PROJECT SUMMARY

Texas A&M University Aviation Services has financial and management controls in place to provide reasonable assurance that resources are used efficiently and effectively and in compliance with applicable laws, policies, regulations, and University rules. Some improvements are needed to the current process for securing customer credit card data received for parking at the McKenzie terminal of Easterwood airport in compliance with the Payment Card Industry’s (PCI) Data Security Standards.

Aviation Services operates the Easterwood Airport and is an auxiliary operation of Texas A&M University. The Airport has two terminals – the McKenzie Terminal is a public passenger facility and the General Aviation Terminal provides aviation services to private, charter, and military aircraft.

OBSERVATION, RECOMMENDATION, AND RESPONSE

Credit Card Data Security

Observation

An external vendor provides the software used to process customer credit card payments for parking at the McKenzie terminal of Easterwood airport. This software stores the customer’s primary account number and expiration date until it is manually deleted. As a result, there are certain additional compliance requirements in the PCI Data Security Standards to ensure the stored cardholder data is properly safeguarded. Systems storing cardholder data require annual completion of the PCI Self Assessment Questionnaire (SAQ) D which is the most extensive of all PCI questionnaires. Aviation Services completed PCI SAQ C which does not cover all aspects of security for this type of system. The department was unaware that confidential cardholder information was being stored when completing the SAQ for this system. Although selected logical security controls reviewed were determined to be adequate, without completing the
correct SAQ there is a greater risk that additional PCI security requirements related to storing cardholder data are not being met.

**Recommendation**

Perform a detailed review of current compliance with all relevant PCI Data Security Standards for this system including completion of PCI SAQ D.

**Management’s Response**

Airport management will ensure compliance with PCI Data Security Standards including completion of the appropriate PCI questionnaire.

*Implementation Date: November 30, 2010*

## BASIS OF REVIEW

### Objective and Scope

The objective of the audit was to review and assess the financial and management controls over Aviation Services to determine if resources are used efficiently and effectively and in compliance with applicable laws, policies, regulations, and University rules. The scope of the audit included a review of operations at both the McKenzie Terminal and the General Aviation Terminal. We reviewed the policies, procedures, and processes in the areas of revenue management, credit card data security, and financial administration. The time frame for the audit was September 2009 to August 2010. Fieldwork was conducted from July to August 2010.

### Criteria

Our audit was based upon standards as set forth in the *System Policy and Regulation Manual* of the Texas A&M University System, the *Texas A&M University Rules*; the Payment Card Industry’s *Data Security Standards*; and other sound administrative practices. This audit was performed in compliance with the Institute of Internal Auditors’ “International Standards for the Professional Practice of Internal Auditing.”

Additionally, we conducted this performance 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 objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

The mission of Aviation Services is to provide a gateway to the world for the students, faculty, and staff of Texas A&M University, and the citizens of the Brazos Valley. It accomplishes this by operating two terminals at Easterwood Airport. McKenzie Terminal is a public passenger facility with two commercial airlines, American Eagle and Continental Connection, which connect to airports in Houston and Dallas-Ft. Worth. The General Aviation Terminal provides aviation services such as fuel sales and hangar rental to private, charter, and military aircraft. Various federal and state agencies regulate and inspect the Airport for compliance with laws and regulations. Aviation Services had 27 personnel and approximately $5.7 million of revenue budgeted for fiscal year 2010.

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