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# AUDIT COMMITTEE REPORT

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| **Subject:**<br>Monitoring Internal Audit Follow-up Review | **Purpose:**<br>**For Approval** ☐<br>**For Discussion** ☐<br>**For Information** ☒ |
| **Prepared by:** Hazel Robertson, Vice Principal – Finance & Corporate Services | **Date: 1**3 November 2018 |

**Purpose:**
To advise the Committee of the progress made on the recommendations set-out in previous Internal Audit Reports.

**Linked to Strategic Goal 5: Build Sustainability.**

**Executive Summary:**

Please find attached a report highlighting the progress made on recommendations set-out in previous Internal Audit Reports as at 13 November 2018.

There are currently seven outstanding actions with six graded low and one graded medium.

**Recommendation:**
Committee note the position.

**Previous Committee Approvals:**
N/A

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| **For publication** ☒ | **For publication with redactions** ☐ | **Not for publication** ☐ |

## Borders College Internal Audit Monitoring Action Plan 2015

| IT SYSTEMS | | | | | | |
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| **RECOMMENDATION** | **AGREED ACTION** | **GRADE** | **INTERNAL AUDIT DUE DATE** | **REVISED DATE** | **RESPONSIBLE PERSON** | **PROGRESS** |
| **Web-filtering Protection** - 2017/18 Follow up - We recommend that the College continue the investigation on the technical feasibility of separating the filtering policy and look to ensure appropriate web filtering is installed. | Agreed. Feasibility work is underway and a decision will be taken as to whether a solution is available after completion. | Regraded to Low from Medium on 8/2/18 | 31-Jul-18 | 01-Dec-18 | Interim ISLT Manager | ONGOING - **Nov 17** update - Phase one of the wifi installation is now complete, the purpose of which was to switch from the old system to the new system without disrupting the work of the College and the university. The work to replace the firewall should be complete in September. The plan is to filter the student according to which organisation they belong to. hwu.ac.uk will go through one set of filters in line with university policy and borderscollege.ac.uk will go through filters in line with college policy. Users from other organisation will operate separately. As documentation has often been out of date there has been a lot of trail and error where lines of code no longer have a purpose have had to be removed and see what effect this has. There are rules for Blackberry that are no longer used. **Jan 18** - Web filtering in place for BC students - Unfiltered web access for HW students/staff in place. **Aug 18** - Web filtering in place for BC students on wired LAN. Filtering for BC students on WiFi has been investigated and quotes provided from external suppliers. ISLT is looking at the feasibility of working this cost into the 2018-19 ISLT budget. **Nov 2018** - We are performing web filtering via the Barracuda web proxy for all of the machines on our wired LAN. The main issue is that we don't have filtering for students on our Eduroam network (BYOD devices). Ideally we'd have a separate web filtering device/solution for Eduroam as we have been told that pushing Eduroam web traffic through Barracuda is a security issue related to the way the network is segregated up. Cost would be between £10-15K for a separate filter like the barracuda or something similar from smoothwall. |
| **IT Security Policy** - Follow-up review 2017/18 - We recommend that the College ensure the new IT Security Policy is completed and implemented. | Agreed. Policy scheduled to be approved at JCCP June 2018. | Low | 31-Jul-18 | 30-Sep-18 | Interim ISLT Manager | ONGOING - Security policy is being incorporated within College's ISLT Strategy. **Jan 17** - F&GP has approved the award of the ISLT infrastructure and the winning bidder is now being notified. Content of policy will require to refer to areas of new infrastructure currently under progress. **April 17** - The bidders were notified and the winner of Lot 1 and Lot 3 withdrew. Lot 1 was awarded to the second bidder. The work on lot 2 Wi-Fi cannot proceed until Lot 1 switches are in place. This functionality is being built into the design. **Sept 2017** - Servers, Switches ip telephony and WiFi have been replaced. To complement this the firewall has reached end of life and is being replaced in the life cycle of these infrastructure changes in light of the recent NHS cyber attacks the demands have changed and this is being incorporated into the new infrastructure. As an educational establishment with the Bring Your Own Device we are not able to follow the suggestion that we only use known devices on our network, we have to create layers of security to allow our students to be educated. An example would be students that need USB sticks for examination purposes, so this needs to be catered for rather than blanket bans. User education needs to be raised as this is not an IT only issue any more. Policy will now be updated to reflect this. **Jan 18** - proposed: IT Security Policy update in proposed projects. **Aug 2018** - New IT Security Policy has been submitted and accepted by JCCP. Will be launched to all staff in September. **Nov 2018** - An updated information security policy has been issued – We just need to inform staff about it. Our Data Protection Officer has requested some further changes before being signed off. |

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| **Endpoint Control Solution** - Follow up 2017/18 - We recommend that following a review of the report provided by the Interim Head of ISLT a decision is made to ensure there are appropriate controls in place over data leaving the College network via removable media. | Agreed. A solution has been sourced, this would require approximately 15 days consultancy and £20k to implement. It will be considered as part of the resource allocations for 2018-19. | Low | 31-Jul-18 | 01-Dec-18 | Interim ISLT Manager | ONGOING - Work continues as the new infrastructure is implemented. **Jan 17** - award of infrastructure approved. Discussion on removal of unencrypted data from sites was discussed with Audit Committee members in Dec 2017. Head of ISLT considering how issue is dealt with practically followed by policy. **Sept 2017** - Phase 1 of WiFi solution is complete and the second phase includes replacement of the firewall which will lead to an increased level of security. This is a college so as such devices will attached to the network that are not known to the college. There has to be a compromise to allow Bring Your Own Device to happen. This means protecting data from outside device. The requirement for pincodes on staff devices can be achieved by switching this on at the e-mail server. Staff will be advised that this is going to happen. The e-mail server can also wipe stolen or lost devices. Registration on the WiFi network can check the operating systems are patched and up to date and block accordingly. **Jan 18 -** in progress - Encryption and security management in place for college managed iOS devices (with email PIN requirement coving non-managed devices with access to email) & Encryption of data on college mobile Windows devices is set as a proposed project. **Aug 18** - Financial cost of work on encryption/control of removable drives is currently being considered against the 2018-19 budget. **Nov 2018** - The Audit Committee would like us to disable all removable media on College machines. This would cause a significant impact across the College as many of our academic users (staff and students) use removable media to store their personal files (we only give them 50Mb on their H: drive). Either we need to get an alternative storage location in place (mapping OneDrives or providing a larger H: drive for instance) or come up with a compromise solution such as only enabling external drives that users have encrypted with Bitlocker. |

## Borders College Internal Audit Monitoring Action Plan 2016/17

| MIS DEPARTMENT | | | | | | |
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| **RECOMMENDATION** | **AGREED ACTION** | **GRADE** | **INTERNAL AUDIT DUE DATE** | **REVISED DATE** | **RESPONSIBLE PERSON** | **PROGRESS** |
| **Online Applications** - Follow up 2017-18 - We recommend that the College review the success of the schools trial and look to implement online applications for all courses on offer. | Agreed. This will require resource of approx. £40k to implement and will be considered for 2018-19. | Low | 31-Jul-18 | 30-Sep-18 | Head of MIS & Head of ISLT | ONGOING - This has not been started yet. **Jan 2017** - Prioritised at ISLT Strategy Meeting on 7th December, 2016 as a Major Project and Priority 2 but all of these are subject to us receiving adequate funding to allow these to go ahead from the Funding Council funding allocations which is not due to be announced until Spring 2017. Update **Nov 2017** - The decision taken by the College SLT Strategy Group was to use the funding we have to develop Advantage and links to CELCAT packages this year and not the Online Applications for all courses, however we are trialling a method for school link applications from January 2018 to see if this can aid the schools with these applications. **Update Jan 2018** - courses for schools now available to be applied for via online applications to see how this trial goes. **Aug 18** - Review meeting set for 19th September, 2018 to Review Admissions process after changes introduced this year with a view to taking this forward for further development work in academic session 2018-19. **Nov 2018** - We have started the development of the Online Applications process to streamline the process and improve both student facing and back office elements of this process. Work started on 23rd October 2018. |
| **Student Certification - Follow up review 2017/18 -** We recommend that the College continue uploading electronic data to awarding bodies where possible and following the finalisation of the A2C project upload all information electronically. | Agreed. While the College agrees it will implement this recommendation, it is entirely dependent on work at national level. | Low | Following completion of national project | | Head of MIS | ONGOING - This has been discussed but no work has yet been started on this as Capita are re-writing a part of the UNIT-e system which may address this. However, the solution from Capita will have a cost element to it but we may need to have it as part of the developments for A2C which SQA are now undertaking too. This is also dependent on SQA's re-write of their system which they are carrying out at present. **Jan 2017** - New revised date set for 31/12/18 following feedback from SQA on their system timescales. Update **Nov 2017** - The A2C project has not yet been rolled out nationwide and this is not due to happen for sometime yet. We have introduced uploading electronic spreadsheets to those awarding bodies where we are able to do this. **Aug 18** - Awaiting national A2C developments before this can be moved forward. **Nov 2018** - As this is dependant on a National Project that has not progressed I recommend that this be removed until such time as the National project has progressed far enough for this to be re-visited. |

| STUDENT FUNDING | | | | | | |
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| **RECOMMENDATION** | **AGREED ACTION** | **GRADE** | **INTERNAL AUDIT DUE DATE** | **REVISED DATE** | **RESPONSIBLE PERSON** | **PROGRESS** |
| **Business Impact Analysis -** 2017/18 Follow up - We recommend that the College ensure the Business Impact Analysis for the College is completed for all College systems. | Agreed. Impact Analysis currently underway. | Medium | 30-Jun-18 | 31-Mar-19 | Head of ISLT | COMPLETED for student funding<br>This system is backed up everyday. The company has been contacted to make sure that it does not have issues with uploads from students. The security of the server has been reviewed, whilst the impact analysis is carried out. Jan 2017 - New revised date set for impact analysis to be completed. The software company has confirmed that this is a SQL database that operates a transaction log, they have confirmed that the transaction log operates so that data can be restored to the nearest second in conjunction with the the previous day's backup. This is a reasonable level of risk versus cost. Sept 2017 - business impact analysis has been completed for student funding. **Aug 18** - No further update. **Nov 18** All departments should have business continuity plans which set out how systems can operate manually until the system has been recovered. At present we have not identified any areas for priority of recovery of systems. BCPs will be reviewed to identify priority systems. |

## Borders College Internal Audit Monitoring Action Plan 2018

| FINANCIAL CONTROL | | | | | | |
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| **RECOMMENDATION** | **AGREED ACTION** | **GRADE** | **INTERNAL AUDIT DUE DATE** | **REVISED DATE** | **RESPONSIBLE PERSON** | **PROGRESS** |
| **Financial Procedures Manual -** We recommend that the College review and update the Financial Procedures Manual. | Agreed. Review of manual will be completed. | Low | 31/07/2018 | 31/01/2019 | Head of Finance & Procurement | Ongoing - Aug 18 - Date set in calendar with Finance Manager to update and amend Financial Procedures Manual. **Nov 18** - Date set in calendar with Finance Manager to update and amend Financial Procedures Manual. However, we are also waiting for any suggestions from the external audit process to come through before changing the manual. |