

INFORMATION SYSTEMS AUDIT
Strengthening Processes Related to IT
Governance
Department of Administration

JUNE 2012

11DP-13

REPORT SUMMARY

The Montana Information Technology Act (MITA) provides the framework for IT governance. This law created the State Chief Information Officer position, which has the main responsibility for oversight of IT. For the 2011 biennium, agencies anticipated spending over \$259 million for IT projects. The need for effective governance for IT resources continues as more state resources are devoted to this area.

Context

The Montana Information Technology Act, Title 2, chapter 17, part 5, MCA, was implemented in 2001 to facilitate effective deployment of IT resources and clarify governance responsibilities. IT governance was assigned to the Department of Administration (DOA), which appointed a State Chief Information Officer (CIO) to implement MITA requirements.

The IT planning cycle is an ongoing process that incorporates development of plans and reporting on plan progress, both at the agency level and statewide. MITA includes provisions which require specific documents, the elements which should be included within those documents, and timeframes for completing the process. The four main documents are: 1) the State Strategic Plan, 2) agency IT plans, 3) agency biennial reports, and 4) the State Biennial Report. IT planning cycle documentation provides the basis for ongoing review of IT activities.

Results

MITA provides an effective governance structure for Montana. There are established processes and controls for key steps within

IT management. Roles and responsibilities have been defined and implemented. One area we reviewed involved advisory groups. These groups are an effective tool for improving IT governance through increased communication and collaboration.

While MITA defines the planning and reporting processes, we noted variations with the information reported in IT plans and reports. This results in a lack of continuity. Lack of continuity prevents the development of trends which is integral to monitoring the effectiveness of the development of IT resources. The department should strengthen its oversight to ensure planning and reporting is complete and consistent from year to year.

Monitoring the development of IT projects is an important aspect of governance. Development of an IT project starts with identification of a need, then progresses through several stages including definition, cost estimation, funding and appropriation, development, and finally implementation.

Based on our audit work, there are numerous IT projects not reported because they fall under a certain dollar amount. As a result, the current process does not provide the department or the legislature with a comprehensive view of all IT activities.

Best practices recognize ongoing monitoring of a project is a critical component of development and a strategic part of IT governance. Current policy does not include any details or guidance on project management. Providing additional project management guidance, including reporting requirements for ongoing project management activity, will help increase continuity and ensure the ongoing health of IT projects.

MITA requires the department to establish and enforce statewide information technology policies and standards. As part of our audit work, we evaluated the effectiveness of DOA policy development. We noted several factors that contribute to confusion among agency personnel regarding statewide policies. We recommend the department formalize its policy development process.

Recommendation Concurrence	
Concur	3
Partially Concur	0
Do Not Concur	0
Source: Agency audit response included in final report.	

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