

Spotlight

Department of Homeland Security



Office of Inspector General

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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 United States Coast Guard (USCG) took corrective action to address its prior year IT control deficiencies, issues continued to be identified that impact USCG's financial data. Collectively these deficiencies negatively impact the internal controls over USCG'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

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

IT Management Letter for the U.S. Coast Guard Component of the FY 2011 DHS Financial Statement Audit

What We Determined

During fiscal year (FY) 2011, USCG took corrective action to address nearly half of the prior year IT control weaknesses. For example, USCG made improvements by strengthening its system security settings over some of its systems located at the Operations Systems Center, Aviation Logistics Center (ALC), and USCG Finance Center (FINCEN); strengthening controls over audit log reviews at ALC; and improving data center controls at OSC and ALC. However, during FY 2011, we continued to identify general IT control weaknesses at USCG. The most significant weaknesses from a financial statement audit perspective are related to the controls over authorization, development, implementation, and tracking of IT scripts at FINCEN. These IT control deficiencies limited USCG's ability to ensure that critical financial and operational data were maintained in such a manner to ensure confidentiality, integrity, and availability. In addition, based upon the results of our test work, we noted that USCG did not fully comply with the Department's requirements under the Federal Financial Management Improvement Act.

For Further Information:

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