A Follow-Up Audit Report on the Implementation Status of Prior Audit Recommendations

May 2020

Report No. 20-101

Texas Department of Information Resources

The Texas Department of Information Resources (DIR) Internal Audit Office has performed a follow-up audit to determine the implementation status of open recommendations made in prior audit reports.

Overall Conclusion

DIR has made substantial progress in addressing open recommendations from the State Auditor's Office report (An Audit Report on Selected Contracts at the Texas Department of Information Resources - 17-038) and selected internal audit reports.

Internal Audit reviewed 59 recommendations from 11 reports. Auditors verified that 49 (83%) of the recommendations were implemented, 7 (12%) of the recommendations were in progress, and 3 (5%) were closed because management accepted the risk. A summary of the status of recommendations is below.

> ### Definitions of Implementation Status
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> - **Fully Implemented**: Successful development and use of a process, system, or policy.
> - **In Progress**: Ongoing development of a process, system, or policy.
> - **Closed**: Management accepts the risk, or the recommendation is no longer applicable.

Objective, Scope and Methodology

The objective of the audit was to report on the implementation status of recommendations made in prior audit reports. Using a risk assessment based on age of report, relevance to current systems and processes, and value added to implement the recommendation, auditors selected 59 open recommendations that had not been closed during previous follow up engagements. These recommendations were selected from 11 internal audit reports issued from April 2012 to September 2019. The Texas State Auditor's Office also requested that we report on the status of one recommendation from An Audit Report on Selected Contracts at the Department of Information Resources - SAO Report No. 17-038 issued in June 2017.

Internal Audit met with staff responsible for implementing the recommendations. We requested documentation to support the status for each implemented recommendation and reviewed the validity of the documentation provided. We requested new implementation dates for recommendations that were still in progress. For the closed recommendations, we discussed the reasons why management accepted the risk.

Conclusion

DIR has made substantial progress in addressing recommendations from the State Auditor's Office report (An Audit Report on Selected Contracts at the Department of Information Resources - 17-038) and 11 internal audit reports.

Internal Audit will continue to monitor recommendations that are still in progress and will provide an update on the status of those recommendations in addition to recommendations with future implementation dates as part of the next follow-up report.

Summary Results

Audit Title and Date Issued	Total Open Recommendations	Implemented	In Progress	Closed
An Audit Report on Selected Contracts at the Department of Information Resources – SAO Audit 17-038	1	1		
Data Center Services Invoicing Process April 2012	4	4		
CISO/Network Security Operations Audit May 2014	2	2		
Cooperative Vendors Audit August 2015	2	1	1	
Enterprise Contract Management November 2016	3	3		
Xerox Print and Mail Services June 2017	6	5		1
State Auditor's Office Audit Report on Selected Contracts at the Department of Information Resources June 2017	1	1		
DCS Vendor Management and Performance January 2018	3	3		
Network Security Operations Services January 2018	11	8	2	1
DCS Compliance with TAC September 2018	15	11	4	
TEXAN Vendor Management November 2018	11	10		1
BidStamp IT General Controls Assessment September 2019	1	1		
Total	59	49	7	3