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September 2016

Mr. Thomas Hagerman
Superintendent
Scarsdale Public Schools
2 Brewster Road
Scarsdale, NY 10583

Report Number: 2016M-252

Dear Superintendent Hagerman:

According to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution and the State Comptroller's authority as set forth in Article 3 of the New York State General Municipal Law, we audited selected aspects of the Scarsdale Union Free School District's (District) information technology (IT) controls for the period July 1, 2014 through May 12, 2016.

Background

The District is located in the Town of Scarsdale in Westchester County and is governed by the Board of Education (Board) that is composed of seven elected members. The Board is responsible for the general management and control of the District's financial and educational affairs. The Superintendent is the District's chief executive officer and is responsible, along with other administrative staff, for the District's day-to-day management under the Board's direction. The IT Director is responsible for all IT functions. The District operates seven schools with approximately 4,800 students and 1,300 employees. The District's budgeted appropriations for the 2014-15 and 2015-16 fiscal years were approximately \$148 million, which were funded primarily with State aid and real property taxes. The District uses approximately 6,300 computers in its operations.

Audit Scope, Objective and Methodology

The objective of our audit was to determine if the District's IT systems were adequately secured and protected against unauthorized access, harm or loss for the period July 1, 2014 through May 12, 2016. To accomplish our audit objective, we interviewed District officials and reviewed the District's policies regarding IT to gain an understanding of the District's IT environment. We also reviewed web history data to determine if personal, private or sensitive information (PPSI) was exposed. We also randomly selected five computers and used an automated audit tool to determine how they were configured. We analyzed each report to identify configuration settings

that are indicators of poor IT controls. We also randomly selected five computers and ran a web history exporter script to export the history files for web browsers. We reviewed the files to identify pages that disclosed PPSI.

We conducted this audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our objective.

Results of Audit

Our audit disclosed areas in need of improvement concerning IT controls. Because of the sensitivity of this information, we do not discuss the results in this report, but instead communicated them confidentially to District officials so they could take corrective action. District officials should implement the specific recommendations for strengthening the District's IT controls that were provided to District officials during the audit and in our confidential letter.

We provided a draft copy of this report to District officials for their review and comment. Their comments were considered in preparing this report and are included as Appendix A. District officials generally agreed with our recommendations and indicated that they would take corrective action.

The Board has the responsibility to initiate corrective action. Pursuant to Section 35 of General Municipal Law, Section 2116-a (3)(c) of New York State Education Law and Section 170.12 of the Regulations of the Commissioner of Education, a written corrective action plan (CAP) that addresses the finding and recommendation in this report must be prepared and provided to our office within 90 days, with a copy forwarded to the Commissioner of Education. To the extent practicable, implementation of the CAP must begin by the end of the next fiscal year. For more information on preparing and filing your CAP, please refer to our brochure, *Responding to an OSC Audit Report*, which you received with the draft audit report.

We wish to thank the management and staff of the Scarsdale Union Free School District for the courtesies and cooperation extended to our auditors during this audit.

Sincerely,

Gabriel F. Deyo
Deputy Comptroller

APPENDIX A

RESPONSE FROM DISTRICT OFFICIALS

The District officials' response to this audit can be found on the following page.



SCARSDALE PUBLIC SCHOOLS

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Superintendent of Schools

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August 29, 2016

Ms. Tenneh Blamah, Chief Examiner
Office of the State Comptroller
Division of Local Government and School Accountability
33 Airport Center Drive, Suite 103
New Windsor, New York 12553-4725

Dear Ms. Blamah:

The Scarsdale Union Free School District wishes to thank the State Comptroller's Office for the opportunity to have selected areas of its Information Technology Controls audited.

The District has reviewed those areas confidentially identified by your office as in need of improvement and will be working to address them in the very near future.

In closing, the District thanks the Comptroller's office for conducting this examination.

Sincerely,

Thomas Hagerman
Superintendent of Schools