DISTRICT OF COLUMBIA
OFFICE OF THE INSPECTOR GENERAL
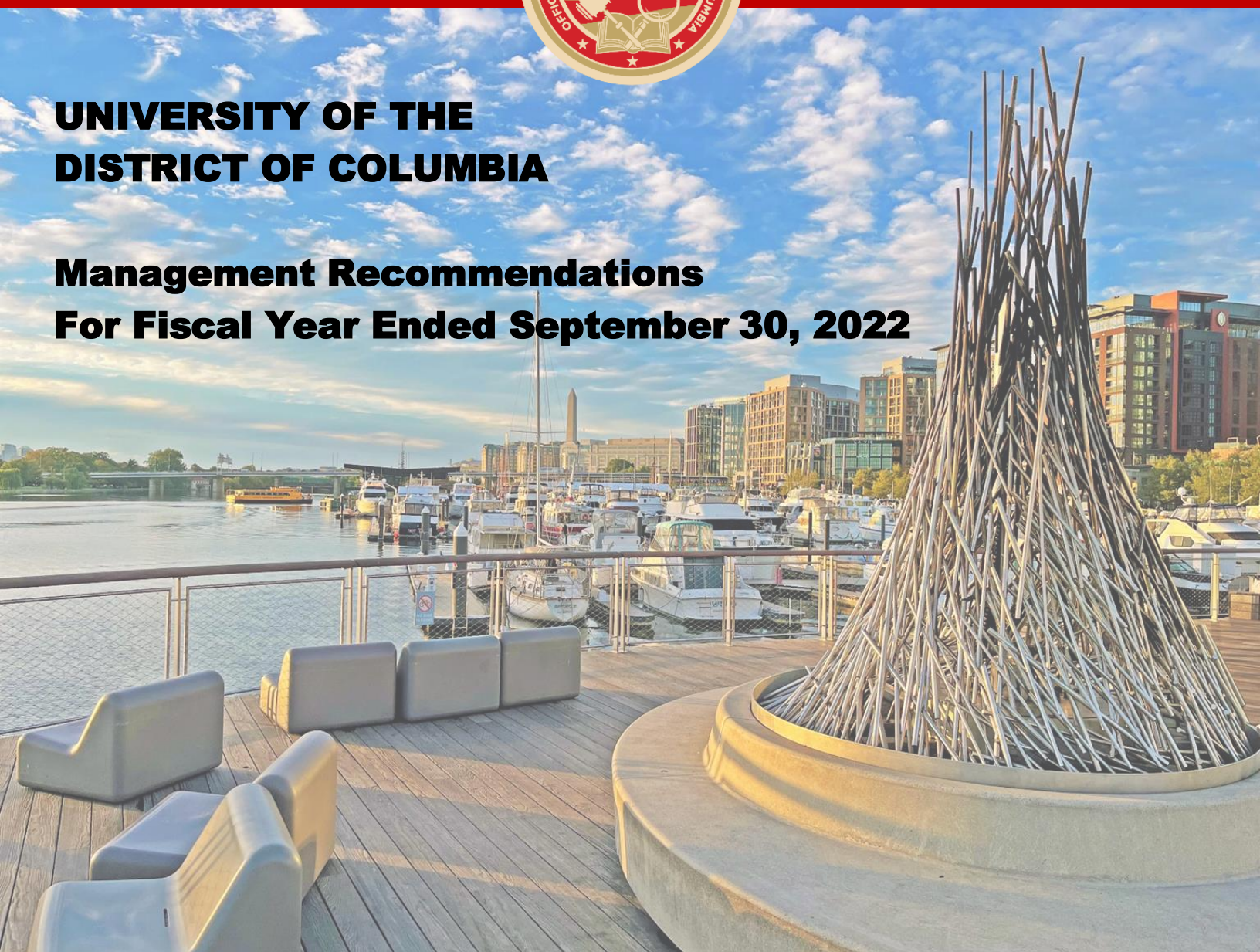
UNIVERSITY OF THE DISTRICT OF COLUMBIA

**Management Recommendations
For Fiscal Year Ended September 30, 2022**

GUIDING PRINCIPLES

*ACCOUNTABILITY ∗ INTEGRITY ∗ PROFESSIONALISM
TRANSPARENCY ∗ CONTINUOUS IMPROVEMENT ∗ EXCELLENCE*

Mission

Our mission is to independently audit, inspect, and investigate matters pertaining to the District of Columbia government in order to:

- prevent and detect corruption, mismanagement, waste, fraud, and abuse;

- promote economy, efficiency, effectiveness, and accountability;

- inform stakeholders about issues relating to District programs and operations; and

- recommend and track the implementation of corrective actions.

Vision

Our vision is to be a world-class Office of the Inspector General that is customer-focused and sets the standard for oversight excellence!

Core Values

Accountability ✳ Integrity ✳ Professionalism
Transparency ✳ Continuous Improvement ✳ Excellence

Inspector General

OIG

January 31, 2023

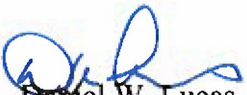|	
The Honorable Muriel Bowser	The Honorable Phil Mendelson
Mayor of the District of Columbia	Chairman
Mayor's Correspondence Unit	Council of the District of Columbia
John A. Wilson Building	John A. Wilson Building
1350 Pennsylvania Avenue, N.W., Suite 316	1350 Pennsylvania Avenue, N.W., Suite 504
Washington, D.C. 20004	Washington, D.C. 20004

Dear Mayor Bowser and Chairman Mendelson:

Enclosed is the final report entitled *University of the District of Columbia Management Recommendations for the Year Ended September 30, 2022 (OIG No. 22-1-45GG(a))*. McConnell Jones, LLP (MJ) submitted this report as part of our overall contract for the audit of the District of Columbia's general-purpose financial statements for fiscal year 2022.

On January 3, 2023, MJ issued seven recommendations intended to improve the effectiveness of internal controls over University of the District of Columbia (UDC) operations and programs. When addressed, these improvements can increase assurances that UDC runs its operations efficiently and effectively, reports reliable information about its operations, and complies with applicable laws and regulations. The report also includes one of two prior year management recommendations as open and unresolved (see page 4).

If you have questions about this report, please contact me or Fekede Gindaba, Assistant Inspector General for Audits, at (202) 727-2540.

Sincerely,

Daniel W. Lucas
Inspector General

DWL/ws

Enclosure

cc: See Distribution List

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Mr. Wayne McConnell, Managing Partner, McConnell & Jones LLP

UNIVERSITY OF
THE DISTRICT OF COLUMBIA
(A Component Unit of the Government of the District of Columbia)

MANAGEMENT RECOMMENDATIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

January 3, 2023

To the Mayor, Members of the Council of the District of Columbia,
    Board of Trustees of the University of the District of Columbia, and
    the Inspector General of the District of Columbia

In planning and performing our audit of the financial statements of the University of the District of Columbia (the University), a component unit of the Government of the District of Columbia, and the University of the District of Columbia Foundation, Inc. and the District of Columbia School of Law Foundation, the discretely presented component units of the University, as of and for the year ended September 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the University's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, we identified certain matters involving the internal control and other operational matters, which are summarized below.

Our findings and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. We believe that the implementation of these recommendations will provide the University with a stronger system of internal control while also making its operations more efficient. We will review the implementation status of our findings and recommendations during the next audit engagement.

This letter does not affect our independent auditor's report, or our report issued under Government Auditing Standards, dated January 3, 2023, on the financial statements of the University.

This communication is intended solely for the information and use of management, Board of Trustees, others within the organization, the Mayor and members of the Council of the District of Columbia, and the Inspector General of the District of Columbia, and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully,

McConnell & Jones

Washington, D.C.
January 3, 2023

Diverse Thinking | Unique Perspectives

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I. CURRENT YEAR FINDINGS

UNIVERSITY OF THE DISTRICT OF COLUMBIA (UDC)

Finding 2022-001 – A formalized risk assessment over the University's Information Systems has not been conducted.

Management has a responsibility to properly manage and assess risks to the information systems and the data it contains. According to the Office of the Chief Technology Officer's (OCTO) Risk Assessment Policy, Section 4.2 Risk Assessment,[1] District agencies must develop a Risk Management policy, conduct regular risk assessments, disseminate risk assessment results to all agencies and update the risk assessments at least annually, or whenever there are significant changes to the system or environment of operation. At the time of the audit, a formalized risk assessment process had not been implemented due to the University not adopting a risk management framework. As a result of not performing a formalized risk assessment, the University has not been able to identify and mitigate risks and protect its information technology assets.

Recommendations

1. Management should adopt a risk management framework to inform policies and procedures governing the protection of information technology assets.
2. Management should create UDC specific policies to identify and mitigate risks to protect its information technology assets.
3. Management should conduct periodic risk assessments over UDC information systems.

Management Response

UDC IT will adopt the existing policy subsection 4.2 under OCTO's Risk Assessment Policy to ensure adequate policy guidance and documentation exists to govern IT security operations for the University. Specifically, UDC will do the following:

- Conduct assessments of risks, including the likelihood and magnitude of the harm, from the unauthorized access, use, disclosure, disruption, modification, or destruction of the information system and the information it processes, stores and transmits.
- Document risk assessment results in a Risk Assessment Report.
- Review risk assessment results annually.
- Update the risk assessments at least annually or whenever there are significant changes to the system or environment of operation (including the identification of new threats and vulnerabilities) or other conditions that may impact the security state of the system.

UDC will complete the implementation efforts by June 30, 2023.

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[1] OCTO website, https://octo.dc.gov/node/1523606, (last visited Sept. 15, 2022).

Finding 2022-002 – Controls not in place to ensure that vulnerability assessment and penetration testing findings are properly remediated.

According to the Office of the Chief Technology Officer's (OCTO) Vulnerability Management Policy[2] Section 4, all systems and devices connected to the District's network, either owned by the District or those in the process of being developed and supported by third parties, must be periodically scanned for vulnerabilities that may pose a risk to the confidentiality, integrity, and availability of the District's information infrastructure. The Vulnerability Management team must generate an incident ticket for every vulnerability on the vulnerability scan report and assign the ticket to relevant system owners or managers for remediation.

UDC performs periodic vulnerability assessments. However, the University lacks a formalized process for tracking and remediating of vulnerabilities identified through its vulnerability assessment practice. UDC has not completed the development, documentation, and dissemination of a formal risk management program to establish a formal process for effectively prioritizing and tracking vulnerabilities and remediation timeframes. This occurred because IT management lacked awareness of security standards and frameworks.

The lack of a formalized process increases the risk of a system vulnerability not being remediated, allowing the possibility of data to be compromised by hackers or internal threats and accidental leakage.

Recommendations

4. Management should adopt information security standards to inform policies and procedures governing the protection of information technology assets.
5. Develop and implement a tracking solution to track, prioritize, and remediate vulnerabilities.

Management Response

UDC will develop a formalized process for tracking the remediation of identified vulnerabilities based on OCTO's Vulnerability Management Policy. The action plan will include:

- Scanning via an authenticated method all critical systems and devices connected to the UDC's network every quarter by the UDC IT team.
- All scan results will be verified by the UDC IT team so that potential false positives can be identified and eliminated.
- The UDC IT team will generate an incident ticket based on the vulnerability scan report and assign the ticket to relevant team members for remediation.

UDC will complete the implementation effort by March 31, 2023.

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[2] OCTO website, https://octo.dc.gov/node/1523591, (last visited Sept. 15, 2022).

Finding 2022-003 – UDC did not have a policy in place governing the removal of personnel in PeopleSoft.

According to the Government of the District of Columbia's *Electronic District Personnel Manual (E-DPM),[3] Section 906.4 Excepted Service Appointment of Career Service or Educational Service Employees,* educational service employees must be terminated after his not-to-exceed (NTE) date has passed. UDC management explained that PeopleSoft should terminate all employees within 30 days after their NTE date, and UDC is responsible for reviewing the terminations in the system.

Our testing identified that UDC failed to terminate one adjunct professor in PeopleSoft after his appointment was completed in the summer semester of 2019 and the professor remained active on the human resources information system through August 2022. The termination was not processed until after the employee was selected for our audit procedures.

This condition occurred because UDC did not have a policy in place governing removal of terminated personnel in PeopleSoft. As a result, there is a risk that terminated personnel have unauthorized access to Peoplesoft.

Recommendations

6. Develop policies and procedures to include the review the termination of personnel in PeopleSoft.
7. We suggest that UDC coordinate a review and reconciliation process of faculty appointments and terminations at the end of each semester, in order to process termination actions in PeopleSoft in a timely manner.

Management Response

UDC has developed a Statement of Position which will be implemented immediately to address the recommendation.

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[3] DCHR website, https://edpm.dc.gov/chapter/9/#home, (last visited Oct. 15, 2022).

II. PRIOR YEAR FINDINGS

STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS

MANAGEMENT RECOMMENDATION – FISCAL YEAR 2021		
	RECOMMENDATION	STATUS
UNIVERSITY OF THE DISTRICT OF COLUMBIA		
1	Develop and implement an incident monitoring policy	UDC is currently in the process of identifying and implementing thresholds related to intrusion attempts.
2	Develop and implement a policy to periodically review firewall rules	Implemented