

ALAN G. HEVESI  
COMPTROLLER



110 STATE STREET  
ALBANY, NEW YORK 12236

STATE OF NEW YORK  
OFFICE OF THE STATE COMPTROLLER

March 1, 2005

Mr. Robert L. King  
Chancellor  
State University of New York  
University Plaza  
Albany, NY 12246

Re: University at Albany Network Security  
Controls, Report 2004-S-23

Dear Chancellor King:

Pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law, we audited selected aspects of the security controls over the State University of New York at Albany's computer network. Our audit covered the period March 8, 2004 through July 30, 2004.

**A. Background**

The State University of New York at Albany (University) offers undergraduate and graduate education in a broad range of academic fields at the bachelor's, masters and doctoral degree levels. Currently, nearly 12,000 undergraduates and more than 5,400 graduate students are enrolled in nine University colleges and schools. University computers help perform many tasks, such as recording grades, tracking financial aid and providing e-mail capability and Internet access.

The University's Information Technology Services (Technology Services) is headed by the Chief Information Officer and is composed of five units including Client Support Services, Extended Learning, Systems Management and Operations, Telecommunications and Information Security and University Applications Development.

**B. Audit Scope, Objective and Methodology**

We audited selected aspects of the security controls in place over the University academic and administrative network (Network). Our audit covered the period March 8, 2004 through July 30, 2004. The purpose of our performance audit was to determine if the University has established the proper management structure and Network controls to reduce the risks of unauthorized access to its data and resources.

To accomplish our objective, we reviewed University policies and procedures relating to computer networks, equipment, and applications. In addition, we interviewed University officials responsible for administering network security and operations. We also reviewed relevant laws, rules and regulations, and examined records and reports pertinent to our audit scope. Further, we provided University officials with a questionnaire addressing the University's security controls. We also performed tests of remote access into the Network. Finally, in coordination with University officials, we performed an external and internal vulnerability assessment. Such an assessment involves steps to attempt access to the computer network.

We conducted our audit in accordance with Generally Accepted Government Auditing Standards. Such standards require that we plan and perform our audit to adequately assess those University operations that are included within the audit scope. Further, these standards require that we understand the University's internal control structure and compliance with those laws, rules and regulations that are relevant to the operations that are included in our audit scope. An audit includes examining, on a test basis, evidence supporting transactions recorded in the accounting and operating records and applying such other auditing procedures as we consider necessary in the circumstances. An audit also includes assessing the estimates, judgments and decisions made by management. We believe that our audit provides a reasonable basis for our findings, conclusions and recommendations.

In addition to being the State Auditor, the Comptroller performs certain other constitutionally and statutorily mandated duties as the chief fiscal officer of New York State, several of which are performed by the Division of State Services. These include operating the State's accounting system; preparing the State's financial statements; and approving State contracts, refunds, and other payments. In addition, the Comptroller appoints members to certain boards, commissions and public authorities, some of whom have minority voting rights. These duties may be considered management functions for purposes of evaluating organizational independence under Generally Accepted Government Auditing Standards. In our opinion, these management functions do not affect our ability to conduct independent audits of program performance.

### **C. Results of Audit**

Detailed results of our audit were provided to University officials during the conduct of our audit. The details of our findings and recommendations are not included here due to the sensitivity of the information and the potential risk associated with the release of such information. As part of our audit, we identified certain areas in which the security organization, policies and controls needed to be improved. University officials generally agree with the major recommendations and considered this audit to be a valuable examination of their network security controls. Their comments are included as Appendix A.

### **Recommendation**

*Implement the specific recommendations for strengthening the University's Network security that were provided to the University during the audit.*

Within 90 days after final release of this report, as required by Section 170 of the Executive Law, the President of the University at Albany shall report to the Governor, the State Comptroller, and the leaders of the Legislature and fiscal committees, advising what steps were taken to implement the recommendations contained herein, and where recommendations were not implemented, the reasons why.

Major contributors to this report were Brian Reilly, Walter Irving, Nadine Morrell, Mark Ren, Michael Reilly, and Kevin Sadvari.

Yours truly,

Brian Reilly  
Information Technology Audit Manager  
State Audit Bureau

cc: Robert Barnes, Division of the Budget

THE STATE UNIVERSITY *of* NEW YORK

January 21, 2005



**Elizabeth D. Capaldi**  
*Vice Chancellor and  
Chief of Staff*

*State University Plaza  
Albany, New York  
12246*

*518 443 5355  
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Mr. David R. Hancox  
Director  
State Audit Bureau  
Office of the State Comptroller  
110 State Street  
Albany, New York 12236

Dear Mr. Hancox:

As permitted under Section 170 of the Executive Law, enclosed are the comments of State University of New York at Albany regarding the draft audit on Selected General Controls over Computer Network Security (2003-S-23).

Sincerely,

A handwritten signature in cursive script, appearing to read "Elizabeth D. Capaldi".

Elizabeth D. Capaldi

Enclosure

**Appendix A**

**University at Albany  
Response to the Draft Report**

**Re:** Office of the State Comptroller Draft Report 2004-S-23, *Network Security Controls*.

**Recommendation**

*Implement the specific recommendations for strengthening the University's Network security that were provided to the University during the audit.*

University at Albany Response: The University acknowledges the receipt of this draft report and the work done by the Office of the State Comptroller during this audit. We considered this audit to be a valuable examination of our network security controls and it reaffirms the steps we have already implemented or are underway to build a strong information security program. The University generally agrees with the major recommendations provided by the auditors. The University will set up an appropriate process to address implementation of specific recommendations, taking into account the contribution to overall security goals and the resources required for implementation.