



OFFICE OF INSPECTOR GENERAL

AUDIT OF USAID'S FISCAL YEAR 2013 COMPLIANCE WITH THE FEDERAL INFORMATION SECURITY MANAGEMENT ACT OF 2002

AUDIT REPORT NO. A-000-14-001-P
October 15, 2013

WASHINGTON, DC

This is a summary of our report on the "Audit of USAID's Fiscal Year 2013 Compliance with the Federal Information Security Management Act of 2002." The Federal Information Security Management Act of 2002 (FISMA) requires agencies to develop, document, and implement an agency-wide information security program to protect their information and information systems, including those provided or managed by another agency, contractor, or other source. The act also requires agencies to have an annual assessment of their information systems.

The Office of Inspector General (OIG) contracted with the independent certified public accounting firm of Cotton & Company LLP to conduct the audit. Cotton was required to conduct the audit in accordance with U.S. Government auditing standards. The objective was to determine whether USAID implemented selected minimum security controls for selected information systems to reduce the risk of data tampering, unauthorized access to and disclosure of sensitive information, and disruptions to USAID's operations.

The audit found that USAID had not established an effective risk management program to ensure that policies and procedures were assessed and working as intended. In addition, Cotton reported that USAID's decentralized management of information technology and information security did not allow it to implement a process to effectively assess, respond to, and monitor information security risks throughout the Agency. Consequently, the audit concluded that USAID was not in substantial compliance with FISMA.

Based on Cotton's report, OIG made 29 recommendations to help USAID strengthen its information security program. Management decisions were made on all 29 recommendations, and final action was taken on 2 of them. However, OIG did not agree with 5 management decisions and encouraged USAID to revise them to fully address the weaknesses identified in Cotton's audit report.

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