

# Cybersecurity Controls Over Critical Systems

Department of Commerce  
Division of Employment Security

## Information Systems Audit Report March 2025

**UNBIASED. IMPACTFUL. IRREFUTABLE.**



A Department of the  
State of North Carolina





## North Carolina Office of the State Auditor

Dave Boliek, State Auditor

# Auditor's Transmittal

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The Honorable Josh Stein, Governor  
The Honorable Phil Berger, President Pro Tempore  
The Honorable Destin Hall, Speaker of the House  
Honorable Members of the North Carolina General Assembly  
Lee Lilley, Secretary, Department of Commerce  
M. Antwon Keith, Assistant Secretary, Division of Employment Security

Ladies and Gentlemen:

The North Carolina Division of Employment Security (DES) has had a transformative history. Once burdened by over \$2 billion in debt, the division's Unemployment Insurance Trust Fund now has a healthy balance, and DES collects contributions from over 300,000 employers. The volume of funds and sensitivity of information captured – which includes employer tax ID numbers and Social Security numbers – makes management of its cybersecurity systems critical.

In accordance with law, the Office of the State Auditor conducted an Information Systems Audit Report, *Cybersecurity Controls Over Critical Systems*, on DES. The objective of the audit was to determine whether DES performed selected cybersecurity control activities in compliance with the Statewide Information Security Manual. Our audit report discloses findings, as well as recommendations for DES to improve its information systems security.

To protect state interests and data, the findings and recommendations of this report are confidential. DES is not required to disclose security features of its electronic data processing systems, information technology systems, or telecommunications networks.

I'm thankful for the courtesy and cooperation received from management and the employees of DES as our office conducted this audit.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Dave Boliek".

Dave Boliek  
State Auditor