Report 20-10
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STATE OF WISCONSIN
Legislative Audit Bureau

BRIEFING SHEET

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IT Needs Assessment, Procurement, and Security

University of Wisconsin System

Background

The Board of Regents of the University of Wisconsin (UW) System is statutorily responsible for overseeing information technology (IT) projects in UW System. Statutes permit UW institutions to implement only those IT projects that have been approved by the Board of Regents.

Statutes require the Board of Regents to promulgate policies for monitoring large, high-risk IT projects. These policies indicate that such projects include those that cost or are expected to cost more than $1.0 million. They also indicate that all such projects are managed and monitored by UW System Administration.

We analyzed how five UW institutions assessed their IT needs and procured goods and services for 10 projects, as well as how they managed data security and other issues for 7 projects that involved cloud computing services provided by firms. These 17 projects included 13 large, high-risk IT projects and were managed by UW System Administration, UW-Eau Claire, UW-Madison, UW-Milwaukee, and UW-Stevens Point. We also analyzed IT security at a different set of five UW institutions.

Key Findings

- The table summarizes our key audit findings, including those that pertain to needs assessment and planning, project approval, procurement, project reporting, cloud computing, IT security, and Board of Regents oversight.

- UW institutions did not consistently comply with various statutes, policies, and best practices.

- We identified concerns with IT security at five UW institutions and conveyed these concerns to UW System Administration, which should ensure all UW institutions, including itself, comply with its policies and procedures.

- The Board of Regents needs to improve its oversight of IT projects.

Recommendations

We recommend UW System Administration:

- improve IT needs assessment and procurement, including on projects involving cloud computing services provided by firms;

- improve IT security in UW System; and

- improve oversight by working with the Board of Regents to modify policies to require the Board of Regents to approve all IT contracts that are more than $1.0 million and to establish an IT projects committee of the Board of Regents.

Key Audit Findings for UW System

Needs Assessment and Planning
UW System Administration did not include all statutorily required information in the
IT strategic plan it provided to the Board of Regents for March 2020 *(p. 18)*.

UW institutions did not consistently comply with Board of Regents policies because they
did not include all required information in the planning documents for large, high-risk
IT projects *(p. 19)*.

Project Approval
UW System Administration and UW-Madison implemented IT projects before obtaining the
statutorily required approval from the Board of Regents to do so *(p. 20)*.

Procurement
UW System Administration did not comply with Board of Regents policies because it did not
require UW institutions to submit to it certain information about large, high-risk IT projects
(p. 22).

UW-Madison did not review the terms of a consortium's contract through which it
purchased services in November 2017 *(p. 23)*.

UW System Administration did not comply with statutes that require it to report each
quarter to the Board of Regents on the expenditures of projects with open-ended contracts
(p. 24).

UW institutions did not comply with statutes that require them to include in contracts for
large, high-risk IT projects a stipulation that the Board of Regents must approve any order
or amendment that would change the contract scope and increase the contract price
(p. 25).

UW-Madison did not have a contract with a firm over at least a six-month period in 2018
when a project was ongoing. UW-Stevens Point did not contractually require a firm to pay
monetary penalties for not completing work on time for a large, high-risk IT project *(p. 26)*.

Project Reporting
UW System Administration did not include information about all large, high-risk IT projects
in the semiannual reports submitted to the Joint Committee on Information Policy and
Technology from March 2014 through March 2020, or accurate and complete information
about the projects that were included *(p. 28)*.

Cloud Computing
UW institutions did not consistently evaluate in writing the advantages and disadvantages
of transitioning to cloud computing services provided by firms *(p. 36)*.

UW institutions did not consistently follow best practices for data security when completing
projects involving cloud computing services provided by firms *(p. 37)*.

IT Security
UW System Administration did not develop comprehensive IT security policies and
procedures, and we found 46 concerns pertaining to IT security at the five UW institutions
we reviewed *(pp. 44-45)*.

Board of Regents Oversight
Board of Regents policies do not require UW institutions to obtain Board of Regents
approval to execute all IT contracts of more than $1.0 million *(p. 48)*.

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