not subsequently transfer the SIF to SIROMS. In other instances, the PM inspected the property and completed the form, but failed to upload it to either HRIQ or SIROMS. DCA notified the vendor about the audit exceptions and the Vendor has transferred the SIFs from its internal system into the files in SIROMS.

In addition, the Vendor instructed its PMs to consider the meetings with homeowners to review the workflow plans or Baseline Site Inspections as 45-day site inspections and SIFs were not recorded for those meetings.

As the State begins to return to normalcy, DCA will more assiduously reinforce the 45-day site inspection requirement.

Final Inspections

“The contract requires the final inspection be conducted within 15 calendar days after the applicant has submitted all required documentation to the vendor. The contract further states that once the Certificate of Occupancy (CO) is obtained, the project manager shall conduct a final inspection to ensure conformity with program requirements and achieve final closeout.”

Once a given municipality issues the CO, applicants must provide other mandatory documents prior to the final inspection. In most cases, the delay in final inspection past the 15-day deadline is the fault of the applicant, not the Vendor. In some cases, more programmatic scope of work needs to be completed before the final inspection, but the municipality has issued a CO because code requirements have been met. In other cases, the reverse is true; the PM conducts the final inspection before the CO is obtained, if the CO is not delayed due to a health or safety issue. Therefore, counting the days from CO to final inspection is not as straightforward as it would appear to be. The 15-day deadline is more ambitious than practical for many files.

Applicant Fund Requests

“Per the contract, the vendor is required to review and submit applicant fund requests to the department within 10 business days of receipt for approval. If the applicant’s fund request

contains inadequate supporting documentation, the vendor shall reject the funds request and provide the applicant a detailed explanation of the rejection within 10 business days.”

The payment process is less straightforward than the analysis would indicate. In most cases the Vendor would not return applicant payment requests if the submission lacked information, but the PMs would contact the applicants to collect the missing information prior to returning the request. The Vendor’s objective was to facilitate the applicant’s ability to process the payments rather than return them as incomplete.

The case notes support this collaborative process with notes indicating that the PM would reach out to the applicant for additional information instead of returning the payment. In some instances, the applicants had difficulty providing the additional, required documentation. The PM would give the applicant ample opportunity to provide the documents, and then submit the completed payment. SIROMS captures the two discreet points in time (date applicant provides funds request to PM and date PM submits to DCA), but not the back-and-forth interaction. In practice, this results-oriented approach has helped facilitate payments to homeowners, so DCA has not vigorously enforced the 10-day deadline.

Contractor Validation

“Per the contract, the vendor is required to conduct a validation of the applicant-selected contractor(s) within five business days of notification. The validation should include documentation that the applicant’s contractor has all required state registrations and licenses, as well as documentation confirming the contractor is not debarred by HUD or the State of New Jersey.”

The Vendor verified the contractors, where appropriate, with respect to the required registrations and licenses, as well as debarment status, upon the Applicant’s selection of builder. While the task was completed, the Vendor failed to upload the proper documentation into SIROMS. The Vendor has assured DCA that the documentation evidencing the verification will be uploaded going forward.

Quarterly Quality Check Reports

“Vendor C did not provide quarterly quality check reports in accordance with the contract.”

The Vendor has continued to provide quarterly quality check reports since February 2020, in addition to the less formal channels of communication between DCA and the Vendor since 2018. As noted by the Auditor, however, the quality checks were performed on a weekly basis by the Vendor internally, as the Vendor continues to do.

User Access

“Inactive SIROMS users were not disabled in accordance with State policy.”

In practice, DCA disabled users of the SIROMS system after 90 days of activity, but as noted by the Auditor, the State policy limited user inactivity to 60 days. Some of the longest inactive users were from agencies that were auditing DCA, however, so DCA kept their SIROMS access open beyond the proscribed period in case there were any inquiries before the agencies completed their reviews.

DCA corrected its policy and practice for consistency with the State policy, although ironically, State policy was amended to 90 days of inactivity in February 2021.

Sincerely,

A handwritten signature in black ink, appearing to read "S. R. Viavattine". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Samuel R. Viavattine
Deputy Commissioner