



Executive Summary:

The Board Continues to Follow a Structured Approach to Planning and Executing the Relocation of the Data Center

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Purpose

The Board of Governors of the Federal Reserve System (Board) has undertaken a project to relocate its data center from the Board's Martin Building in Washington, DC, to the Baltimore Branch of the Federal Reserve Bank of Richmond. We previously issued reports on the data center relocation in February 2014 and January 2015. The primary objective of this third audit was to review the production migration of servers and applications to the Baltimore Data Center. Additionally, we reviewed the ongoing operation strategy at Baltimore, including the procurement, inventorying, and disposal processes for IT equipment. We also reviewed the commissioning of the data center and followed up on open recommendations from the prior audits.

Background

The Board's data center relocation is a major element of the third theme in the Board's *Strategic Framework 2012–15*. The multiyear data center project is composed of four overlapping phases, with completion scheduled for December 2015. Construction of the new data center is now complete, and production migration of servers and applications was fully planned and underway as of the end of our fieldwork.

Results of Audit

Overall, we observed that the Board is continuing to follow a structured approach to planning and executing the relocation of the data center, and Board staff members are actively engaged in planning and decisionmaking for the project. We found that controls have been implemented to ensure successful migration of all servers and residing applications. We verified that commissioning validated all major equipment functionality against the design specifications. We also observed that ongoing operations are governed by appropriate policies and procedures and that controls are in place to segregate duties for the procurement, inventorying, and disposal of IT equipment at the data center.

We followed up on three prior open recommendations and determined that sufficient corrective action has been taken to close the recommendations. We found that tracking and monitoring of the budget has continued, and the budget continues to be updated to reflect the information currently available regarding actual costs. The project is on schedule for a December 2015 completion, and the Division of Information Technology has taken steps throughout the duration of the project to monitor the timeline closely and to update the Chief Operating Officer about the project and delays that have occurred. Additionally, the data center relocation team has documented the physical and environmental controls for the Baltimore Data Center, and the Chief Information Officer's office has conducted a review and accepted the Federal Reserve Bank of Richmond's authorization to operate.