



Office of Inspector General

Board of Governors of the Federal Reserve System
Bureau of Consumer Financial Protection

Executive Summary, 2018-IT-B-015R, September 26, 2018

Security Control Review of the Board Division of Research and Statistics' General Support System

Findings

Overall, we found that the Board of Governors of the Federal Reserve System's (Board) Division of Research and Statistics (R&S) has taken steps to implement information security controls for the R&S general support system (GSS) in accordance with the Federal Information Security Modernization Act of 2014 (FISMA) and Board information security policies, procedures, standards, and guidelines. For example, we found that the division has implemented periodic vulnerability scanning, biannual contingency testing, and a security information and event management tool to provide real-time analysis of security alerts. However, we identified opportunities for improvement in the implementation of the Board's information system security life cycle for the R&S GSS to ensure that information security controls are effectively implemented, assessed, authorized, and monitored.

Recommendations

Our report includes nine recommendations that focus on strengthening the implementation of controls and risk management activities related to access control, configuration management, and audit and accountability. In his response to our draft report, the Director of R&S concurs with our recommendations and outlines actions that are underway or will be taken to address them.

We will follow up on the implementation of each recommendation in this report as part of our future audit activities related to the Board's continuing implementation of FISMA. Given the sensitivity of information security review work, our reports in this area are generally restricted. Such is the case for this audit report.

Purpose

FISMA requires us to evaluate the effectiveness of the information security controls and techniques for a subset of the Board's information systems. To meet this requirement, we reviewed the information system security controls for the R&S GSS.

Our audit objectives were to evaluate the effectiveness of select security controls and techniques for the R&S GSS, as well as the system's compliance with FISMA and Board information security policies, procedures, standards, and guidelines.

Background

R&S is responsible for developing and presenting economic and financial data and analysis for the Board, the Federal Open Market Committee, and Federal Reserve System officials. This information serves as background for the formulation and conduct of monetary, regulatory, and supervisory policy. R&S has a strong academic focus and is staffed by researchers, economists, and analysts who conduct research in a collaborative environment.

The R&S GSS supports the research computing activities of R&S and other divisions. The components of the R&S GSS are listed on the Board's FISMA inventory as moderate-risk infrastructure systems. R&S is responsible for ensuring that the GSS complies with the Board's information security program requirements.