

Operational Requirements and Service Levels

Description

The organization’s system development life cycle methodology should ensure the timely definition of future operational requirements and service levels.

Control Notes

To a query whether operational requirements were determined with historical performance statistics available, DIT System stated that there were no automated system for assessments function prior to implementation of AST application, historical performance statistics were not available at time of development of AST. However, performance tuning of AST was carried out to meet enhanced operational requirements

All operational staff and users are not aware of performance requirements of AST Software.

There were no service level agreements between the department and the software developer. A technical cadre for the running of the National Computer Centre has been formed but suffers from shortages³⁰ and also has to look after work of an administrative nature.

Management Response

There was no practice of entering into Service Level Agreements in 1994. Technical specifications of AST software have not been given to the assessment officers as it is not necessary but users are aware of expected response time. Operational requirements are part of the SRS and SDD documents which were made available to audit. The roles and responsibilities of technical manpower are laid down in the Computer Centre Manual. Shortage of technical manpower is due to litigation problems and quashing of recruitment rules. The application software is being maintained through a well defined change management process. There has been no disruption to date and more than 3.25 crore returns have been processed by more than 4000 users in 60 cities.

The set of best practices embodied in SLAs were extant regardless of the actual form given to them in terms of a formal agreement and these need to be followed. Roles and responsibilities are not clear to users.

³⁰The EDP cadre Staffing Position is as follows

	JD (S)	DD(S)	AD (S)	DPA (B)	DPA (A)
Sanctioned	5	26	73	55	104
PIP	0	24	29	38	20

Assessment

Users including RCCs and assessing officers were not aware of the operational requirements. The operational requirement of the AST software was not laid down as a part of systems development. Resultantly we found that lack of technical expertise was felt in the department. In the absence of service level agreements with the vendors regarding maintenance there was a risk of business disruption regardless of the fact that no disruption has occurred as yet.

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Recommendation

31. The operational requirements of AST system and ITD applications in general should be defined and also disseminated. The role of the technical cadre should be properly defined and the work allocated to them accordingly. Suitable action should be taken regarding shortages in the technical cadre.

User Procedures Manuals

Description

The organization's system development life cycle methodology should provide that adequate user procedures manuals and training manuals be prepared and refreshed as part of every information system development, implementation or modification project.

Control Notes

The user manual is generally not available with the staff and officers; hence staff is not aware of and not able to use all the functions available in the system.

Since the implementation of AST in Delhi in 1997, DIT System has issued 35 instructions till date regarding several modifications in the system. However, the revised AST manual incorporating the modifications has not been prepared. Some of the sections under the IT Act have been deleted/modified. The validation/range overflow checks specified in the AST User Manual were not updated as per latest provisions of the IT Act. For instance even after the abolition of additional tax under section 143 (1) (a) the concept of a notional return still appears in the User manual. Computer Based Tutorials were available to users in a limited fashion.

Management Response

Users manuals have been made available on CDs, updated manuals were distributed on Taexpert; a self learning computer based tutorial was also distributed. The user manuals were loaded on to the 8000 PCs supplied in 2004. At the initial stage emphasis has been given to processing of returns so that a high volume low skill labour intensive activity could be computerised and 3.25 crore returns have been processed.

Assessment

The preparation of user manuals for AST was undertaken as a one time exercise.

Although user manuals were prepared these were not available to all the users and the user awareness of the system features was also limited. This resulted in the sub-optimal utilization of the features of the software other than for processing and rectification.

The process of updating the manuals, as changes take place in computer systems due to changes in the business rules, was not in place. These user procedure manuals would eventually replace the office procedure manuals in a fully computerised environment and would lead to errors if these were not in consonance with the extant provisions of the Income Tax Act.

Recommendation	<p>32. The user manuals of the system should be made available to all the users of the system through an adequate process of dissemination and monitoring.</p> <p>33. Steps may be taken to ensure users knowledge of the features of the system and their linkage in the user manuals. All the features of the system may be taught to the users so that all the functionalities of AST are put to use.</p> <p>34. The Income Tax department should update the user manuals of AST to reflect all the changes carried out in the software due to changes in the Income Tax Act and due to any other modifications carried out from time to time.</p>
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Operations Manual

Description	The organization’s system development life cycle methodology should provide that an adequate operations manual be prepared and kept up-to-date as part of every information system development, implementation or modification project.
Control Notes	RCC has no separate operation manuals and user manuals. RCCs stated that they had only one user manual for all the modules of ITD applications, which is used as a user, training and operating manual. Soft copies of all the manuals including AST are installed only on new PCs; the users working at the old PCs are assisted by a resource person.
Management Response	There is a computer centre manual laying down the operational guidelines which was prepared in 2001. There are written down procedures for taking back ups.
Assessment	The absence of an operating manual is a serious issue which points to incomplete inputs given to operating personnel and a consequent lack of knowledge of procedures. Inadequate maintenance increases the risk of crashing of the system and puts the entire data at the 36 RCCs at a risk. Extant data may also be at a risk of deletion.
Recommendation	35. A separate Operational Manual may be prepared and issued to the personnel at the RCC so that they are helped in the proper upkeep and maintenance of the database.