

# Spotlight

Department of Homeland Security



## Office of Inspector General

April 2012 OIG-12-70

### Why This Matters

Each year, issues related to information technology (IT) control deficiencies are identified at the component level during the Department of Homeland Security (DHS) annual financial statement audit. Although Federal Emergency Management Agency (FEMA) took corrective action to address its prior year IT control deficiencies, issues continued to be identified that impact financial data. Collectively these deficiencies negatively impact the internal controls over financial reporting and its operation, and are considered to contribute to a material weakness at the Department level.

### DHS Response

FEMA concurred with the report's observations and remains fully committed to addressing the outstanding issues identified in the report.

## IT Management Letter for the FEMA component of the FY 2011 DHS Financial Statement Audit

### What We Determined

During fiscal year (FY) 2011, FEMA made improvements over implementing certain logical controls over FEMA and National Flood Insurance Program's information systems, as well as development and implementation of controls around patch management and vulnerability management. We noted improvement in the areas of certain IT entity-level controls, including those related to incident response and handling, contractor management, and IT investment life cycle management. However, during FY 2011, we continued to identify IT general control weaknesses that could potentially impact FEMA's financial data. The most significant weaknesses from a financial statement audit perspective related to controls over security management, access control, configuration management, and contingency planning for the Integrated Financial Management Information System-Merger, financial applications within the previous National Emergency Management Information System accreditation boundary, Payment and Reporting System, Traverse, Transaction Record Reporting and Processing, and associated General Support System environments, as well as weaknesses over physical security and security awareness.

### For Further Information:

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