

Highlights

Internal Audit Report to the Board of Supervisors

Why We Did This Review

Effective IT governance can save millions of dollars and ensure that IT solutions successfully meet critical business needs and customer services. The objective of this review was to determine how Maricopa County employs IT governance and make recommendations for improvement.

What We Recommended

We recommended that the Office of Enterprise Technology should:

- Expedite issuing updated IT governance policies
- Follow best practices when implementing its proposed IT governance model by ensuring:
 - IT investments align with County objectives and goals, and IT projects align with business values
 - IT risks and resources are properly identified and managed
 - IT performance is measured and reported



For more information, please contact Eve Murillo, Deputy County Auditor, at 602-506-7245 or emurillo@mail.maricopa.gov

Countywide IT Governance

County IT Governance Could Be Improved

What We Found

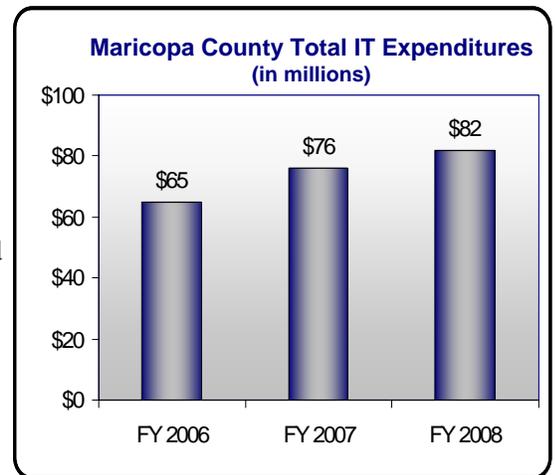
Maricopa County's current IT governance is weak. In order to strengthen the County's IT governance, the Office of Enterprise Technology has proposed a new County IT governance model. Internal Audit recommends some best practices to enhance current efforts.

What is IT Governance?

IT governance is how management formally decides to employ Information Technology (IT) in supervising, monitoring, and directing their organization. Effective governance requires that the Chief Information Officer collaborate with the entity's executive business leaders to ensure that IT performance creates real value, manages IT-related risks, and optimizes resources.

Why is IT Governance Important?

IT spending can rise quickly as technology embeds itself in every business process. Research has found that firms with superior IT governance generate higher investment returns. The County invests significantly in IT, as evidenced by the IT expenditures for the last three years (see chart at right). Research suggests that strengthening County IT governance could generate \$1 million more in investment returns each year.



Maricopa County's IT governance structure is weak, having outdated and incomplete IT governance policies. Weak IT governance can result in IT plans not aligning with the County's business plan. It also leads to poor decisions, uncontrolled expenditures, failed or subpar systems, and weak or nonexistent performance measures. OET, recognizing the need for stronger County IT governance, is proposing a County IT Governance Model. Overall, the proposed model appears to have a sound framework including many best practices; however, most are not yet implemented and an implementation date is not scheduled.

We appreciate the excellent cooperation received from Maricopa County Office of Enterprise Technology management and staff while conducting this audit.