



DALLAS COUNTY

Management Letter

Year ended September 30, 2012



KPMG LLP
Suite 3100
717 North Harwood Street
Dallas, TX 75201-6585

March 11, 2013

Honorable County Judge and
The Commissioners' Court
Dallas County, Texas

Ladies and Gentlemen:

In planning and performing our audit of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Dallas County, Texas (the County) as of and for the year ended September 30, 2012, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, we considered the County's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

During our audit we noted certain matters involving internal control and other operational matters that are presented for your consideration. These comments and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve internal control or result in other operating efficiencies and are summarized as follows:

Issue 2012-01: *IT Environment – Password Settings*

Condition

Password parameters for Oracle Financial end users do not follow Dallas County policy by enforcing password complexity and password history. Unix Password parameters for the DBAs supporting Oracle do not follow Dallas County policy by enforcing password complexity.

Recommendation

Dallas County password policies should be implemented across all applications, databases, and operating systems.

Views of Responsible Officials

In June 2012, password complexity rules were implemented and are now being enforced on Oracle. Dallas County IT Security Password Policies are currently under review and will be updated in June 2013 to include new parameters defined in the Criminal Justice Information System (CJIS) Policy and in the Payment Card Industry (PCI) requirements. A Unix tool to leverage Microsoft Active Directory authentication is currently being consider as a mitigating



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control for password policies on the Unix platform; the tool assessment will be completed May 2013.

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Our audit procedures are designed primarily to enable us to form an opinion on the financial statements, and therefore may not bring to light all weaknesses in policies or procedures that may exist. We aim, however, to use our knowledge of the County gained during our work to make comments and suggestions that we hope will be useful to you.

We would be pleased to discuss these comments and recommendations with you at any time.

This communication is intended solely for the information and use of management, the Commissioners' Court, others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

KPMG LLP