Automating PeopleSoft Segregation of Duties: Financials/HCM/Campus Solutions

Lewis Hopkins, Sr. Applications Consultant

November 13, 2014

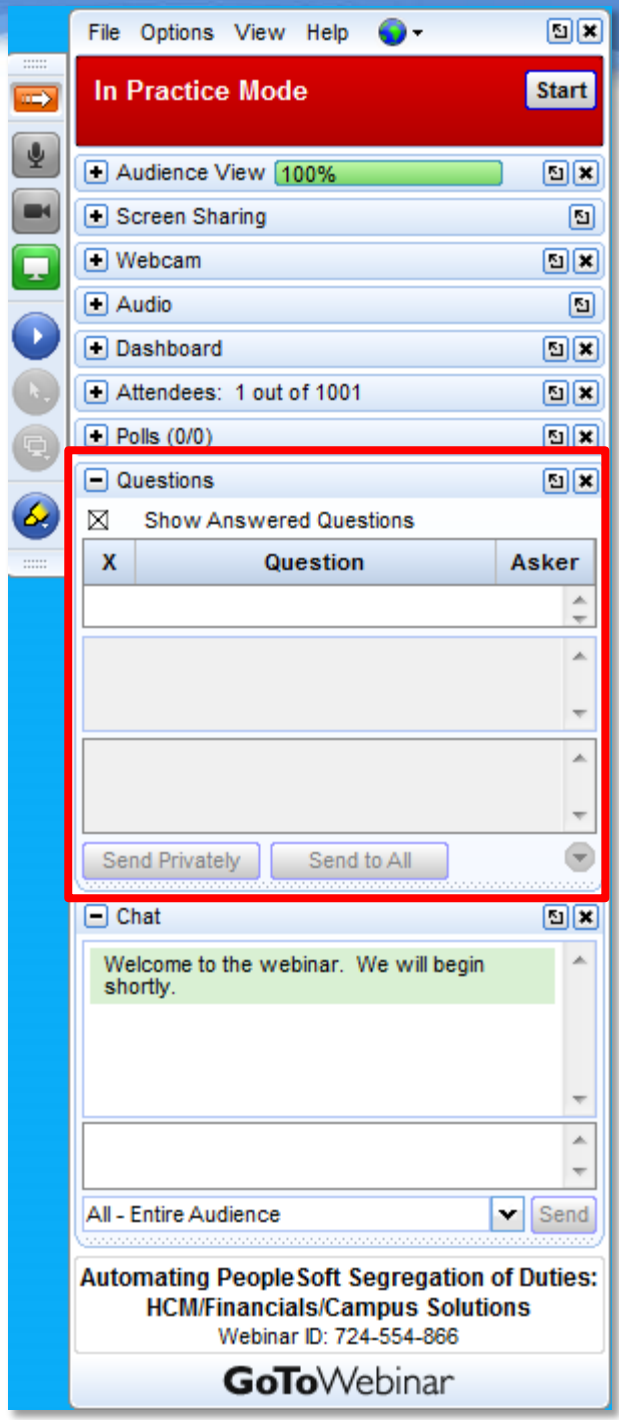
ORACLE Platinum Partner

ORACLE Validated Integration PeopleSoft Enterprise

SMART ERP Solutions™

Reminders

- A recording of today's session will be sent to all registrants shortly after the webinar.
- Phone lines/mics are MUTED.
- There will be a Q & A section at the end of today's session. Please use the GoToWebinar **"Questions"** feature (not the "Chat" feature) from your control panel to post a question at any time during the presentation.



Agenda

- Introductions
- About Smart ERP Solutions, Inc.
- Security and Fraud Challenges
- Auditors
- Smart Segregation of Duties
- Demo
- Q & A / Wrap Up

IS THIS YOUR SoD BEST PRACTICE?

About Smart ERP Solutions, Inc.

SMART ERP Solutions™

About Smart ERP Solutions, Inc.

Human Capital Management | Financials and Supply Chain | Campus Solutions

Innovative Solutions & Services for PeopleSoft
Common – Critical – Complementary

Extend Functionality

- Pre-built, packaged, proven solutions
- Highly configurable – tailor to YOUR needs
- Customer driven requirements
- Affordable
- Integrated with existing PS apps

Improve ROI

- Architected as add-on solutions
- Avoid customizations
- Low-cost
- Minimal risk
- Release independent – no upgrade required
- On Premise solution

Get Faster Results

- Rapid implementation
- Deep PeopleSoft knowledge & experience
- Unique best practices for implementations & upgrades

Leverage Existing Investment

- PeopleSoft data model and existing data
- Current PeopleSoft business rules and processing
- End-user PeopleSoft skills
- Infrastructure and technology

Challenges with Security and Segregation of Duties

SMART ERP Solutions™

Security and Fraud

- US Fraud averages $150,000, 22% exceed $1m
- The average time to finding Fraudulent activity is 18 months

See:
http://www.fraudweek.com/uploadedFiles/Fraudweek/content/documents/cost-of-complacency.pdf

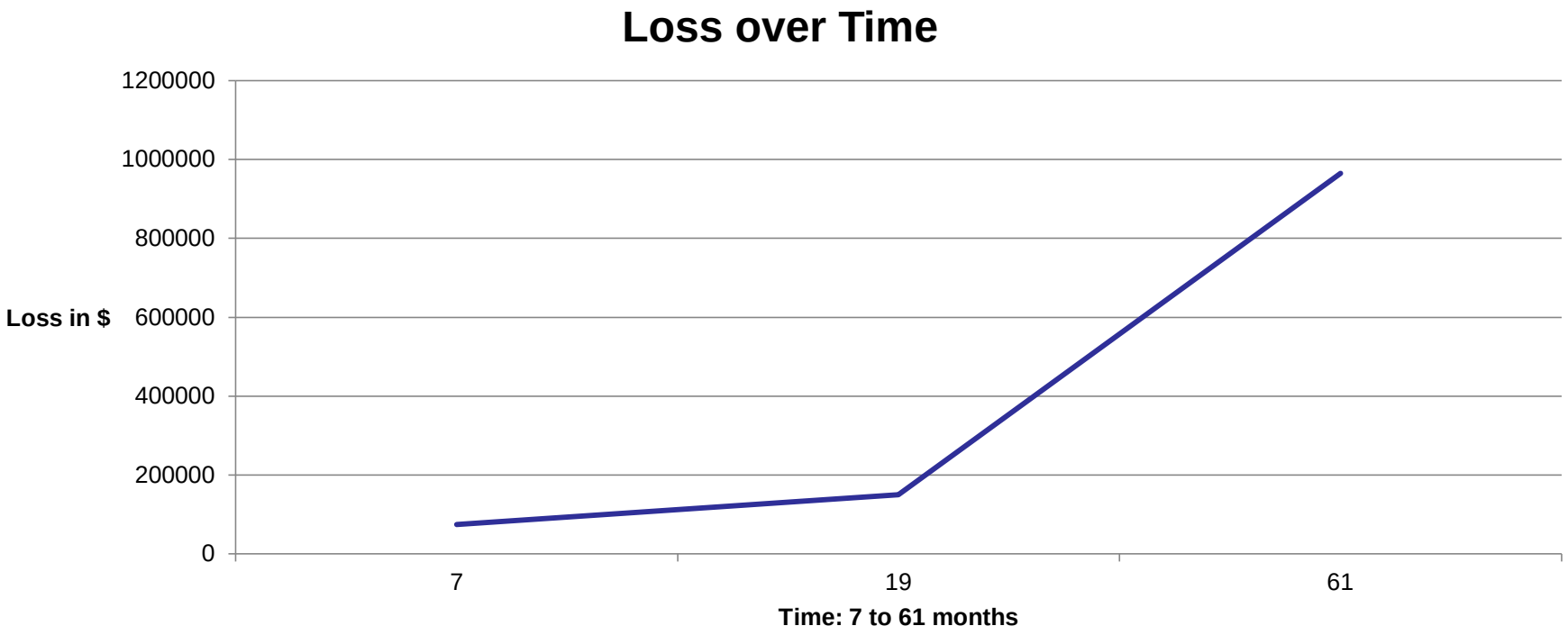
SMART ERP Solutions

The impact of time

$75k loss at <7 months

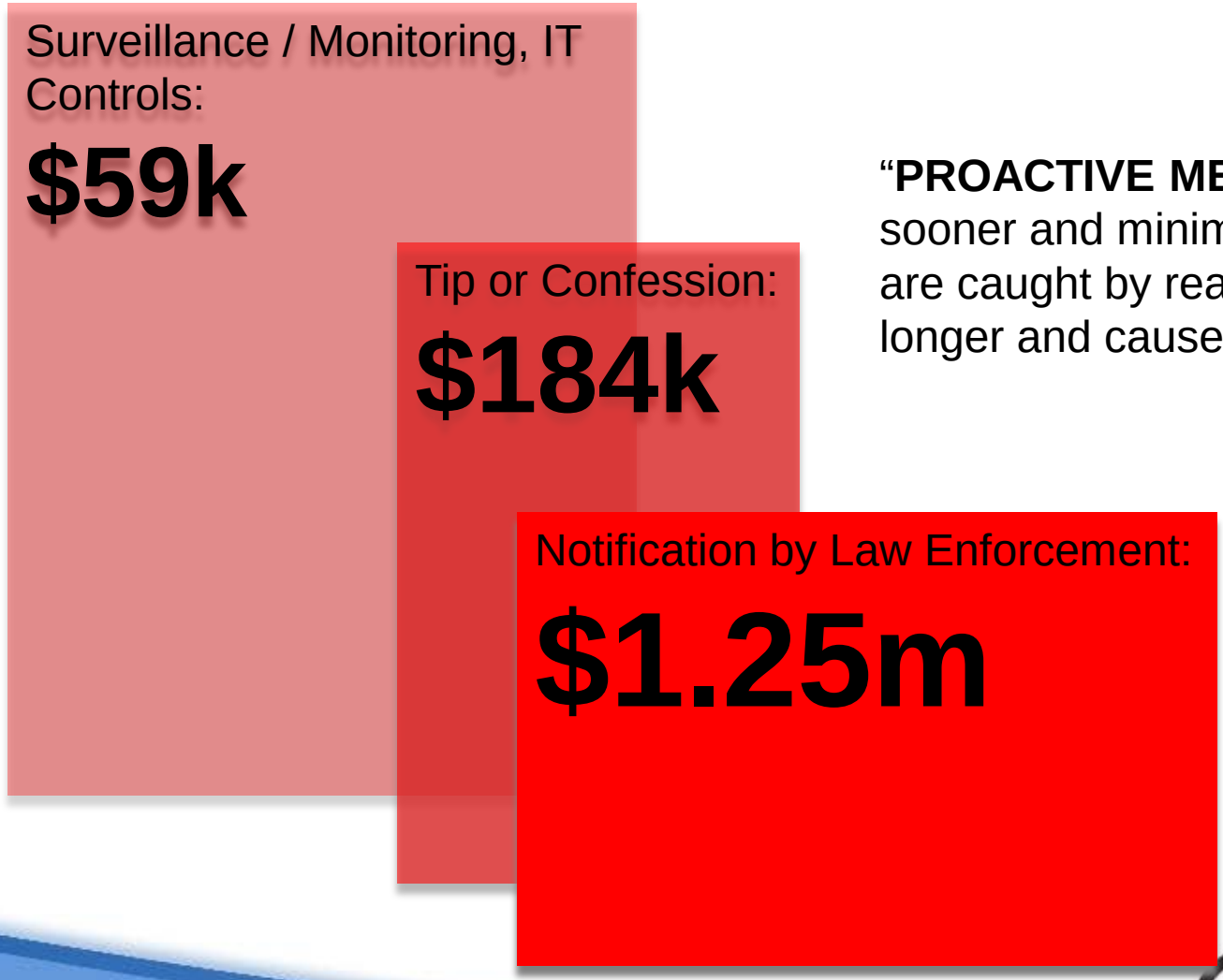
$150k at 19 months

$965k at 61 months +



SMART ERP Solutions

ProActive Vs Reactive Measures



"**PROACTIVE MEASURES catch fraud** sooner and minimize losses. Frauds that are caught by reactive measures last longer and cause more harm."

SMART ERP Solutions

Auditor's Perspectives

- Greater focus on Mobile workers, 28% of breaches were caused by remote workforce
- Less reliability on documentation that can be edited without trace – i.e SpreadSheets
- More Continuous Controls monitoring – audits once a year are not enough
- Greater focus on Internal Audit reporting to Senior Management – identify key Data and Risks associated

SMART ERP Solutions™

Case Studies

Financials: Falsified checks written to an AP Clerk's personal accounts for 4 years totaling $1m, payments covered up. No SoD in place.

Campus Solutions: 'Fake' Courses offered to 3,100 students with little academic work involved. Assistant was able to create the 'fake' courses.

HCM: $84,000 embezzled by HR Employee falsifying Payroll information between late 2012 and early 2014

SMART ERP Solutions

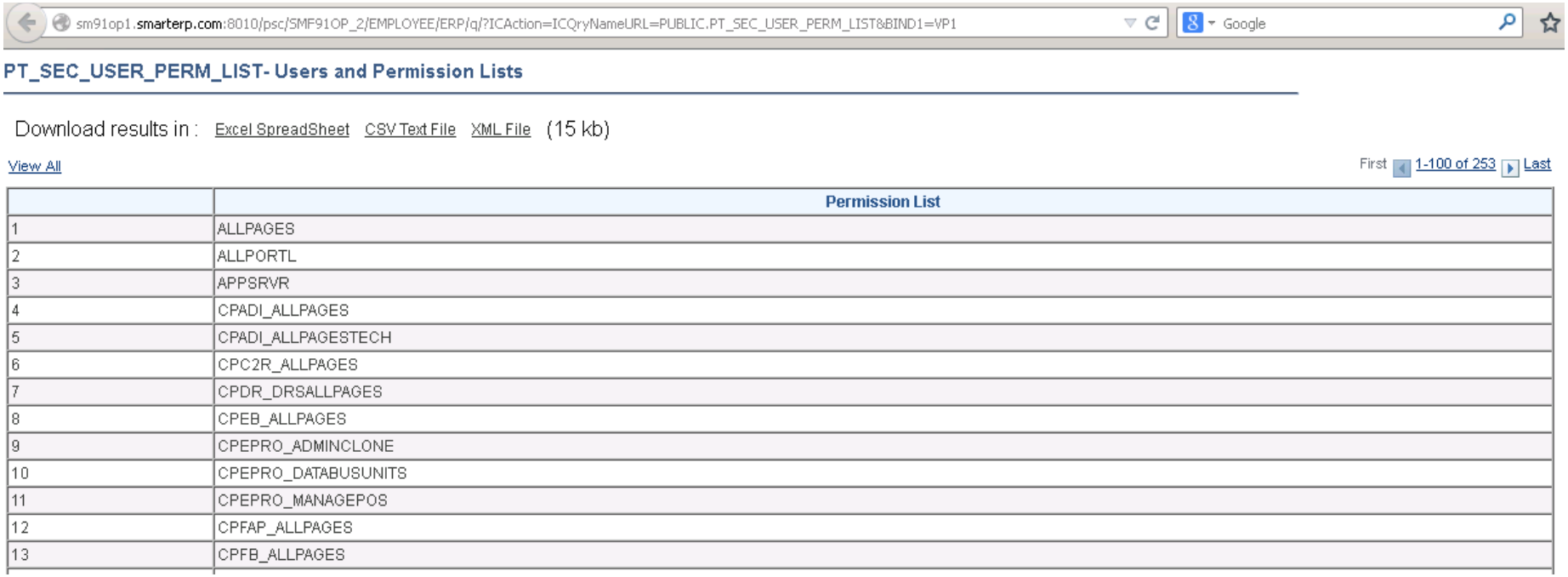
Security Pain Points in PeopleSoft

- SQL the data out and cross reference the information before presenting it in a User friendly way – time and resources?
- How do you make sure you have covered everything and that the data is accurate?
- Results stored in Spreadsheets are prone to be manipulated and in turn may need auditing
- How to deal with false positives? What if Users are Read Only and do not have update authorities
- Once issues have been identified, how can a more proactive approach be taken to avoid them again in the future?
- How to manage exceptions and change?

SMART ERP Solutions™

Example Query from PeopleSoft

Report on Permissions List



	Permission List
1	ALLPAGES
2	ALLPORTL
3	APPSRVR
4	CPADI_ALLPAGES
5	CPADI_ALLPAGESTECH
6	CPC2R_ALLPAGES
7	CPDR_DRSALLPAGES
8	CPEB_ALLPAGES
9	CPEPRO_ADMINCLONE
10	CPEPRO_DATABUSUNITS
11	CPEPRO_MANAGEPOS
12	CPFAP_ALLPAGES
13	CPFB_ALLPAGES

These descriptions can
be meaningless to Non-Technical Users!

SMART ERP Solutions

Smart SoD™ Overview

SMART ERP Solutions™

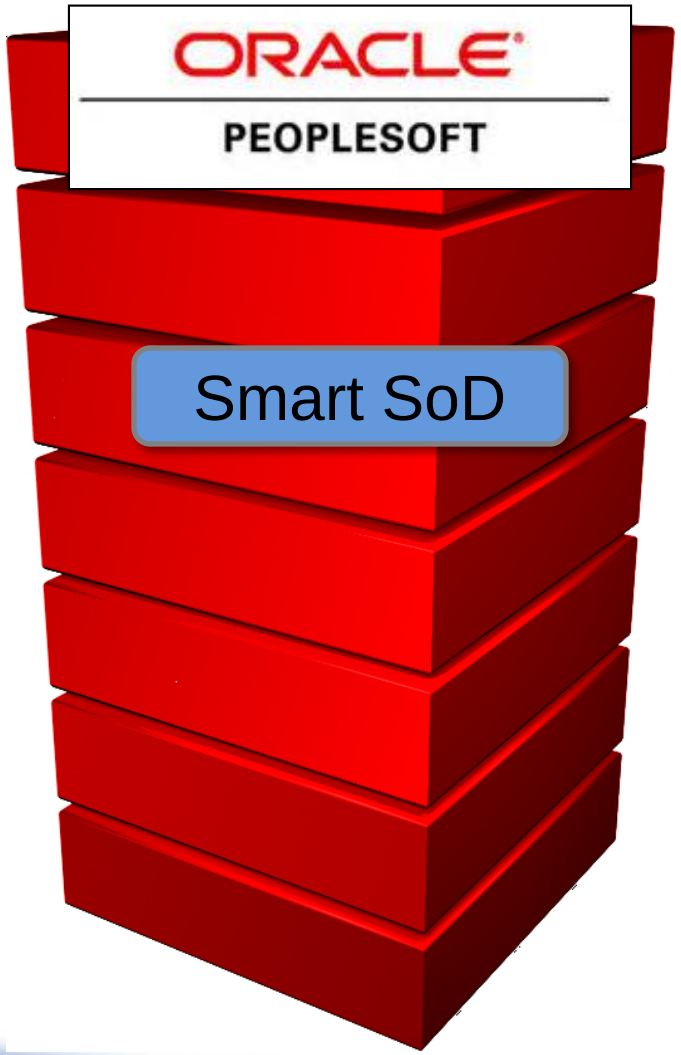
Delivery - Embedded

Deploy into any version of PeopleSoft,
same look and feel – easy learning curve

SMART ERP Solutions

Delivery – Fully Managed

Deploy as a Service



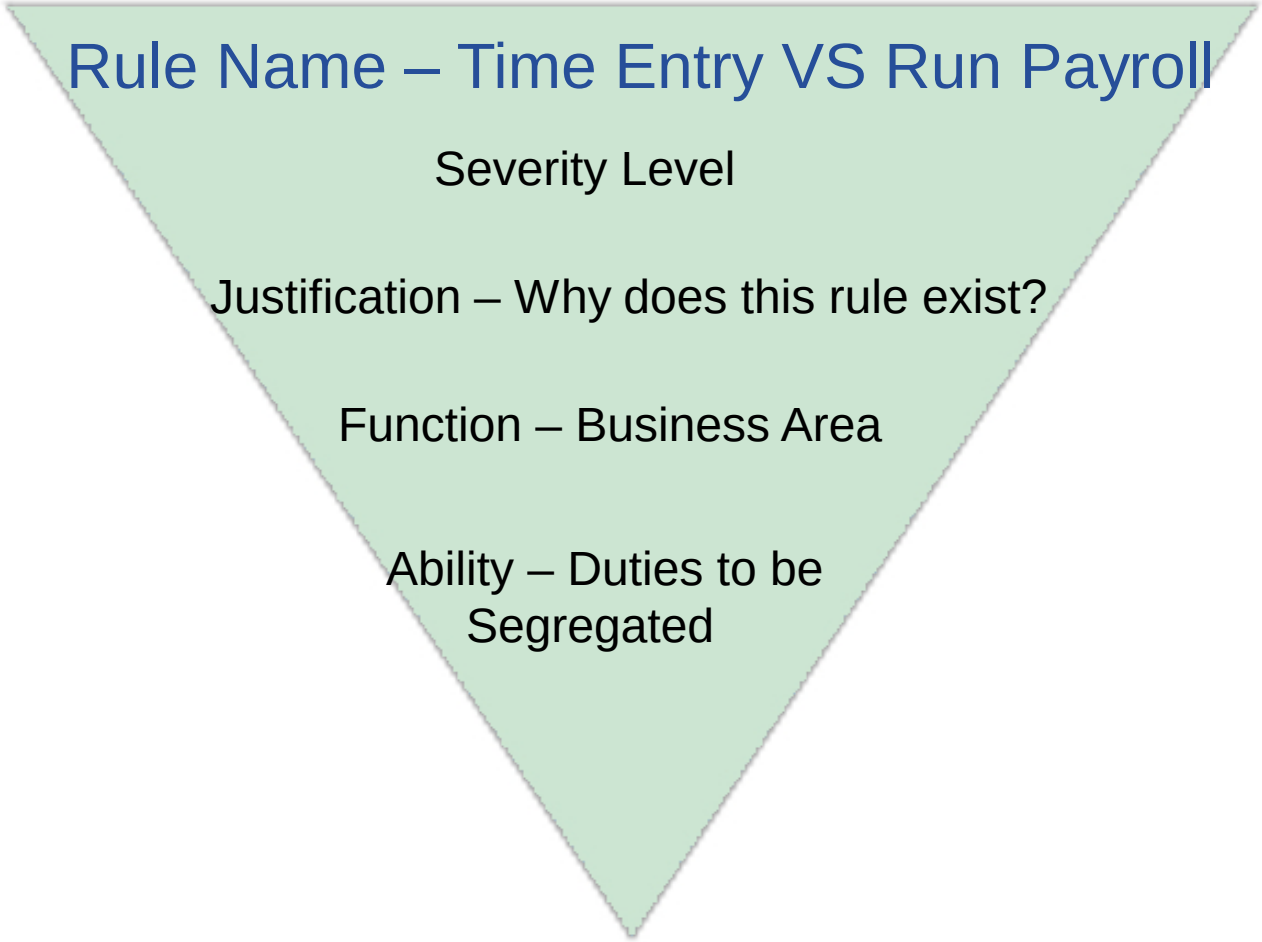
SMART ERP Solutions

Smart Segregation of Duties

- Create and Manage Rules in a Structured Format, taking into account Authorities
- Powerful Engine reads through Security and Access to determine who is in Violation of the Rules
- Pro-Actively validate changes to User's Access and then commit once satisfied
- Dashboards and Analytics for rapid Root Cause Analysis

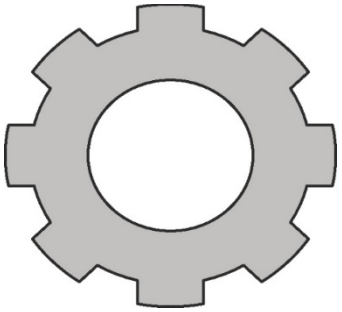
SMART ERP Solutions™

Segregation of Duties Rule Structure

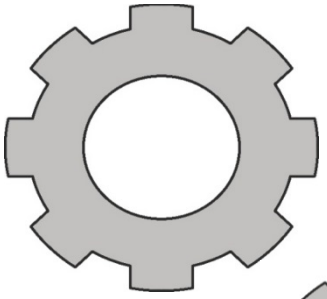


SMART ERP Solutions

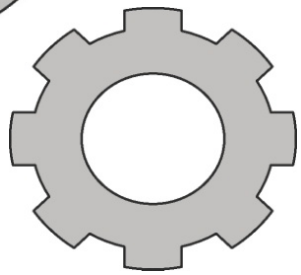
Creation of PeopleSoft SoD Rules



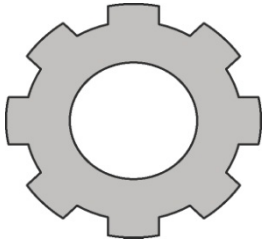
Role Level (high level)



Permissions Lists



Component/Page



Module-Specific Security

SMART ERP Solutions

Mitigations & Workflow Approval

- Enter Notes and Expiry Dates for Users that need to break the Rules
- Run through Workflow Approval
- Workflow Approval can be assigned to virtually any PeopleSoft process
- Multiple Routing and Proxy enabled
- Prevent someone from Creating and Managing a University Course alone!

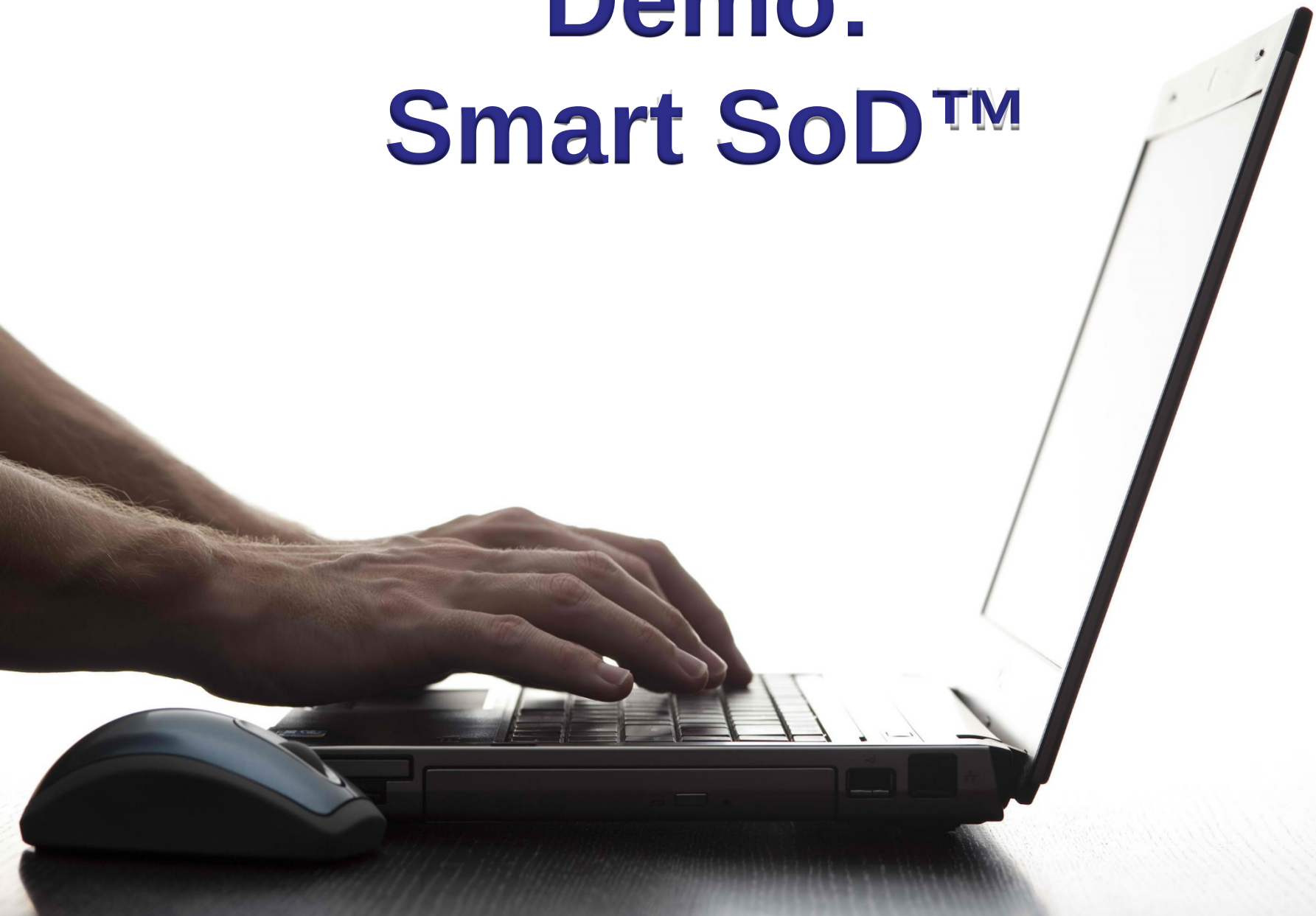
SMART ERP Solutions™

Demonstration Agenda

- Review the Analytics/Reports
- Understanding the structure of the Rules & the Engine
- Working with Users that need to ‘Break the Rules’
- Pro-Active SoD
- Questions

SMART ERP Solutions™

Demo:
Smart SoD™



Value Statement

Security and Segregation of Duties is an important element of your overall PeopleSoft security and risk management

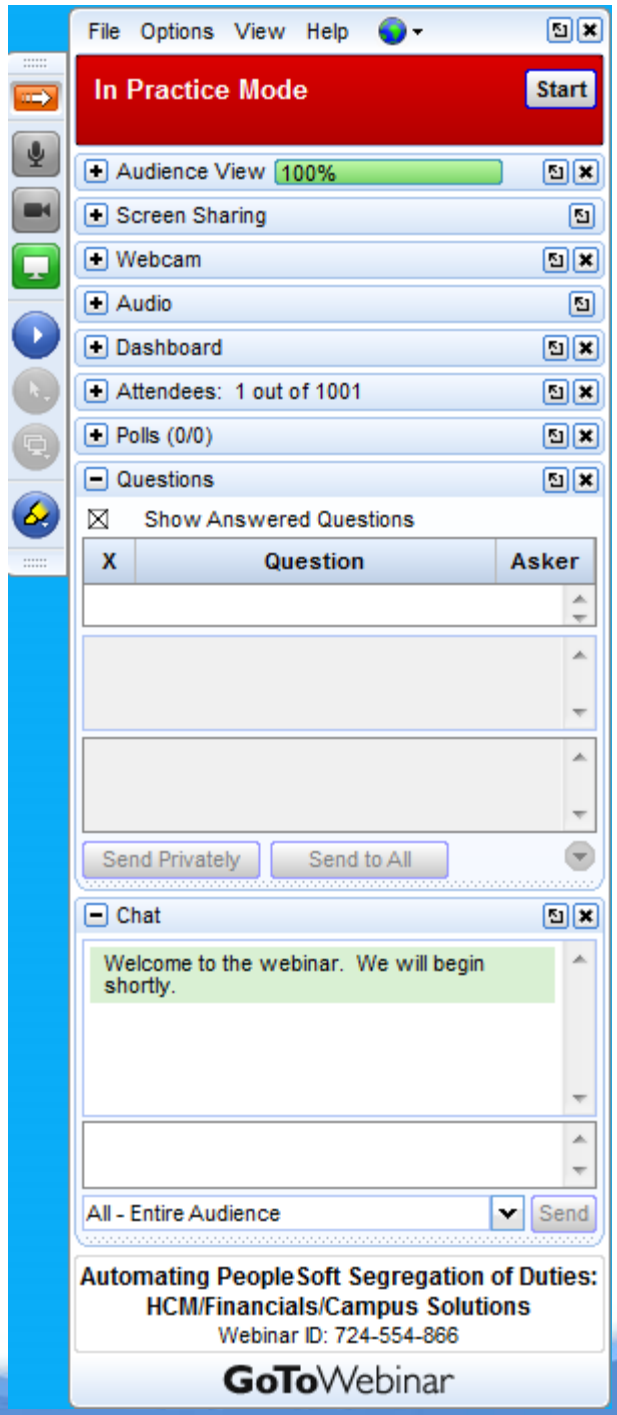
Key Features of an automated solution can help you maintain legislative compliance (SoX), meet audit requirements and reduce the likelihood and impacts of fraud and errors

- Expressly designed for your current PeopleSoft
- Powerful Proactive, Reactive and Mitigation Features
- Automated Workflow Approvals
- Reporting/Dashboards facilitate audits and compliance
- Use pre-packaged built-in security and SoD rules or easily create your own
- Add-on Architecture Lowers Total Cost of Ownership
  - Seamless Integration
  - Utilize Best Practices
  - Maintenance and Upgrades

SMART ERP Solutions

Q & A

sales@smarterp.com



Proactive SoD: User Profiles

SoD Rules check complete

Validate Duties | View Report

General | ID | Roles | Workflow | Audit | Links | User ID Queries

User ID: PS

Description: [PS] Peoplesoft Superuser

Account Locked Out?

Logon In

Symboli

Passwo

Confirm

User ID

Edit Ema

General /

Languag

Currenc

Default I

Permissi

Navigat

Process

Save

General | ID

Audit Report

Validation Id : 40
Model: MODEL
User : [PS] Peoplesoft Superuser

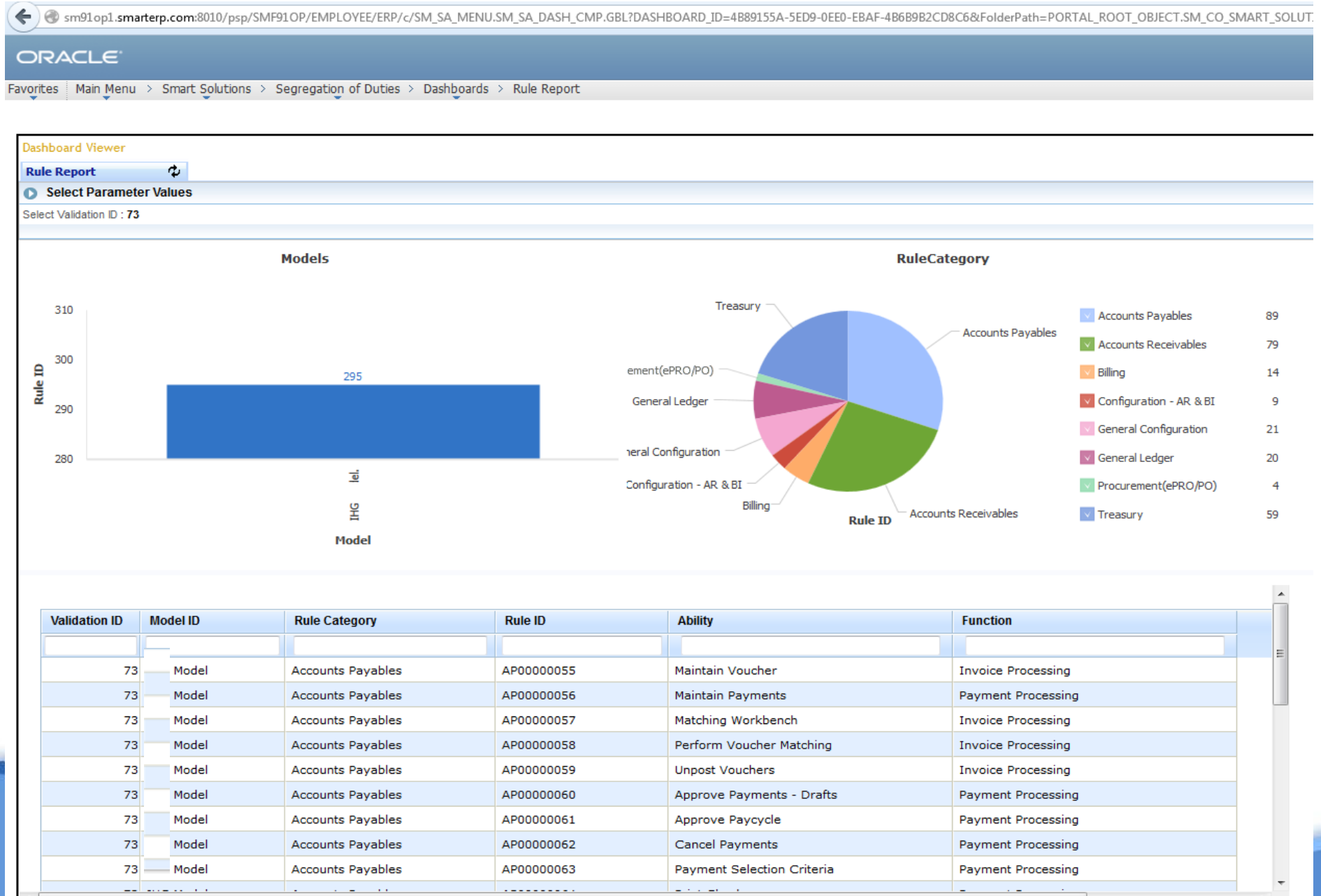
Conflict: Add Position and Add Person

Function	Ability	Role Name	Permission List
Position data	Add Position	HR Administrator Benefits Administrator HR Representative FPS Career Administrator HR System Administrator NA Payroll Administrator Recruiter Manager	HCCPHR3100
Personal data	Add Person	FPS Career Administrator HR Administrator	HCCPHR3320

Conflict: Time Entry and Direct Deposit Processing

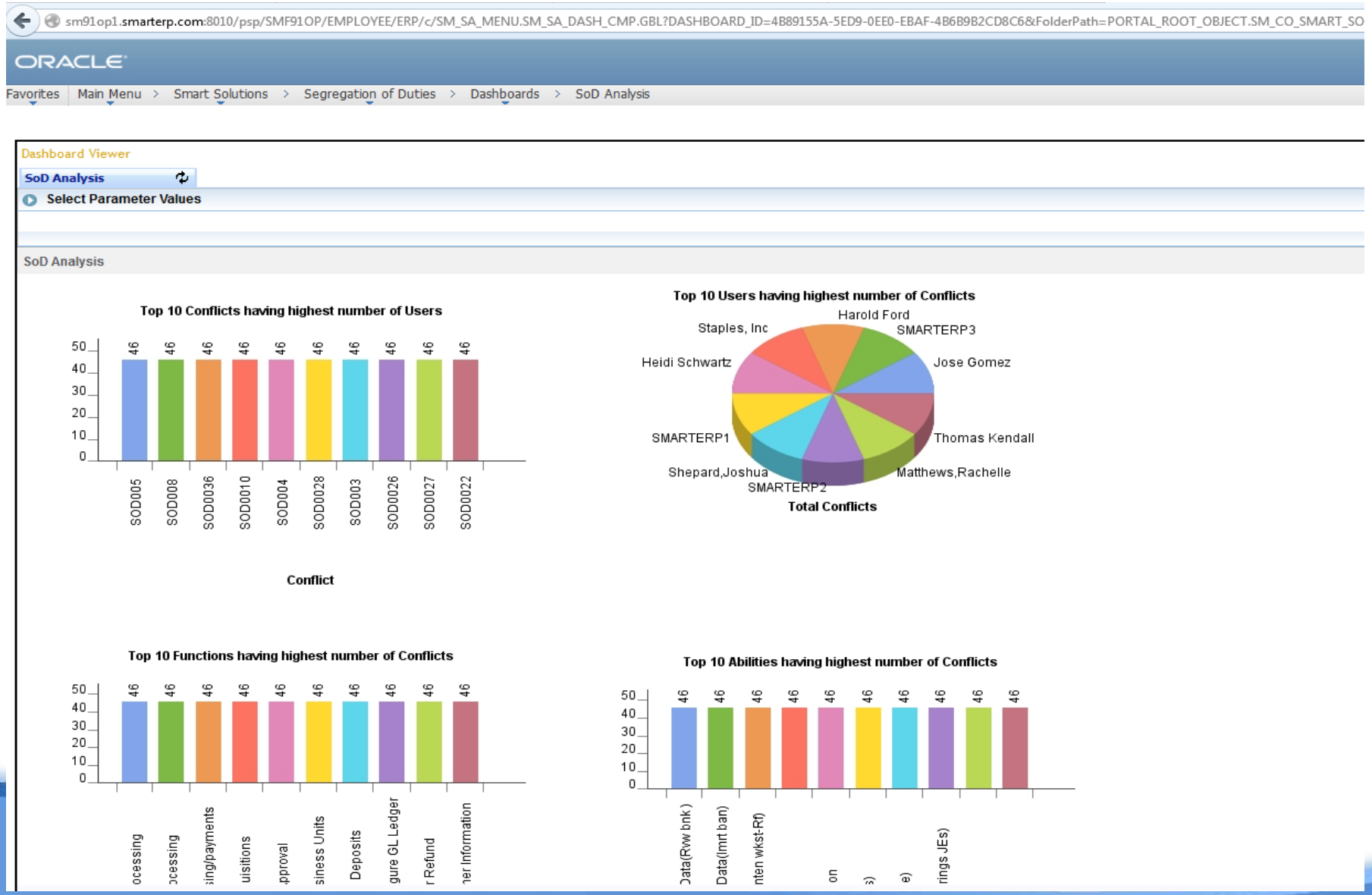
Function	Ability	Role Name	Permission List
Payroll	Payroll	Benefits Administrator HR Representative HR Administrator NLD Payroll Interface Admin NA Payroll Administrator	HCCPFGALLP
Time Data	Time Entry	PBMUSER	HCCPPB9000

PeopleSoft SoD Dashboards

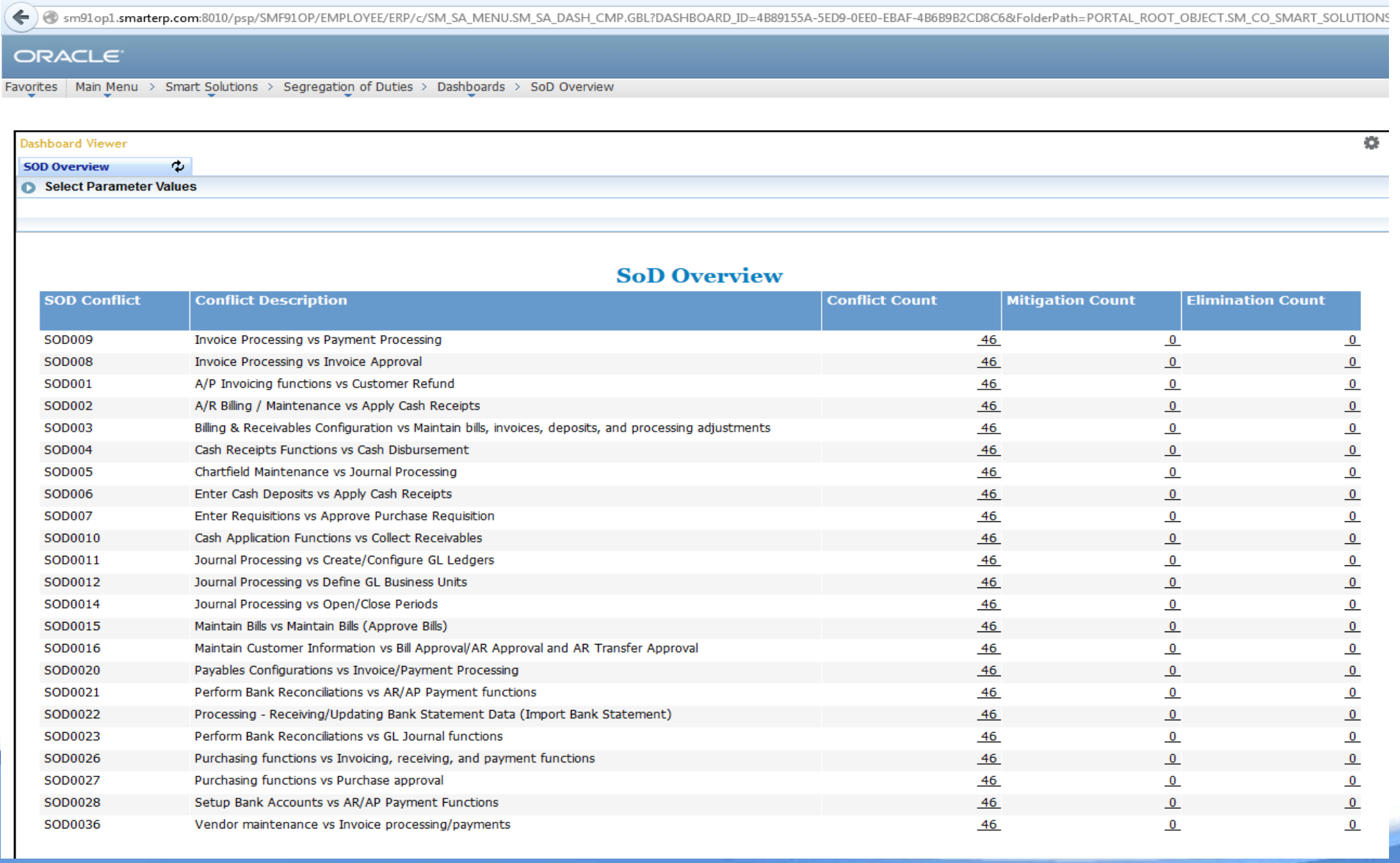


Validation ID	Model ID	Rule Category	Rule ID	Ability	Function
73	Model	Accounts Payables	AP00000055	Maintain Voucher	Invoice Processing
73	Model	Accounts Payables	AP00000056	Maintain Payments	Payment Processing
73	Model	Accounts Payables	AP00000057	Matching Workbench	Invoice Processing
73	Model	Accounts Payables	AP00000058	Perform Voucher Matching	Invoice Processing
73	Model	Accounts Payables	AP00000059	Unpost Vouchers	Invoice Processing
73	Model	Accounts Payables	AP00000060	Approve Payments - Drafts	Payment Processing
73	Model	Accounts Payables	AP00000061	Approve Paycycle	Payment Processing
73	Model	Accounts Payables	AP00000062	Cancel Payments	Payment Processing
73	Model	Accounts Payables	AP00000063	Payment Selection Criteria	Payment Processing

PeopleSoft SoD Dashboards



PeopleSoft SoD Dashboards



SoD Overview

SOD Conflict	Conflict Description	Conflict Count	Mitigation Count	Elimination Count
SOD009	Invoice Processing vs Payment Processing	46	0	0
SOD008	Invoice Processing vs Invoice Approval	46	0	0
SOD001	A/P Invoicing functions vs Customer Refund	46	0	0
SOD002	A/R Billing / Maintenance vs Apply Cash Receipts	46	0	0
SOD003	Billing & Receivables Configuration vs Maintain bills, invoices, deposits, and processing adjustments	46	0	0
SOD004	Cash Receipts Functions vs Cash Disbursement	46	0	0
SOD005	Chartfield Maintenance vs Journal Processing	46	0	0
SOD006	Enter Cash Deposits vs Apply Cash Receipts	46	0	0
SOD007	Enter Requisitions vs Approve Purchase Requisition	46	0	0
SOD0010	Cash Application Functions vs Collect Receivables	46	0	0
SOD0011	Journal Processing vs Create/Configure GL Ledgers	46	0	0
SOD0012	Journal Processing vs Define GL Business Units	46	0	0
SOD0014	Journal Processing vs Open/Close Periods	46	0	0
SOD0015	Maintain Bills vs Maintain Bills (Approve Bills)	46	0	0
SOD0016	Maintain Customer Information vs Bill Approval/AR Approval and AR Transfer Approval	46	0	0
SOD0020	Payables Configurations vs Invoice/Payment Processing	46	0	0
SOD0021	Perform Bank Reconciliations vs AR/AP Payment functions	46	0	0
SOD0022	Processing - Receiving/Updating Bank Statement Data (Import Bank Statement)	46	0	0
SOD0023	Perform Bank Reconciliations vs GL Journal functions	46	0	0
SOD0026	Purchasing functions vs Invoicing, receiving, and payment functions	46	0	0
SOD0027	Purchasing functions vs Purchase approval	46	0	0
SOD0028	Setup Bank Accounts vs AR/AP Payment Functions	46	0	0
SOD0036	Vendor maintenance vs Invoice processing/payments	46	0	0

Thank You

For more information visit: smarterp.com

Copyright © 2014 Smart ERP Solutions, Inc.

SMART ERP Solutions™