

Memorandum



CITY OF DALLAS

Audit # A07-005

DATE: January 5, 2007

TO: Honorable Mayor and Members of the City Council

SUBJECT: Follow-up Report of the Audit of the City's Mainframe Operating Systems, Security and Operations Issued November 2004

We conducted this follow-up review under the authority of Chapter IX of the City Charter and according to applicable government auditing standards. We included tests of records and reviews of program guidelines and procedures that we considered necessary under the circumstances. Our objective was to determine whether management had implemented the original audit's recommendations or had taken other acceptable actions to remedy the control weaknesses identified in the original audit report.

The confidential audit report contained twenty-one findings and twenty-six related recommendations. Management agreed with twenty-three of the recommendations and disagreed with three of them. As of September 30, 2006, management has implemented five of the recommendations, partially implemented five, and has not implemented sixteen. Subsequent to the end of fieldwork, we found management has initiated efforts to address non-implemented recommendations.

The following details the original audit findings and recommendations and shows the status of implementation. Findings and recommendations related to physical and logical security have been excluded from this report as a precaution to prevent disclosure of the security of network operations through the provisions of those sections of Texas Government Code, Chapter 552, Public Information related to confidential and security related information. The details of the excluded information have been communicated to management. Of the ten recommendations presented in this report, management has implemented one, has partially implemented one, and has not implemented eight.

- 1. The assignment of operational responsibilities within Communications and Information Services (CIS)' current organizational structure appears to be causing operational inefficiencies or service gaps.**

We recommended that the Chief Information Officer (CIO):

- A. Conduct an analysis focused on matching the appropriate alignment of functional tasks to organizational hierarchical responsibilities within CIS. **(Not Implemented)**

CIS did not conduct an analysis focused on matching the appropriate alignment of functional tasks to organizational hierarchical responsibilities

within CIS. We found that CIS has re-organized its staff to address operational needs; however, we did not find sufficient evidence to indicate that CIS has aligned mainframe functional activities with available resources to reduce operational inefficiencies.

Develop and implement a plan to execute the results of the organizational analysis performed in item A above. **(Not Implemented)**

CIS did not develop and implement a plan to execute the results of the organizational analysis performed in item A above.

2. Although controls exist for the change notification process, current procedures are not adequate to ensure a high level of quality in the software development process.

We recommended that the CIO:

A. Review and adopt the software review process as outlined in the Capability Maturity Model Integration Software (CMMI-SW), Version 1.1. (Not Implemented)

CIS did not review and adopt the software review process as outlined in the CMMI-SW, Version 1.1 guideline. We did not find evidence that CIS has adopted this recommendation.

Implement the use of software measurement tools to monitor the progress and quality of all created and modified code. **(Not Implemented)**

CIS did not implement the use of software measurement tools to monitor the progress and quality of all created and modified code. We found documentation that CIS plans to add this software as budget permits.

3. Lack of effective strategic planning may result in the areas of workforce composition, succession, training and software application technology that are not being responsive to future needs.

We recommended that the CIO:

Provide funding to allow a backup LINC programmer to be hired or trained. **(Not Implemented)**

CIS did not provide funding to allow a backup LINC programmer to be hired or trained. We found that CIS has planned to adopt this recommendation and will do so as budget funds are made available.

Adopt the five principles for workforce planning as specified in the Government Accounting Office (GAO) report. **(Not Implemented)**

CIS did not adopt the five principles for workforce planning as specified in the GAO report. We did not find evidence that CIS has evaluated this recommendation.

We recommended that the City Manager:

Empower Information Technology Executive Committee (ITEC) with decision-making authority to establish, adopt and enforce a strategic technology direction for the City. **(Implemented)**

We found CIS cites Administrative Directive 2-30 as the governing policy document to empower ITEC with the decision-making authority to establish, adopt and enforce a strategic technology direction for the City.

4. Preventive maintenance is not adequate on key operational equipment for the data center and places unnecessary risk on critical City operations.

We recommended that the CIO:

A. Renew support and maintenance agreements for all the components of the City's emergency Uninterruptible Power Supply (UPS) back-up systems. **(Not Implemented)**

CIS did not renew support and maintenance agreements for all the components of the City's emergency UPS back-up systems. We found that CIS has requested budgeted funds to renew support and maintenance agreements for essential components of the City's UPS back-up systems, but has yet to actually renew all the identified agreements. We also found that CIS is working with EBS and City attorneys to renew support and maintenance agreements.

B. Enforce the testing provisions of the fire suppression system maintenance contract. **(Not Implemented)**

CIS did not enforce the testing provisions of the fire suppression system maintenance contract. We found that CIS is aware of problems that exist with the fire suppression system, but is not able to test the system at this time. Management believes that the proper operation of the fire suppression system is co-dependent upon the condition of the sub-floor in the data center and that the sub-floor issue will have to be addressed prior to the proper operations of the fire suppression equipment.

Develop and implement a plan to identify and remove unused cabling in the raised flooring. **(Partially Implemented)**

CIS developed and implement a plan to identify and remove unused cabling in the raised flooring. We found that CIS Management has budgeted to remove

cabling and to add additional flooring in their current year budget. We found CIS has issued a purchase order to remove unused cabling.

We appreciate the cooperation of management during this follow-up. Should you have any questions, please contact me at 214-670-3223 or Paul Garner, Assistant City Auditor, at 214-939-2520.

Craig D. Kinton, CPA
City Auditor

C: Mary K. Suhm, City Manager
Worris Levine, Jr., Chief Information Officer