



United States Department of Agriculture

OCIO—Final Action Verification— Management and Security Over USDA's Universal Telecommunication Network (UTN)



Audit Report 88026-0001-41

January 2020

OFFICE OF INSPECTOR GENERAL



United States Department of Agriculture
Office of Inspector General
Washington, D.C. 20250



DATE: January 27, 2020

FAV
NUMBER: 88026-0001-41

TO: Stanley McMichael
Associate Chief Financial Officer
Office of the Chief Financial Officer

FROM: Gil H. Harden
Assistant Inspector General for Audit

SUBJECT: OCIO—Final Action Verification—Management and Security Over
USDA’s Universal Telecommunications Network (UTN)

The Office of Inspector General (OIG) completed a final action verification of all 21 recommendations in Audit Report 88501-0002-12, *Management and Security Over USDA’s Universal Telecommunications Network*.¹ The purpose of our final action verification was to determine if the Office of the Chief Information Officer (OCIO) and the Office of Procurement and Property Management (OPPM)² provided the Office of the Chief Financial Officer (OCFO) sufficient documentation that supported the management decision reached with OIG and was satisfactory for closing the audit report recommendations.³

In a memorandum dated July 19, 2018, OCFO reported to OCIO that it closed all 21 recommendations, and we concur with this decision.

Background

¹ Audit Report 88501-0002-12, *Management and Security Over USDA’s Universal Telecommunications Network*, (July 17, 2014).

² OPPM’s Procurement Operations Division (POD), currently under Office of Contracting & Procurement, provides contracting and procurement support to OCIO and is responsible for administration and oversight of the Telecommunications task order.

³ *Final action* is the completion of all actions that management has, in its management decision, concluded are necessary with respect to the finding(s) and recommendation(s) included in an audit report. *Management decision* is an agreement between agency management and OIG on the action(s) taken or to be taken to address a finding or findings and recommendation(s) cited in an audit report. The management decision must include the agreed-upon dollar amount in the recommendations and an estimated completion date, unless all corrective action is completed by the time agreement is reached. DR 1720-001, Section 6i, *Audit Follow-up and Management Decision* (Nov. 2, 2011).

Our report, *Management and Security Over USDA's Universal Telecommunications Network*, made 21 recommendations to help improve OCIO and OPPM's processes for ensuring the Universal Telecommunication Network (UTN) is configured, managed, and secured in accordance with applicable standards and guidance and Government funds for the Telecommunications task order are properly managed, expended, and monitored.

OIG, OCIO and OPPM reached management decision on all 21 recommendations and documented this acceptance within two separate memoranda, one dated August 7, 2014,⁴ and another dated February 10, 2015. In addition, the memoranda detailed corrective actions OCIO and OPPM needed to achieve final action for all recommendations.

In accordance with Departmental Regulation 1720-001, OCFO has the responsibility to determine final action for recommendations that OIG has agreed to management decision.⁵ As such, OCFO determines if agency-provided documentation of implemented corrective actions meets the intent of the recommendations and achieves final action.

Scope and Methodology

The scope of this final action verification was limited to determining whether OCIO and OPPM's plan of action for all recommendations in the subject report were completed in accordance with the management decisions reached on July 17, 2014, and February 10, 2015. To accomplish our objective, we reviewed documentation of corrective actions OCIO and OPPM implemented and submitted to OCFO. We did not perform internal control testing or make site visits to determine whether the underlying deficiencies that were initially identified had been corrected by OCIO and OPPM's plan of action. In addition, we did not provide an opinion on the results of the implementation or effectiveness of each recommendation. We conducted this final action verification in accordance with our internal guidance cited in IG-7710, *Non-audit Work*, and *Final Action Verification Guidance and Procedures*. As a result, we did not conduct the final action verification in accordance with the *Generally Accepted Government Auditing Standards*, issued by the Comptroller General of the United States, or the *Quality Standards for Inspection and Evaluation*, issued by the Council of the Inspectors General on Integrity and Efficiency. However, before we performed the non-audit service, we determined that it would not impair our independence to perform audits, inspections, attestation engagements, or any other future or ongoing reviews of the subject.

Results of Final Action Verification

We determined that OCIO and OPPM provided sufficient documentation to OCFO for the corrective actions implemented in order to achieve final action for all 21 recommendations in the subject report. The following table summarizes the action(s) OCIO and OPPM took in respect to each recommendation.

⁴ The memoranda documented the management decision reached for recommendations 1-17, 19, and 21 at report issuance.

⁵ DR 1720-001, 7d (1-9), Audit Follow-up and Management Decision (Nov. 2, 2011).

We informed OCIO officials of the results of this final action verification.

Rec. No.	Recommendation	Action Taken
1	OCIO needs to ensure the Information Systems Security Program Manager (ISSPM) is integrated into all aspects of the UTN project and that all security decisions are documented.	OCIO established the policy and procedure so that the ISSPM is integrated into all aspects of the UTN project and all security decisions are documented.
2	OCIO needs to develop, document, and implement procedures to ensure that a security impact analysis is performed on all changes and to the UTN services prior to implementation.	OCIO modified the Change Management Procedure for the UTN to perform a security impact analysis on all changes to the UTN service prior to implementation.
3	OCIO needs to develop and implement procedures to synchronize the firewall rule sets and website filters so that consistency is maintained at the two trusted internet connections (TIC) locations. Review the rule sets and filters, on a routine basis, at least annually, and automate the procedures for better continuous monitoring.	OCIO developed and implemented the procedure to synchronize the firewall rule sets and website filters for consistent maintenance. It also developed the procedures to support ongoing review and continuous monitoring of both the firewall rule sets and the URL filtering exceptions.
4	OCIO needs to develop and implement controls, including discovery scans, to ensure all network devices are scanned on a monthly basis. In addition, develop and implement a process to timely remediate vulnerabilities and apply software patches according to Departmental guidance.	OCIO established a security discovery, scanning, and remediation procedure to address the recommendation.
5	OCIO needs to develop and implement the minimum physical and environmental controls required for each UTN site based upon the security risk and priority of the site.	OCIO developed and implemented the minimum physical and environmental controls required for each UTN site based on the security risk and priority of the site.
6	OCIO needs to develop and implement procedures to perform disaster recovery/failover tests, at least annually.	OCIO completed a disaster recovery test of the TIC portals. It also established a disaster recovery procedure to perform the test annually.
7	OCIO needs to develop and implement oversight procedures for inventory management.	OCIO developed and implemented oversight procedures for inventory management.
8	OCIO needs to develop and implement a plan to remove and purge unused equipment from the UTN infrastructure.	OCIO completed the removal and purge of unused equipment within the UTN TIC infrastructure.

Rec. No.	Recommendation	Action Taken
9	OCIO and OPPM need to develop and implement procedures to ensure all personnel working on the Telecomm task order are identified and have the required background investigation.	OCIO established the background investigation process and completed the identification and investigation of all contractor staff working under the Telecom task order.
10	OPPM needs to develop and implement procedures for re-assigning contracts and task orders to contracting officers (COs) to ensure each is provided relevant materials, understands their responsibilities, and monitors the contractor's performance.	OPPM issued an Acquisition Operating Procedure on August 20, 2014, that provided guidance to contracting officers and buyers regarding reassignment of requisitions, solicitations, and contracts.
11	The CO needs to inform all parties that correspondence or discussions regarding task order changes/disputes/lack of performance are the sole responsibility of the CO.	The CO informed all parties that correspondence or discussion regarding task order changes were the sole responsibility of the CO.
12	OPPM and OCIO need to research and, if applicable, seek reimbursement for unimplemented contract services that USDA is paying for, but AT&T has not provided.	OCIO worked with AT&T to complete all unimplemented contract services until AT&T completed implementation of all services in accordance with the USDA Network statement of work. This corrective action was based on the agreement that USDA would accept delivery of UTN TICs with partial functionality without cost adjustment.
13	OPPM should require AT&T to meet its contractual obligations and establish timeframes for AT&T to be in compliance with the terms of the Telecomm task order or take appropriate action if requirements are not met in a timely manner.	OCIO completed a contract compliance review with findings identified, and AT&T responded to the findings by providing the status of corrective actions to each item of the findings. All the items identified were completed by the end of 2015.
14	OCIO needs to update the telecommunications mission area control officer's (TMACO) job description in accordance with Departmental Regulations. The position's responsibilities and required knowledge should include an understanding of financial management and billing processes. In addition, ensure the official responsible for this function has the training	OCIO updated the Enterprise Network Services (ENS) Position Description and provided training to TMACOs, as recommended.

Rec. No.	Recommendation	Action Taken
	necessary, so they can adequately perform billing reconciliations.	
15	OCIO needs to establish procedures requiring that the UTN bills be reviewed and reconciled monthly. A manager needs to review the monthly billing reconciliations for accuracy and then initial and date them to ensure and indicate that the bills are accurate and reviewed timely.	OCIO established a monthly review and reconciliation process to validate and approve the UTN billing data as recommended.
16	OCIO needs to require that all billing disputes are submitted in accordance with the terms of the Networx contract.	OCIO established the processes so that the billing disputes were submitted in accordance with the terms of Networx contract.
17	OCIO needs to submit a billing dispute to Business Direct for the \$1,916,667.88 in billing errors that were discovered by AT&T in 2012 so that this transaction is tracked.	OCO addressed the billing errors discovered by AT&T and the transactions were tracked by AT&T adjustment IDs.
18	OCIO needs to confirm reimbursements were received for the \$89,719.58 in overcharges.	OCIO confirmed that the reimbursements were received accurately.
19	OCIO needs to develop and implement a periodic supervisory review process to monitor system outages and ensure that any appropriate credit requests are submitted to AT&T. Requested credits should be tracked to determine whether they have been reimbursed.	OCIO implemented a periodic supervisory review process to monitor system outage. It also established the process to keep track of any appropriate credit requests submitted to AT&T for reimbursement.
20	OCIO needs to confirm reimbursements were received for the \$42,968 system outage credits identified.	OCIO confirmed the reimbursements for the system outage credits were received accurately.

Rec. No.	Recommendation	Action Taken
21	OCIO needs to request that AT&T provide a detailed statement that includes information for each of the individual credits in any lump sum payment.	OCIO established the process to verify the detailed break-down of credit adjustments applied by AT&T.

cc: Megen Davis, Director, Strategic Planning, E-Government and Audits, OCIO

Learn more about USDA OIG
Visit our website: www.usda.gov/oig
Follow us on Twitter: @OIGUSDA

Report Suspected Wrongdoing in USDA Programs

OIG Hotline: www.usda.gov/oig/hotline.htm

Local / Washington, D.C. (202) 690-1622
Outside D.C. (800) 424-9121
TTY (Call Collect) (202) 690-1202

Bribery / Assault
(202) 720-7257 (24 hours)



In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal

Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at How to File a Program Discrimination Complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

USDA is an equal opportunity provider, employer, and lender.

All photographs on the front and back covers are from USDA's Flickr site and are in the public domain. They do not depict any particular audit or investigation.