

Jonathan Zachem, Secretary

Rick Scott, Governor

MEMORANDUM

TO: Jonathan Zachem, Secretary

FROM: Lynne T. Winston, Inspector General



DATE: December 13, 2017

SUBJECT: Eighteen-Month Follow-Up Response to Auditor General Report Number 2016-198,
*Department of Business and Professional Regulation - Information Technology
Operational Audit – Versa: Regulation*
(Project Number G-1718BPR-005)

Section 20.055, Florida Statutes, requires that I monitor and report to you on the status of implementation of findings and recommendations made in audits issued by the Auditor General. Accordingly, the attached report is our eighteen-month follow-up response to Auditor General Report Number 2016-198, *Department of Business and Professional Regulation – Information Technology Operational Audit – Versa: Regulation* (published June 21, 2016).

Our review concluded that management has taken substantive action to address the remaining issue noted in the audit report. Therefore, the OIG will be closing out our monitoring of the audit.

We would like to thank the management of the Division of Technology for their assistance.

Please let me know if you have any questions.

LTW:sbh

Attachment

cc: Eric W. Miller, Chief Inspector General
Kathy DuBose, Coordinator, Joint Legislative Auditing Committee
Reginald Dixon, Chief of Staff
Joseph Martin, Chief Information Officer



DEPARTMENT OF BUSINESS & PROFESSIONAL REGULATION
Office of Inspector General



Jonathan Zachem
Secretary

Lynne T. Winston
Inspector General

**Eighteen-Month Follow-up Response to
Information Technology Operational Audit -
Versa: Regulation
Auditor General Report Number 2016-198**

**Project Number G-1718BPR-005
December 13, 2017**

OVERVIEW

Section 20.055, Florida Statutes, and internal auditing standards require the Officer of Inspector General (OIG) to monitor and report to the Secretary on the status of management's actions to implement findings and recommendations made in external audits of the agency.

In June 2016, the Auditor General published Report Number 2016-198, *Information Technology Operational Audit - Versa: Regulation*. The audit evaluated selected information technology controls applicable to Versa: Regulation. The OIG issued the required six-month follow-up response to this audit in December 2016 and the twelve-month follow-up response in June 2017.¹ This most recent assessment determined that management had taken sufficient corrective action to close 4 of the 5 open audit findings.

The purpose of this report is to inform the Secretary of the status of management's response to the remaining open audit findings and recommendations.

STATUS REPORT

In November 2017, our office requested that management of the Division of Technology (DIT) provide information and supporting documentation on corrective actions taken since our twelve-month follow-up review. The results of our assessment are presented below.

Finding 5: Security Controls – User Authentication, Logging, and Monitoring

The Auditor General found that certain security controls related to user authentication, logging, and monitoring for Versa: Regulation and related IT resources needed improvement to ensure the confidentiality, integrity, and availability of Versa: Regulation data and related IT resources. The Auditor General recommended that department management improve certain security controls related to user authentication, logging, and monitoring for Versa: Regulation and

¹ Section 20.055, Florida Statutes, requires the Office of Inspector General to monitor the implementation of the agency's response to any report on the state agency issued by the Auditor General no later than six months after the report publication. On June 21, 2017, the OIG issued a twelve-month follow-up response on the status of the agency's corrective action. As required, the OIG provided a copy of this report to the Secretary, the Chief Inspector General, and the Joint Legislative Auditing Committee.

related IT resources to ensure the confidentiality, integrity, and availability of Versa: Regulation data and related IT resources.

Status as of December 2017:

The department is working to continuously improve security controls to ensure the confidentiality, integrity, and availability of Versa: Regulation data and related information technology resources. Improved security controls have been put in place with respect to user authentication, logging, and monitoring. The Division of Technology continues to actively work on developing and implementing additional improvements to comply with the Auditor General's recommendations.

OIG Assessment:

CLOSED. The department has established additional internal controls to ensure the confidentiality, integrity, and availability of Versa: Regulation data and related information technology resources. DIT also provided our office with supporting documentation verifying strengthened controls regarding password security, user authentication, logging, and monitoring.

OBJECTIVE, SCOPE, AND METHODOLOGY

The objective of this follow-up report was to determine the status of action taken by management of the Division of Technology in response to the findings and recommendations made in Auditor General Report Number 2016-198, *Information Technology Operational Audit - Versa: Regulation*. Our review focused on corrective action taken since release of our twelve-month follow-up report in June 2017.

In December 2017, Division of Technology management provided updated information on the status of its implementing actions. We reviewed the information and supporting documentation and met with division management regarding specific issues the Auditor General did not disclose in the written report.

This work product was prepared pursuant to Section 20.055, Florida Statutes, and in accordance with applicable *Principles and Standards for Offices of Inspector Generals* (as published by the Association of Inspectors General) and *International Standards for the Professional Practice of Internal Auditing* (as published by the Institute of Internal Auditors, Inc.).

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License efficiently. Regulate fairly.**

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This review was conducted by Steven Henry, CIGA, CGAP, Senior Internal Auditor, under the supervision of Karen Barron, Director of Auditing.

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