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This report has been distributed to Internal Audit Committee members, the Legislative Budget Board, the State Auditor’s Office, the Sunset Advisory Commission, the Governor’s Office of Budget and Planning, and The University of Texas System Audit Office for distribution to the Audit, Compliance, and Management Review Committee of the Board of Regents.

Texas Administrative Code 202
Project Number: 801.12
November 25, 2013

President William C. Powers, Jr.
The University of Texas at Austin
Office of the President
P.O. Box T
Austin, Texas 78713

Dear President Powers,

We have completed our audit based on Texas Administrative Code (TAC) 202. Our scope included current IT controls in place at The University of Texas at Austin.

Based on interviews with relevant staff, and a review of policies, procedures, and applicable IT system documentation, the Office of Internal Audits concludes that the UT Austin information security program generally complies with TAC 202; however, improvements are necessary in some areas. Our audit report provides detailed observations for each area under review.

Per Texas Government Code\(^1\), information about computer vulnerabilities is not subject to public disclosure. This report includes audit results that are sensitive in nature and will not be included in versions submitted outside the university.

We appreciated the cooperation and assistance of ITS and departmental staff throughout the audit and hope that the information presented herein is beneficial.

Sincerely,

Michael W. Vandervort, CPA
Director

cc: Internal Audit Committee Members

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\(^1\) Section 552.139 Exception: Government Information Related to Security Issues for Computers- Information is excepted from the requirements of Section 552.021(Availability of Public Information) if it is information that relates to computer network security or to the design, operation, or defense of a computer network.
# Table of Contents

Executive Summary .................................................................................................................. 1

Background ............................................................................................................................. 2

Scope, Objectives, and Procedures ......................................................................................... 3

Audit Results .......................................................................................................................... 3

Conclusion ............................................................................................................................... 3
EXECUTIVE SUMMARY

Per Texas Government Code\(^1\), information about computer vulnerabilities is not subject to public disclosure. This report includes audit results that are sensitive in nature and will not be included in versions submitted outside the university.

This audit was conducted as part of the Fiscal Year 2012 Audit Plan. The scope of the audit included current IT controls in place at The University of Texas at Austin (UT Austin). The audit objective was to determine compliance with Texas Administrative Code (TAC) 202 on both an institutional and a departmental level.

TAC 202.71 part e states, “A review of the institution of higher education's information security program for compliance with these standards will be performed at least biennially, based on business risk management decisions, by individual(s) independent of the information security program and designated by the institution of higher education head or his or her designated representative(s).”

The Office of the Vice President and Chief Financial Officer oversees the Office of the Chief Information Officer and the Information Security Office, both of which are tasked with the technology concerns of campus. Information Technology Services provides a foundation of information technology solutions for campus, but departmental level management of IT resources varies because of the decentralized nature of UT Austin.

Based on interviews with relevant staff, and a review of policies, procedures, and applicable IT system documentation, the Office of Internal Audits concludes that the UT Austin information security program generally complies with TAC 202; however, improvements are necessary in some areas. Five recommendations were made to improve controls related to Information Resources Security Safeguards, Security Standards Policy, and Business Continuity Planning.

Management agreed with the recommendations and is taking corrective actions.

\(^1\) Section 552.139 Exception: Government Information Related to Security Issues for Computers-
Information is excepted from the requirements of Section 552.021(Availability of Public Information) if it is information that relates to computer network security or to the design, operation, or defense of a computer network.
BACKGROUND

"The Texas State Administrative Code (TAC) is a compilation of all state agency rules in Texas. There are 16 titles in TAC. Each title represents a subject category and related agencies are assigned to the appropriate title."² TAC 202.71 covers IT Security Standards for Institutions of Higher Education and is broken down into nine rules. TAC 202.71 part e states, "A review of the institution of higher education's information security program for compliance with these standards will be performed at least biennially, based on business risk management decisions, by individual(s) independent of the information security program and designated by the institution of higher education head or his or her designated representative(s)."

The Office of the Vice President and Chief Financial Officer oversees two departments tasked with the technology concerns of campus:

- Office of the Chief Information Officer and

The Office of the Chief Information Officer oversees Information Technology Services (ITS). "The goal of ITS is to provide an innovative, customer-focused and robust foundation for information technology solutions that enable the university community to pursue excellence in research, education, and public service."³ Applications, Networking and Telecommunications, Systems, and the University Data Center are all core services provided by ITS.

The ISO is responsible for managing The University of Texas at Austin’s (UT Austin) information security program. "The mission of the ISO, as required by state law, is to assure the security of the university’s information technology resources and the existence of a safe computing environment in which the university community can teach, learn, and conduct research. The ISO collaborates with campus IT leaders and university audit, compliance, and legal units to support the university’s teaching, research, and public service missions."⁴

Management of IT resources varies at a departmental level because of the decentralized nature of UT Austin. Departmental IT needs are managed by a dedicated team of IT professionals within the college/school/unit, ITS personnel, faculty/staff managing their own devices, or a combination of these. It is also possible for departments to run their own commodity services separate from ITS including web, email, and file storage servers.

This audit was conducted as required by TAC 202 as part of the Fiscal Year 2012 Audit Plan.

³ ITS Web Site – https://www.utexas.edu/cio/
⁴ ISO Web Site – http://security.utexas.edu/
SCOPE, OBJECTIVES, AND PROCEDURES

The scope of the audit included current IT controls in place at UT Austin. The audit objective was to determine compliance with TAC 202 on both an institutional and a departmental level.

To achieve this objective, the Office of Internal Audits (IA) interviewed staff from ITS and the ISO and reviewed:
- TAC 202 requirements for high risk areas;
- The IT sections of Departmental Change in Management Audits\(^5\); and
- UT Austin policies, procedures, guidelines, and relevant documentation.

This audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing and with Government Auditing Standards.

AUDIT RESULTS

Per Texas Government Code\(^6\), information about computer vulnerabilities is not subject to public disclosure. Due to the sensitive nature of the audit findings, this report will only include a summarized conclusion based on the audit results.

CONCLUSION

Based on interviews with relevant staff, and a review of policies, procedures, and applicable IT system documentation, the Office of Internal Audits concludes that the UT Austin information security program generally complies with TAC 202; however, improvements are necessary in some areas. Recommendations were made to improve controls related to Information Resources Security Safeguards, Security Standards Policy, and Business Continuity Planning.

In accordance with directives from The University of Texas System Board of Regents, the Office of Internal Audits will perform follow-up procedures to confirm that agreed-upon audit recommendations have been implemented.

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\(^5\) Departmental Change in Management Audits are performed to determine general compliance with certain policies and procedures of UT Austin. IT interviews/testing occurred in October and November 2012 for the seven departments used as our sample.

\(^6\) Section 552.139 Exception: Government Information Related to Security Issues for Computers. Information is excepted from the requirements of Section 552.021(Availability of Public Information) if it is information that relates to computer network security or to the design, operation, or defense of a computer network.