



February 2014

A Report to the Austin City Council

Mayor
Lee Leffingwell

Mayor Pro Tem
Sheryl Cole

Council Members
Chris Riley
Mike Martinez
Kathie Tovo
Laura Morrison
Bill Spelman

Office of the City Auditor



City Auditor
Kenneth J. Mory
CPA, CIA, CISA, CRMA

Deputy City Auditor
Corrie E. Stokes
CIA, CGAP, CFE

FOLLOW-UP AUDIT OF WINDOWS ACTIVE DIRECTORY SECURITY

OBJECTIVE

The objective of the audit was to follow-up on recommendations from the Windows Active Directory Security Audit issued September 26, 2012.

AUDIT RESULTS

We verified that each recommendation from the original confidential audit report has been implemented.

Recommendation	Verified Status
1. Communications and Technology Management (CTM) should strengthen its physical security controls of domain controllers	Implemented
2. Austin Water Utility (AWU) should strengthen its physical security controls of domain controllers	Implemented

SOURCE: Office of the City Auditor analysis of original audit recommendations, January 2014

CTM implemented the first recommendation by:

- revising physical security access policies and procedures; however, the policies were revised several times throughout the follow-up audit and management communicated the changes to staff in January 2014;
- revising controls to ensure it grants data center access only to those with a business need; and
- ensuring staff members follow the physical access restoration policies and procedures.

AWU implemented the second recommendation by:

- developing new physical security policies and procedures;
- reviewing physical access of personnel and ensuring only those with a business need are granted access to the data center; and
- revising monitoring processes to include quarterly reviews of data center activity logs.

We appreciate the cooperation and assistance we received from CTM and AWU staff during this audit.

MANAGEMENT RESPONSE

Management concurs with the findings in this report. We did not issue recommendations and management is not required to provide a response.

BACKGROUND

In September 2012, the Office of the City Auditor (OCA) issued a confidential audit of the Windows Active Directory Security. The confidential report contained two recommendations to strengthen physical controls of domain controllers and document policies and procedures related to physical access.

SCOPE AND METHODOLOGY

The Windows Active Directory Security Follow-Up Audit was conducted as part of the OCA's Fiscal Year (FY) 2014 Strategic Audit Plan, as presented to the City Council Audit and Finance Committee.

Scope

The audit scope included actions taken by CTM and AWU from October 2012 to September 2013 to address the two recommendations made in the original confidential audit.

Methodology

To accomplish our audit objectives, we performed the following steps:

- interviewed key personnel in CTM and AWU;
- reviewed documentation supporting implementation of the audit recommendations;
- tested a random sample of eight cardholders granted access to the data center since the original audit including employees and contractors to verify the testimony and documentation provided;
- evaluated risk of fraud, waste, and abuse relevant to the audit objective; and
- evaluated information technology risks relevant to the audit objective.

AUDIT TEAM

Walt Persons, CPA, CICA, Assistant City Auditor

Kathie Harrison, CGAP, CFE, CICA, Auditor-in-Charge

Neha Sharma, CPA, CISA, CIA, Auditor

GOVERNMENT AUDITING STANDARDS COMPLIANCE

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards. 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.

Office of the City Auditor ■ Austin City Hall

phone: (512)974-2805 ■ email: oca_auditor@austintexas.gov ■ website: <http://www.austintexas.gov/auditor>

Copies of our audit reports are available at <http://www.austintexas.gov/auditor/reports>



*Printed on recycled paper
Alternate formats available upon
request*

Audit Number: AU14106

Follow-Up Audit of Windows Active
Directory Security, February 2014