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August 8, 2017

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512/ 427-6101
Fax 512/ 427-6127

Web site:
<http://www.thecb.state.tx.us>

Dr. Raymund A. Paredes
Commissioner of Higher Education
1200 E. Anderson Lane
Austin, TX 78752

Dear Dr. Paredes:

The Texas Higher Education Coordinating Board implemented the recommendations in our prior report, *A Review of Physical Security of Information Systems*, issued July 25, 2016.

Management implemented all four outstanding audit recommendations by:

- Performing and documenting the annual risk assessment of information systems in a timely manner to comply with Texas Administrative Code 202.¹
- Strengthening the process to ensure that agency staff complete the mandated security awareness training in a timely manner.
- Strengthening encryption policies and procedures for flash drives and raising staff awareness of requirements, and developing processes to ensure the collection of flash drives when employees leave the agency.
- Enhancing processes to manage the risks of physical access to, and within, the building.

We conducted this follow-up audit in conformance with the International Standards for the Professional Practice of Internal Auditing and in accordance with the Generally Accepted Government Auditing Standards (GAGAS).

If you have any questions or comments, please let me know.

Sincerely,

Mark A. Poehl, CPA, CIA, CISA, CFE
Director, Internal Audit and Compliance

¹ This recommendation is considered fully implemented, as it called for performance of the annual risk assessment of information systems in a timely manner. However, readers should refer to recommendation #3 in the audit report *An Audit of Data Administration and Governance*, issued May 26, 2017. This recommendation called for improvement of the agency's annual risk assessment of information systems.

PERFORMED BY:

Ms. Aporajita Ahmed, CPA, CFE, CITP, CGMA, CICA, Internal Audit Lead

cc:

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