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Sheriff's Office IT Governance

June 2013

*Internal Audit Report Authorized by the
Maricopa County Board of Supervisors*

Report Highlights	Page
Sheriff's Office (MCSO) has implemented several key Information Technology (IT) governance controls	1
MCSO is working to align its IT and business strategies	1
MCSO will implement a formal IT framework to guide its IT operations	2
MCSO is developing a project management methodology to prioritize IT investments	3
MCSO will use formal assessment tools to better meet IT service needs	4

Objectives Determine that MCSO's IT strategy supports and adds value to MCSO's overall operations.

Scope This audit focused on current MCSO IT governance practices. The review period was January 2013 to May 2013. We interviewed MCSO, Office of Enterprise Technology, and Office of Procurement Services management to obtain an understanding of current IT governance practices. We reviewed contracts, IT budgets, IT risk assessments, strategic plans, and other documentation to verify existing MCSO IT governance practices.

Standards This audit was approved by the Board of Supervisors and conforms to International Standards for the Professional Practice of Internal Auditing. The specific areas reviewed were selected through a formal risk-assessment process.

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This report is intended primarily for the information and use of the County Board of Supervisors, County leadership, and other County stakeholders. However, this report is a matter of public record, and its distribution is not limited.

We have reviewed this information with Sheriff's Office management. The Action Plan was approved by Jerry Sheridan, Chief Deputy, on June 17, 2013.

If you have any questions about this report, please contact Eve Murillo, Deputy County Auditor, at 602-506-7245.

Audit Results

Issue #1: Information Technology (IT) Governance Controls

Observation: The MCSO IT Bureau provides comprehensive IT services that support and add value to MCSO's overall operations. The Bureau has implemented several key IT governance controls. IT governance is how an organization uses IT resources to best achieve its business and operational goals.

Conclusion #1: MCSO has implemented key IT governance controls including (1) establishing a business strategic plan, (2) developing an IT risk assessment, (3) tracking and reporting IT project progress, and (4) measuring IT customer service levels.	
Recommendation	MCSO Action Plan
None	N/A

Issue #2: IT Alignment with Business Strategy

Observation: MCSO IT resources and business strategy should be aligned to help MCSO make good IT investment decisions and avoid unnecessary costs. MCSO developed a strategic plan as part of the County's Managing for Results program, but has not developed an IT strategic plan. MCSO's IT Bureau chief does not participate in agency-level strategic planning. Also, accountability for MCSO IT investments is not well defined. The IT Bureau divisions do not have formal metrics to promote accountability for specific IT projects. Developing and aligning the IT strategic plan and IT division metrics will enhance MCSO's business strategy.

Conclusion #2: MCSO should better align its IT and business strategies.	
Recommendations	MCSO Action Plan
2-1 Develop an IT strategic plan that supports the overall MCSO strategy.	This recommendation was also made in the FY 2012 MCSO Jail Management System audit. MCSO is working on this recommendation and Internal Audit conducts regular follow-up. Concur – in process Original Target Date: 4/30/2013 Revised Target Date: 7/15/2013

Recommendations	MCSO Action Plan
<p>2-2 Include the IT Bureau in MCSO key strategic decisions, enabling IT to add value.</p>	<p>Concur – completed</p> <p>The Technology Bureau will be included in strategic planning and decision making processes going forward.</p> <p>Completed Date: 6/14/2013</p>
<p>2-3 Develop a formal process for tracking IT decision accountability at the appropriate level.</p>	<p>Concur – in process</p> <p>Target Date: 12/31/2013</p>
<p>2-4 Define the IT Bureau's strategic purpose and key metrics for each IT division, and align with MCSO's business strategic plan.</p>	<p>Concur – in process</p> <p>Target Date: 6/30/2014</p>

Issue #3: IT Framework

Observation: The MCSO IT Bureau does not use a formal IT framework to guide its planning, delivery, and support of IT services. Also, the IT performance management plan is informal and undocumented. A formal process is needed to promote informed business decisions and ensure IT performance is measured.

<p>Conclusion #3: A formal IT framework and key metrics for assessing IT performance would increase IT service effectiveness.</p>	
Recommendations	MCSO Action Plan
<p>3-1 Develop a formal IT framework that effectively integrates MCSO business operations and related systems.</p>	<p>Concur – will implement with modifications</p> <p>Target Date: 6/30/2014</p>
<p>3-2 Establish a formal IT performance management plan that uses metrics to measure IT project effectiveness.</p>	<p>Concur – will implement with modifications</p> <p>Target Date: 6/30/2014</p>

Issue #4: Project Management

Observation: MCSO does not have a formal project management methodology to prioritize IT investments and align projects with strategic priorities. Strong project management controls help ensure that projects meet business requirements and are completed on time and within budget.

Conclusion #4: Strengthening controls over project management would help ensure that IT investments are advantageous and aligned with MCSO business strategy.	
Recommendations	MCSO Action Plan
4-1 Develop a formal project management methodology to help manage and control IT-related projects.	This recommendation was also made in the FY 2012 MCSO Jail Management System audit. MCSO is working on this recommendation and Internal Audit performs regular follow-up. Concur – in process Original Target Date: 4/30/2013 Revised Target Date: 9/30/2013
4-2 Formally prioritize IT investments to align with MCSO strategic priorities.	Concur – in process Target Date: 12/31/2013
4-3 Strengthen and document financial and performance analyses of future IT projects to ensure funds are spent appropriately. Ensure costs are sufficiently detailed and tracked by project. Document the analysis used in funding decisions.	Concur – in process Target Date: 12/31/2013

Issue #5: Effective IT Services

Observation: To ensure effective IT services, the MCSO IT Bureau needs to be properly staffed and vendor relationships must be properly managed. MCSO reports that it does not have sufficient IT support for some of its critical operations; however, MCSO has not measured, defined, and documented the IT support levels needed. A recent MCSO IT Bureau staffing study identified skill gaps, and indicated additional staff is needed to adequately meet MCSO’s current and future business requirements.

MCSO IT does not use Service Level Agreements or other documented processes to manage vendor relationships. IT service management tools assist in delivering cost-effective, high quality IT services.

Conclusion #5: IT service effectiveness could be strengthened by formally assessing IT resource requirements, and by improving vendor management.	
Recommendations	MCSO Action Plan
5-1 Develop a tool to support ongoing IT resource levels based on IT strategy, current and upcoming projects, and IT support operations.	Concur – will implement with modifications Target Date: 6/30/2014
5-2 Ensure IT vendor performance is formally managed; document Service Level Agreements and key performance measures.	Concur – completed Vendor performance will be managed and documented for all projects going forward. Completed Date: 6/14/2013