

Chief Operations Office (COO)
Chief Information Security Office (CISO)

Data Center Services Compliance with the Texas Administrative Code

Internal Audit Public Report 18-102

September 2018



Department of Information Resources

Executive Summary

Internal Audit performed a performance audit of Data Center Services (DCS) for compliance with the Texas Administrative Code (TAC) 202 and 215 as part of the Internal Audit Plan for Fiscal Year 2018.

Texas Administrative Code 202

Texas Administrative Code 202 establishes a statewide baseline of minimum Information Technology (IT) security control standards. Standards are defined in TAC 202 to include specific mandatory controls that help enforce and support information security policy. The State's Chief Information Security Officer is responsible for oversight of the development of a statewide information security framework and statewide information security policies and standards.

Mandatory security controls are defined and published on the DIR website in the Security Control Standards Catalog as required by Texas Administrative Code. The control catalog specifies the minimum information security requirements that state agencies should implement. The control catalog specifies the purpose, levels of risk, implementation overview, and implementation examples for each control activity. This document includes, for each mandatory security control:

- Minimum information security requirements for all State information and information systems; and
- Standards to provide levels of information security according to risk levels.

Texas Administrative Code 215

Texas Administrative Code 215 enables DIR to directly operate, or contract with another entity to operate, statewide technology centers to provide governmental entities, on a cost-sharing basis, services related to:

1. Information resources and information resources technology; and
2. The deployment, development, and maintenance of software applications.

Summary of Results

Overall, data center services operations were performed in accordance with TAC 202 and TAC 215 and complied with requirements from the Security Control Standards Catalog. The audit concluded, based on the approximately 252 in-scope controls, a total of 15 compliance issues and one area of improvement. Eleven of the 15 identified issues (73.3%) were due to a lack of documented policy requirements.

DIR management and DCS vendor management concurred with the audit results and recommendations and provided action plans, estimated completion dates, and assigned responsibility to management staff for implementing the recommendations.

The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing* and in accordance with the *Generally Accepted Government Auditing Standards*. These standards require that Internal Audit plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for issues and conclusions based on audit objectives. Internal Audit believes that the evidence obtained provided a reasonable basis for the issues and conclusions based on audit objectives.

Due to the confidential nature of the activity audited, a separate confidential audit report was provided to the DIR Board and executive leadership including the overall conclusion, issues, and recommendations identified.¹ Management responses were requested from DCS vendors and DIR leadership having sufficient level of authority and responsibility for implementing the corrective actions planned to address the audit recommendations reported.

Audit Team and Report Distribution

Audit Team

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¹ **Government Auditing Standards (GAS)** Chapter 7: Reporting Standards for Performance, Sections 39-43 address the reporting of confidential and sensitive information.