Ohio Lottery Commission
Incident Management Audit

Audit Period: January through June 2018

Results Summary:

Objective	Conclusion
Timely diagnose, resolve, and close incidents	**Well-Controlled with Improvement Needed**
Identify recurring incidents or trends to limit or reduce future incidents	**Well-Controlled with Improvement Needed**

*Please refer to Appendix A for classification of audit objective conclusions.

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Executive Summary

Background

The Ohio Lottery Commission (OLC) operates a variety of online and instant ticket games and regulates video lottery terminals (VLTs) at Ohio horse racetracks (or "racinos"). OLC exists primarily to create operating net profits to be transferred to the Lottery Profits Education Fund (LPEF) for use in programs benefiting primary, secondary, vocational, and special education. The OLC also provides funding to the Ohio Department of Mental Health and Addiction Services for the administration of problem gambling treatment programs. The Ohio Lottery is self-sustaining and funded through the State Lottery Fund. The enacted budget requires transfers totaling $2.18 billion over the biennium to LPEF ($1,082.6 million FY2018 and $1,093.6 million in FY2019).

OLC has a centralized helpdesk where helpdesk employees take calls and review emails to create IT incident tickets based on the customers' issues. OLC utilizes an Information Technology Service Management (ITSM) application ManageEngine ServiceDesk Plus to track all IT incident tickets to ensure all issues are properly and timely resolved. During the audit period of January 1 through June 30, 2018, OLC issued 2,050 ServiceDesk Plus tickets.

During the audit, OIA identified opportunities for OLC to strengthen internal controls and improve business operations. OIA conforms with the *International Standards for the Professional Practice of Internal Auditing.* OIA would like to thank OLC staff and management for their cooperation and time in support of this audit.

This report is solely intended for the information and use of agency management and the State Audit Committee. It is not intended for anyone other than these specified parties.

Scope and Objectives

OIA staff was engaged to perform an assurance audit related to the controls over the agency's IT Incident Management process. This work was completed July through September 2018. The scope of this audit was IT Incident Management processes to include incident identification, tracking, categorization, prioritization, diagnosis, escalation, resolution and closure.

The following summarizes the objectives of the review:
- Evaluate the design and effectiveness of controls to timely diagnose, resolve, and close incidents.
- Evaluate the design and effectiveness of controls to identify recurring incidents or trends to limit or reduce future incidents

Detailed Observations and Recommendations

The Observations and Recommendations include only those risks which were deemed high or moderate. There were no high or moderate risk observations noted for this engagement. Low risk observations were discussed with individual agency management and are not part of this report. However, the low risk observations were considered as part of the audit objective conclusions.

Due to the limited nature of our audit, we have not fully assessed the cost-benefit relationship of implementing the observations and recommendations. However, these observations reflect our continuing desire to assist your agency in achieving improvements in internal controls, compliance, and operational efficiencies.

* Refer to Appendix A for classification of audit observations.

Appendix A – Classification of Conclusions and Observations

Classification of Audit Objective Conclusions

Conclusion	Description of Factors
Well-Controlled	The processes are appropriately designed and/or are operating effectively to manage risks. Control issues may exist, but are minor.
Well-Controlled with Improvement Needed	The processes have design or operating effectiveness deficiencies but do not compromise achievement of important control objectives.
Improvement Needed	Weaknesses are present that compromise achievement of one or more control objectives but do not prevent the process from achieving its overall purpose. While important weaknesses exist, their impact is not widespread.
Major Improvement Needed	Weaknesses are present that could potentially compromise achievement of its overall purpose. The impact of weaknesses on management of risks is widespread due to the number or nature of the weaknesses.

Classification of Audit Observations

Rating	Description of Factors	Reporting Level
Low	Observation poses relatively minor exposure to an agency under review. Represents a process improvement opportunity.	Agency Management; State Audit Committee (Not reported)
Moderate	Observation has moderate impact to the agency. Exposure may be significant to unit within an agency, but not to the agency. Compensating controls may exist but are not operating as designed. Requires near-term agency attention.	Agency Management and State Audit Committee
High	Observation has broad (state or agency wide) impact and possible or existing material exposure requiring immediate agency attention and remediation.	Agency Management and State Audit Committee