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United States Senate

COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP
WASHINGTON, DC 20510-6350

February 12, 2008

Christine Liu
Chief Information Officer
U.S. Small Business Administration
409 Third Street, S.W.
Washington, D.C. 20416

Re: KPMG Audit Report

Dear Ms. Liu:

As you are aware, KPMG released its independent audit report for the Small Business Administration's (SBA) fiscal year 2007, which described a significant deficiency related to the SBA's information technology security controls. KPMG also recommended several improvements that can be made to the agency's IT infrastructure, which would help to alleviate these deficiencies. I fully endorse these recommendations, and I urge the SBA to continue its efforts to improve information security.

My staff has also spoken with the SBA Office of Inspector General (OIG), who stressed the importance of (a) bolstering network monitoring to detect unauthorized access, (b) performing periodic vulnerability tests to identify susceptible areas, and (c) developing and implementing end-user computing procedures to monitor user-level access control. I encourage the SBA to adopt these recommendations as well.

In an era when identify theft and other high-tech crimes are commonplace, I cannot overstate the importance of sound information security. Moreover, a security breach within the agency could seriously comprise the accuracy and reliability of SBA data. To prevent this from happening, I encourage you to carry out the recommendations of KPMG and the OIG.

If you have any questions, or if we can be of assistance in achieving the objectives set forth in this letter, please contact Nick Coutsos of my staff at 202-224-5175. Thank you for your cooperation.

Sincerely,



John F. Kerry
Chairman