**State Board of Education**

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**Commissioner of Education**

February 18, 2015

Melinda Miguel
Chief Inspector General
Office of the Chief Inspector General
The Capitol
Tallahassee, FL 32399-0001

Dear Melinda:

In accordance with Section 20.055(5)(h), Florida Statutes, attached is the six-month status of corrective actions taken in response to Auditor General Report #2015-007, *Federal Family Education Loan Program System.*

If you have any concerns regarding this status report, please contact Mike Blackburn by phone at 245-9418 or by email at Mike.Blackburn@fldoe.org.

Sincerely,

Pam Stewart
Commissioner

Attachment

cc: Joint Legislative Auditing Committee
    Mike Blackburn, Inspector General
    Linda Champion, Deputy Commissioner, Finance and Operations

**Department of Education**
**Inspector General – External Audit Follow-up**
**Status Report: Federal Family Education Loan Program System**
**AG Report # 2015-007    Issued: August 18, 2014**
**Status as of February 18, 2015**

| Finding | Recommendation(s) | Management Response as of August 18, 2014 | Management Response as of February 18, 2015 | Anticipated Completion Date & Contact |
|---|---|---|---|---|
| 1. Authorization documentation of access privileges for some users was missing and, in some instances, inaccurate. | The Department should maintain documentation of management's authorization of user access privileges and ensure that the documentation is complete and accurate. | Users who had access prior to utilization of the access forms (at the end of 2010) were grandfathered in for each ID utilized. Some users, for example, may have had three IDs, with two being grandfathered in, so no security form was available for those two. During the next quarter, we will conduct an annual review and access will be documented according to employees' access needs. | We are currently in the process of conducting an annual review that was initiated during the fourth quarter of 2014.  User access will be addressed and documented according to the current needs of each employee. | March 31, 2015 Cathy Hall |
| 2. As similarly noted in our report No. 2010-199, some FFELP System users had unnecessary or inappropriate access privileges. | The Department should ensure that FFELP System user access privileges are commensurate with their job duties and enforce an appropriate separation of duties. | The department ensures that FFELP System user access privileges are commensurate with job duties and enforces an appropriate separation of duties. Clerk IDs are assigned according to the department section in which a user is working unless a change of access is noted on the OSFA System Request Form (if available) due to level of work assignment. Users who had access prior to utilization of the access forms (at the end of 2010) were grandfathered in with access as appropriate to their function, not necessarily their position on the organizational chart. The limited "super user" access is necessary, is tightly controlled and is limited to a few experienced and trusted employees. During the next quarter, we will conduct an annual review and make any necessary changes to access privileges related to changes in work duties. | We are currently in the process of conducting an annual review that was initiated during the fourth quarter of 2014.  User access will be addressed and documented according to the current needs of each employee. | March 31, 2015 Cathy Hall |

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| 3. The Department had not performed periodic reviews of user access privileges to the FFELP System. | The Department should perform periodic reviews of user access privileges to the FFELP System to ensure the continued appropriateness of assigned access privileges. | Access privileges are granted commensurate with job duties and are not excessive in relation to the type of access or the number of users. Access is reviewed based upon changes in staff responsibilities by the supervisor as needed. In addition to these standard reviews, OSFA will also begin to conduct an annual review of all users. Clerk IDs are assigned according to the department section in which a user is working unless a change of access is noted on the OSFA System Request Form due to level of work assignment. Users who had access prior to utilization of the access forms (at the end of 2010) were grandfathered in with access as appropriate to their function, not necessarily their position on the organizational chart. | We are currently in the process of conducting an annual review that was initiated during the fourth quarter of 2014.  User access will be addressed and documented according to the current needs of each employee. | March 31, 2015 Cathy Hall |
| 4. As similarly communicated to Department management in connection with our report No. 2010-199, certain FFELP System security controls related to user authentication needed improvement. | The Department should improve user authentication controls to ensure the continued confidentiality, integrity, and availability of FFELP System data and related IT resources. | Improvements to user authentication controls are scheduled to occur when the FFELP application transitions from the mainframe. OSFA will continue to closely monitor system access in the interim. | Passwords will be made complex prior to transitioning from the mainframe.<br><br>The following changes will be implemented:<br><br>• Minimum password length increased from 4 to 8<br>• One or more numeric digits required for passwords<br>• Stored password file moved to dark mode | March 31, 2015 Mike Wade |

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| 5. As similarly noted in our report No. 2010-199, FFELP System program change management procedures needed improvement. | The Department should improve FFELP System program change management procedures to ensure that all program changes moved into production are properly documented, authorized, and approved. The Department should also finalize and approve the Change Management Process procedure to ensure that program changes are implemented in a manner consistent with management's expectations. | The department/OSFA has manual logging and monitoring processes in place to ensure that all program changes made to production are properly authorized and approved.  The logging process is via the SR system reports. The monitoring of changes is conducted via reconciliation reports reviewed by the business-side. Almost all of the mainframe and web System Request (SR) changes have written documentation (hardcopy or electronic) in addition to being tracked in the SR system with user acceptance indicated by a status of "Testing Accepted" or "Closed." Controls are in place to prohibit programmers from direct access to copy into production, which includes data fixes where the change is copied to the production night cycle via a job. This does not require assistance from staff independent from the program staff.  Programmers (who have coded the changes) are not authorized to complete the movement of the programming into production independently, with the exception of back-ups who only make moves on an emergency basis, for example if the designated person is unavailable. The department does not maintain separate FFELP System program change management procedures. The department's change management procedures are currently being reviewed and are in a draft status. | OSFA staff has tightened procedures for manual logging and monitoring processes to continue to ensure that all program changes made to production are properly authorized and approved. A staff member has been assigned the responsibility of monitoring on a daily basis.  The Department continues work on the over-arching change management procedures and is currently seeking input on the draft procedures from a number of entities within the Department. | September 1, 2014 (OSFA manual system)<br><br>Mike Wade<br><br>June 30, 2015 (DOE Over-arching Procedures)<br><br>Kevin Younger |

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| 6. The Department had not completed IT resource categorization as required by Agency for Enterprise Information Technology (AEIT) Rule 71A-2.001(3)(l), Florida Administrative Code. | The Department should continue developing its data categorization policies and procedures. | The department continues to develop its data classification and categorization policy and procedures. This comprehensive policy will be submitted to the Information Security Steering Committee for initial review. | The Information Classification, Categorization, and Handling policy incorporates FIPS 199 information categorization requirements addressing Rule 71A-2.001(3)(1). The policy must first go through the Information Security Steering Committee. Upon approval it will go to legal, then Senior leadership for formal adoption. The goal is to have the Information Security Steering Committee signoff by the end of the 2014/15 fiscal year. | Unknown<br><br>Kevin Younger, ISM |