

CITY OF NEWTON

FINANCIAL AUDIT ADVISORY COMMITTEE

ACCOUNTING and AUDIT SUB-COMMITTEE AGENDA

THURSDAY, APRIL 23, 2015

Room 211
3:30 PM

Review of the Information Technology Department's responses to the Auditor's Management Letter comments related to Information Technology Security and Controls with representatives of the Information Technology Department and the Executive Office.

Respectfully submitted,

Gail Deegan, Chairman

Information Technology

Comment

Due to the importance of, and potential risks associated with, information technology as it relates to the City's operations, the periodic use of an independent third party to identify potential areas of weakness to the information technology environment is sound business practice. Our inquiries of the Information Technology Department identified that an independent third party has not recently been utilized to conduct various tests of the City's information technology systems.

Recommendation

We recommend the City consider the cost/benefit of utilizing an independent third party to conduct various tests of the City's information technology environment, such as an Internal Vulnerability Assessment and/or General Controls Review.

Management's Response

Management is in agreement with this recommendation. The Audit Committee will meet with the Information Technology Department; Financial Information Systems Department; and the City's independent auditors in early 2015 to discuss this recommendation in more detail and to develop a plan for funding and implementation.

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FINANCIAL AUDIT ADVISORY COMMITTEE

ACCOUNTING and AUDIT SUB-COMMITTEE REPORT

TUESDAY, MARCH 24, 2015

Portion of report related to Information Technology

The sub-committee spoke with Chief of Information Technology Joe Mulvey via a conference call regarding the auditor's management letter comment on the City's information technology security and controls. The sub-committee felt that it would be helpful to have a full discussion with Mr. Mulvey and Chief of Staff Maureen Lemieux in person.

Mr. Mulvey informed the sub-committee that the information technology penetration and vulnerability assessment found that the City's information technology system was well protected. There are approximately 15 non-critical areas that were discovered during the assessment are either addressed or being addressed. The assessment company will reassess the system once everything is complete, which should be in the next couple of weeks.

The sub-committee would like a copy of the executive summary of the assessment report and would like to schedule a meeting after the reassessment is complete. (Note: The sub-committee will meet with Mr. Mulvey on April 23rd at 3:30 pm to continue the discussion.)