

AGENDA ITEM 4.

FY 2012 INTERNAL AUDIT PLAN REVISION

Submitted for: Action

Summary: At the July 8, 2011 Commission meeting, the FY12 Audit Plan was approved. Included in the plan, was the “IT Database and Applications Controls Review”. Director of Internal Audit would like to replace this review with an “IT Risk Assessment”.

The purpose of having an IT Risk Assessment is to identify high risk areas in Information Technology (IT) systems and processes. As a result of the IT risk assessment, Internal Audit will be provided with an independent assessment of where to focus Internal Audit resources to maximize the value of Internal Audit.

Final Deliverables are to include the following:

- Generate an Executive Summary for high-level management to highlight critical points and high risk areas to address, including the IT audit universe, suggested Year 1-Year 4 audit plan, and
- Generate a detailed report describing the existing state of information security at ISAC including:
 - Heat map of IT environment of ranking IT auditable risk areas from high to low in terms of probability and impact;
 - Gap analysis of ISAC’s Information Management policies, procedures, and business processes versus standards and best practices. References to standards should be included in the detailed report (include reference to Federal Information Security Management Act and other standards);
 - Results of penetration testing;
 - Identification and prioritization of risks to the Agency related to information security;
 - Recommendations to improve the security of ISAC’s information and efficiency of IT processes and practices, including IT Governance;
 - Recommendations should be organized into a 2 x 2 matrix based on risk to the Agency (medium-high) and cost to correct (low-high).

Action Requested: That the Commission approves the following resolution:

“BE IT RESOLVED that the Commission approves the revision to the approved FY12 Internal Audit Plan to replace “IT Database & Application Controls” with “IT Risk Assessment”.