Office of Inspector General

Why This Matters

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

DHS Response

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

Information Technology Management Letter for the FY 2011 DHS Financial Statement Audit

What We Determined

During our fiscal year (FY) 2011 assessment of IT general and application controls and financial system functionality, we noted that the DHS made some progress in remediation of IT findings we reported in FY 2010.   We have closed approximately 30% of our prior year IT findings. The Immigration and Customs Enforcement, Federal Emergency Management Agency, and Federal Law Enforcement Training Center made the most progress in closing IT findings from the prior year. In addition, we issued fewer new findings in FY 2011 compared to the number of new findings in FY 2010. In FY 2011, we identified approximately 147 findings, of which approximately 72% are repeated from last year.   Approximately 44% of our repeat findings were for IT deficiencies that management represented were corrected during FY 2011. The majority of new deficiencies were noted at Customs Border and Protection.