Findings

Overall, we found that the information security controls we tested for protecting the Board of Governors of the Federal Reserve System’s (Board) public website (PubWeb) from compromise were, in general, adequately designed and implemented as required by the National Institute of Standards and Technology and the Board Information Security Program. We identified improvement opportunities in the areas of configuration management and risk management.

Our report includes seven recommendations that focus on strengthening system-level configuration management activities and enterprise-level risk management and oversight. Additionally, we identified two matters requiring management’s continued attention. Because the Board is currently addressing these matters, we are not making additional recommendations.

In its response to our draft report, the Board concurs with our recommendations and outlines corrective actions to address the issues we identified. 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 the Federal Information Security Modernization Act of 2014 (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 the Office of Inspector General to evaluate the effectiveness of the information security controls and techniques for a subset of the agency’s information systems, including those provided or managed by another agency, a contractor, or another organization. To meet FISMA requirements, we reviewed the information security controls for PubWeb.

Our audit objectives were (1) to evaluate the adequacy of selected information security controls for protecting PubWeb from compromise; (2) to determine the extent and efficiency of the Board’s efforts to identify and assess vulnerabilities on publicly accessible web applications and mitigate the most severe vulnerabilities; and (3) to assess efforts to control or reduce the number of publicly accessible web applications, where appropriate.

Background

PubWeb provides a large and diverse public audience with timely and accurate information about the mission and work of the Board. This information includes materials required by the Federal Reserve Act and other federal legislation; information that communicates the Board’s policies, practices, and research to the public; financial information, such as monetary policy reports, testimony and speeches, economic research and data, and reporting forms; and consumer information. The Board has categorized PubWeb as a moderate system in accordance with Federal Information Processing Standards Publication 199, Standards for Security Categorization of Federal Information and Information Systems, and Board policies. A moderate designation means that the loss of confidentiality, integrity, or availability could have a serious adverse effect on the Board’s operations, organizational assets, or individuals.