



## **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.

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## 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).

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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).

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### 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).

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### 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).

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

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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).

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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).

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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).

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### 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).

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### 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).

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

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### 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).

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### 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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