



U.S. Department of Agriculture



Office of Inspector General
Financial & IT Operations

Audit Report

Statement on Auditing Standards No. 70 Report on the National Information Technology Center General Controls Review – Fiscal Year 2009

Report No. 88501-13-FM
September 2009



UNITED STATES DEPARTMENT OF AGRICULTURE

OFFICE OF INSPECTOR GENERAL

Washington D.C. 20250



September 4, 2009

REPLY TO

ATTN OF: 88501-13-FM

TO: Christopher L. Smith
Chief Information Officer
Office of the Chief Information Officer

THROUGH: Sherry Linkins
Office of the Chief Information Officer
Information Resources Management

FROM: Robert W. Young /s/
Assistant Inspector General
for Audit

SUBJECT: Statement on Auditing Standards No. 70 Report on the National Information
Technology Center General Controls Review - Fiscal Year 2009

This report presents the results of our Statement on Auditing Standards (SAS) No. 70 audit at the Office of the Chief Information Officer/National Information Technology Center (OCIO/NITC) as of June 30, 2009. The audit was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and the American Institute of Certified Public Accountants Standards that are commonly referred to as a SAS No. 70 audit. This report contains an unqualified opinion on the general control environment and does not contain recommendations. The projection of any conclusions based on our audit findings to future periods are subject to the risk that changes may alter the validity of such conclusions. This report is intended solely for the management of OCIO/NITC, its customer agencies, and their auditors.

We appreciate the courtesies and cooperation extended to us during this review.

Executive Summary

Statement on Auditing Standards No. 70 Report on the National Information Technology Center General Controls Review - Fiscal Year 2009 (Audit Report No. 88501-13-FM)

Results in Brief This report presents the results of our Statement on Auditing Standards No. 70 audit of the Office of the Chief Information Officer/National Information Technology Center's (OCIO/NITC) internal controls as of June 30, 2009. Our review was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States including American Institute of Certified Public Accountants Professional Standards as amended by applicable statements on auditing standards.

Our objectives were to perform procedures necessary to express opinions about whether (1) OCIO/NITC's description of controls in exhibit A presents fairly, in all material respects, the aspects of OCIO/NITC's controls that may be relevant to a customer agency's internal control as it relates to an audit of financial statements; (2) the controls included and/or referenced were placed in operation and suitably designed to achieve the control objectives specified in the description, if those controls were complied with satisfactorily and customer agencies applied the controls contemplated in the design of OCIO/NITC's controls; and (3) the controls we tested were operating with sufficient effectiveness to provide reasonable, but not absolute, assurance that the control objectives specified were achieved during the period from July 1, 2008, through June 30, 2009.

Our audit disclosed that the control objectives and techniques identified in exhibit A presented fairly, in all material respects, the relevant aspects of OCIO/NITC's controls. Also, in our opinion, the controls included in the description were suitably designed and operating with sufficient effectiveness to provide reasonable assurance that associated control objectives would be achieved if the described policies and procedures were complied with satisfactorily and customer agencies applied the controls specified in the OCIO/NITC description of controls.

Recommendation

In Brief We do not make any recommendations in this report.

Abbreviations Used in This Report

AD	Administrative Directive
C&A	certification and accreditation
CMITS	Configuration Management Information Tracking System
CS	Cyber Security
DAA	designated approving authority
ESM	External Security Mechanism
FISMA	Federal Information Security Management Act of 2002
GSS	General Support System
ID	identification
IS	information system
IT	information technology
LID	logon identifiers
NIST	National Institute of Standards and Technology
OCIO	Office of the Chief Information Officer
NITC	National Information Technology Center
OIG	Office of Inspector General
PIA	Privacy Impact Assessments
POA&M	plan of action & milestones
RA	risk assessments
SAS	Statement on Auditing Standards
SD	Security Directive
SSP	System Security Plan
ST&E	Security Test and Evaluation
USDA	U.S. Department of Agriculture

Table of Contents

Executive Summary	i
Abbreviations Used in This Report.....	ii
Report of the Office of Inspector General	1
Exhibit A – Office of the Chief Information Officer/National Information Technology Center - Description of Controls.....	3
Exhibit B – Office of Inspector General, Review of Selected Controls.....	47



UNITED STATES DEPARTMENT OF AGRICULTURE

OFFICE OF INSPECTOR GENERAL

Washington D.C. 20250



Report of the Office of Inspector General

To: Christopher L. Smith
Chief Information Officer
Office of the Chief Information Officer

We have examined the controls identified or referenced in exhibit A for the U.S. Department of Agriculture's (USDA) Office of the Chief Information Officer/National Information Technology Center (OCIO/NITC). Our examination included procedures to obtain reasonable assurance about whether (1) the accompanying description of controls of the USDA's OCIO/NITC presents fairly, in all material respects, the aspects of OCIO/NITC's controls that may be relevant to a customer agency's internal control as it relates to an audit of financial statements; (2) the controls included in the description were suitably designed to achieve the control objectives specified in the description, if those controls were complied with satisfactorily and customer agencies applied the controls contemplated in the design of OCIO/NITC's controls; and (3) such controls had been placed in operation as of June 30, 2009. The control objectives were specified by OCIO/NITC.

Our audit was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and the standards issued by the American Institute of Certified Public Accountants. 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 our opinion, OCIO/NITC's description of controls in exhibit A of this report presents fairly, in all material respects, the relevant aspects of OCIO/NITC's controls that had been placed in operation as of June 30, 2009. Also, in our opinion, the controls included or referenced in exhibit A were suitably designed to provide reasonable assurance that the specified control objectives would be achieved if the described controls were complied with satisfactorily and customer agencies applied the controls contemplated in the design of OCIO/NITC's controls.

In addition to the procedures we considered necessary to render our opinion as expressed in the previous paragraph, we performed tests to obtain evidence regarding the effectiveness of specific controls in meeting the control objectives included in exhibit A during the period from July 1, 2008, through June 30, 2009. The specific controls and the nature, timing, extent, and results of our tests are identified in exhibit B. This information will be provided to customer agencies and their auditors to be taken into consideration, along with information about the internal control at customer agencies, when making assessments of control risk for customer agencies. In our opinion, the controls that were tested were operating with sufficient

effectiveness to provide reasonable, but not absolute, assurance that the control objectives specified in exhibit A were achieved during the period from July 1, 2008, through June 30, 2009.

The relative effectiveness and significance of specific controls at OCIO/NITC and their effect on assessments of control risk at user organizations are dependent on their interaction with the controls and other factors present at individual customer organizations. We have performed no procedures to evaluate the effectiveness of controls at individual customer agencies as part of this audit.

The description of controls at OCIO/NITC is as of June 30, 2009, and information about tests of the operating effectiveness of specific controls covers the period from July 1, 2008, through June 30, 2009. Any projection of such information to the future is subject to the risk that, because of change, the description may no longer portray the controls in existence. The potential effectiveness of specific controls at OCIO/NITC is subject to inherent limitations and, accordingly, errors or fraud may occur and not be detected. Furthermore, the projection of any conclusions, based on our findings, to future periods is subject to the risk that (1) changes made to the system or controls, (2) changes in processing requirements, or (3) changes required because of the passage of time may alter the validity of such conclusions. Finally, the accuracy and reliability of data processed by OCIO/NITC and the resultant report ultimately rests with the customer agency and any compensating controls implemented by such agency.

This report is intended solely for the management of OCIO/NITC, its users, and their auditors.

/s/

Robert W. Young
Assistant Inspector General
for Audit

August 28, 2009

The subsequent sections of the report exhibit A (pages 3 through 46) and exhibit B (pages 47 through 65), are not being publicly released due to the sensitive security content.