

# System21 Audit Control and Fraud Prevention

## — Case Study



### **Customer Objective.**

Reduce the “pain” of external audits.

Reduce the risk of changes to “high risk data”.

Increase ownership and visibility of these changes within the “business” - as a daily task.

### **The project.**

Our Customer, wanted to increase visibility plus increase the ownership of key “high risk” data within the business, and decrease the need for IT to provide audit reports and on-going expertise.

They use System21 ERP system for financials; distribution; and production.

We demonstrated the software solution we had implemented at another Customer—where we had helped investigate a £250+k fraud. This software was designed to highlight changes to Supplier details—to the Directors of the company, who wanted to see who was changing what, when, and how. Including any changes made by I.T., not covered by System21 Audit routines. They also wanted a solution that prevented the database being tampered with, so we developed a “real-time” e-mail solution which reports changes via e-mail before the records are written to our separate, secure audit database.

### **Our new Customer had a list of “high risk” data elements, which we have included in this package.**

- Supplier Master x 2; Customer Master; Std Costs; Payroll employee details; PO price changes; Item/Supplier price changes; specific P/L transactions x 3.

- for certain audits, we have included Risk processing, where the number of days—since the last change—is calculated, and different user defined messages can be configured.

- our Mailer software, which is part of this solution, has a standalone menu system, with User authority, and database away from System21—this allows the configuration of “reports” and distribution lists (by library and System21 company).

### **We have also added some more audits/features:-**

- 3rd Party logon/off audit. This software is attached to the IBM i user profile, displaying a data collection screen at signon and signoff— allowing entry of details of what the user intends to do , and anything else they did. Daily audit list of records by date/time.

- System21 User profiles; User options; System21 Role profiles; Role options.

### **Benefits.**

- Auditors report— 1st external audit—

“This I T Impact software has strengthened the monitoring of inappropriate changes being made and is a good detective control to highlight where inappropriate changes are made.”

- Key users are saying that they don't see this as “big brother” as it provides increased visibility of what is actually happening.....

- All companies now know when 3rd party consultants have logged onto their system, when, and why.

- It also highlighted a low level Fraud, which we would have never found without IT Impact, just after implementation..... “so it has paid for itself already”.