



COLORADO

Secretary of Technology &
Chief Information Officer

Governor's Office of Information Technology

Suma Nallapati
601 East 18th Avenue, Suite 250
Denver, CO 80203

October 12, 2016

Dianne E. Ray, CPA
State Auditor
Colorado Office of the State Auditor
1525 Sherman St., 7th Floor
Denver, CO 80203

Dear Auditor Ray:

In response to your request, we have prepared an updated status report regarding the implementation of audit recommendations contained in the *Audit of the Information Security of the Colorado Operations Resource Engine (CORE) performance audit (April 2016)*. The attached report provides a brief explanation of the actions taken by the *Governor's Office of Information Technology* to implement each recommendation.

If you have any questions, please do not hesitate to contact me at 303-764-7707 or by email at suma.nallapati@state.co.us.

Sincerely,

A handwritten signature in black ink, appearing to read 'Suma Nallapati', with a horizontal line underneath.

Suma Nallapati
Secretary of Technology & Chief Information Officer



AUDIT RECOMMENDATION STATUS REPORT

AUDIT NAME: Audit of the Information Security of the Colorado Operations Resource Engine (CORE) System (Public Report)

AUDIT NUMBER: 1549P

DEPARTMENT: Governor's Office of Information Technology (OIT)

DATE OF STATUS REPORT: October 24, 2016

SUMMARY INFORMATION

Rec. Number	Agency's Response	Original Implementation Date	Implementation Status	Revised Implementation Date (If applicable)
1a	Agree	July 2017	Partially Implemented	
1b	Agree	July 2018	Partially Implemented	
1c	Agree	July 2017	Partially Implemented	

DETAIL OF IMPLEMENTATION STATUS

Note: The Department agreed with all of the audit recommendations.

Recommendation No. 1:

The Governor's Office of Information Technology should improve oversight of CGI, as the CORE application's third-party service provider, to ensure compliance with the Colorado Information Security Policies (Security Policy or Policies) by:

- A. Amending the CGI contract as necessary to clearly and unambiguously state that the contractor is required to comply with all current and future updated State of Colorado Information Security Policies.

Current Implementation Status for Rec. 1, part a: Partially Implemented.

Agency's Update:

OIT and the Department of Personnel & Administration (DPA) meet weekly with CGI to get status updates related to ongoing resolution of all audit findings. OIT and DPA have requested from CGI two options for maintaining ongoing compliance with the Colorado Information Security Policies. CGI has indicated that either option will require additional funding. Quotes were provided for OIT and DPA consideration on October 14, 2016. DPA and OIT will bring these quotes to the CORE Executive Steering Committee and the Joint Budget Committee within the October/November timeframe to enable a decision to be made. Once the decision has been made, the contract will be amended reflect the compliance option chosen and to require CGI to maintain ongoing compliance.

- B. Ensuring it has a process and effective mechanism in place to assess CGI for compliance with the CISPs including ensuring that CGI's policies and procedures for CORE comply with the Security Policies.

Current Implementation Status for Rec. 1, part b: Partially Implemented.

Agency's Update:

OIT has submitted a Decision Item for General Assembly and Governor consideration to build a vendor risk management practice, to include personnel and tools. This request has withstood Office of State Planning and Budget (OSPB) scrutiny and has been submitted by OSPB for approval. If approved, funding will become available for Fiscal Year 2018, which will enable OIT to perform this function using repeatable processes on a regularly occurring schedule.

- C. Amending the CGI contract as necessary to assign DPA/OSC primary responsibility for contract oversight, while stipulating that OIT should continue to ensure compliance with Security Policies.

Current Implementation Status for Rec. 1, part b: Partially Implemented.

Agency's Update:

DPA and OIT will work with CGI to amend the contract to incorporate all agreed-upon ownership changes. The timing of the contract amendment is dependent upon action taken per the response in part A. As documented in the response in part A, once the compliance option is chosen, and funding has been approved, the contract amendment will occur, and will include agreed-upon ownership changes. If funding is not approved, DPA and OIT will work with CGI to amend the contract to make the agreed-upon ownership changes without adding requirements that would require additional funding
