



OFFICE OF THE CITY AUDITOR COLORADO SPRINGS, COLORADO

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19-23 Colorado Springs Utilities Third Party Vendor Data Risk

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Purpose

The purpose of this audit was to evaluate the processes used to ensure data owned by Colorado Springs Utilities was appropriately protected. Our review focused on Utilities' data accessed, processed, or stored outside the enterprise.

Third Party Vendor Data Risk: Organizations rely on vendors for products and services that are vital to their operations. Data breaches attributed to third party vendors are a risk. It is not sufficient for organizations to only secure their internally controlled infrastructure and services. They must also evaluate the security policies and procedures of third party vendors.

Highlights

Based on our review, we concluded that the processes and controls to ensure Utilities data, accessed, processed, or stored outside of the enterprise, were adequate for the needs of the organization. We noted one commendable practice in our review. We also identified two observations to strengthen internal controls and one opportunity for improvement. The results of our review were discussed with Colorado Springs Utilities staff. We also provided insight, comments, and recommendations directly to staff throughout the project.

We are not including details concerning any potential vulnerabilities (or strengths) related to the security of those Colorado Springs Utilities third party vendor data risks or controls. Disclosure of this information to the public would be contrary to the public interest in improving or maintaining secure information technology systems for the City. The details of this audit are not required to be released to the public per C.R.S. § 24-72-204(2)(a)(VIII)(A).

Management Response

Management has agreed to address the observations. We will follow up and report on management's actions in future reports.

This audit was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing, a part of the Professional Practices Framework promulgated by the Institute of Internal Auditors.