November 1, 2023

Information Technology Service Management Performance Evaluation – Status Report

Members of the Legislative Audit Committee:

Attached is the status report from the Governor's Office of Information Technology (OIT) on the implementation of recommendations contained in the Office of the State Auditor's (OSA) *Information Technology Service Management Performance Evaluation.*

OSA Review of Documentation

As part of the status report process, we requested and received supporting documentation for each recommendation that OIT reported as having been implemented or partially implemented. Specifically, we reviewed the following OIT documentation:

Idea and Demand Management (IDM)

o   Organization charts depicting the creation of a Service Management Office to provide centralized oversight authority and responsibility for IDM.
o   IDM processes, which are posted to the Project Lifecycle Methodology (PLM) website, and examples of how OIT communicates to staff responsible for and involved in the PLM processes, such as internal all staff and all manager meetings.
o   ServiceHub screenshots supporting OIT's improvements to IDM in the areas of managing operational vs. strategic projects, tracking projects through the project management life cycle, and interactive project dashboards for use by executive staff.

Incident Management and Knowledge Management

o   Position Description documents showing the assignment of an Incident Manager and Knowledge Administrator.

Knowledge Management
- o ServiceHub screenshot of the established Knowledge Homepage and documents that have been uploaded.
- o Managing Knowledge Articles in ServiceHub Policies and Knowledge Management Standard Operating Procedure.

IT Asset Management
- o A Technology Planning Workbook example that provides agency-specific ages of technology and the associated technology debt, which are currently being supplied to the OIT IT Directors to engage with agency management regarding technology replacements and the associated estimated budgets.

Based on our review, the supporting documentation substantiates OIT's reported implementation status.

August 31, 2023

Kerri L. Hunter, CPA
State Auditor
Colorado Office of the State Auditor
1525 Sherman St., 7th Floor
Denver, CO 80203

Dear Auditor Hunter,

In response to your request, we have prepared the attached status report on the implementation status of audit recommendations contained in the "Information Technology Service Management Performance Evaluation 2150P-IT." The report provides a brief explanation of the actions taken by the Governor's Office of Information Technology to implement each recommendation.

If you have any questions about this status report and the agency's efforts to implement the audit recommendations, please contact Stephen "Doc" Petty, Director Security Risk and Compliance at stephen.petty@state.co.us.

Sincerely,

Anthony Neal-Graves
Chief Information Officer & Executive Director
Governor's Office of Information Technology
1575 Sherman St.
Denver, CO 80203

Audit Recommendation Status Report

Audit Name:	Information Technology Service Management Performance Evaluation
Audit Number:	2150P-IT
Agency:	Governor's Office of Information Technology
Date of Status Report:	October 2023

Section I: Summary				
Rec. Number	Response from Audit Report	Original Implementation Date	Current Implementation Status	Current Implementation Date
1A	Agree	December 2022	Implemented	February 2023
1B	Agree	June 2023	Partially Implemented	June 2024
1C	Agree	June 2023	Partially Implemented	June 2024
2A	Agree	July 2022	Implemented	August 2023
2B	Agree	December 2022	Implemented	October 2023
2C	Agree	June 2023	Not Implemented	January 2024
3A	Agree	April 2022	Implemented	September 2022
3B	Agree	June 2023	Partially Implemented	November 2023
4A	Agree	August 2023	Partially Implemented	January 2024
4B	Agree	August 2023	Not Implemented	January 2024

Recommendation 1A

The Governor's Office of Information Technology (OIT) should establish or improve, as applicable, its Information Technology (IT) governance structure related to the IT service management practices of Idea and Demand Management by assigning centralized authority and responsibility for Idea and Demand Management to an appropriate OIT division and staff.

Current Implementation Status	Implemented
Current Implementation Date	February 2023
Status Update Narrative	OIT has established a formal Service Management Office with centralized oversight authority and responsibility for Idea and Demand Management.

Recommendation 1B

The Governor's Office of Information Technology (OIT) should establish or improve, as applicable, its Information Technology (IT) governance structure related to the IT service management practice of Idea and Demand Management by formalizing, implementing, and communicating Idea and Demand Management processes to those responsible or involved in the processes.

Current Implementation Status	Partially Implemented
Current Implementation Date	June 2024
Status Update Narrative	As portions of the Idea and Demand Management processes are formalized and implemented, those processes are communicated as completed to staff responsible for or involved in those processes, as well as being published on the Project Lifecycle Methodology (PLM) website. In addition, the Service Management Office promotes the processes through additional channels, such as during OIT 'All Managers' and 'All Hands' meetings, as well as more informal settings, such as 'Lunch and Learns.'
	The portions of the Idea and Demand Management processes that are not yet implemented are related to operating procedures that focus on enterprise solutions, efforts to enable rapid prototyping, and status reporting to the agencies and customers, as described in finding OSA 2021 2150P-IT 1C.

Recommendation 1C

The Governor's Office of Information Technology (OIT) should establish or improve, as applicable, its Information Technology (IT) governance structure related to the IT service management practice of Idea and Demand Management by considering the use of OIT's current application platform, or a different tool, to automate and facilitate supporting Idea and Demand Management processes across OIT and its customers/agencies. Areas to be addressed should include, but not be limited to:
- Intake process customized to size and impact of each idea submitted.

- Initial triage and consideration by business analysts and solution designers focused on leveraging enterprise solutions.
- Consideration for innovation efforts for rapid prototyping.
- Workflow processes that track an idea through its lifecycle.
- Status reporting for better transparency of each effort to senior management, agencies, and customers.

Current Implementation Status	Partially Implemented
Current Implementation Date	June 2024
Status Update Narrative	Update Narrative: OIT has improved its governance structure related to IT service management practice of Idea and Demand Management by leveraging the new ServiceNow ("ServiceHub") tool to automate and facilitate the following: 1. IMPLEMENTED in November 2022. Adding the ability to transfer the Demand to a lower risk "operational" path early in the process to adjust for the size and impact of the Idea/Demand. The process is published on the Project Lifecycle Methodology (PLM) Website. 2. NOT IMPLEMENTED. Piloting the creation of standard operating procedures for Solution Engineers and Business Analysts that focus solution efforts first on leveraging enterprise solutions. OIT's Customer Office expects to finalize, scale, implement, and communicate the results of this pilot no later than the third quarter of this fiscal year (3/31/24). 3. NOT IMPLEMENTED. Enabling innovative efforts for rapid prototyping. The Service Management Office is scheduled to begin work with the Chief Technology Office's (CTO) platforms team in August 2023, to streamline platform team processes and enable innovation and rapid prototyping. This work is expected to be implemented and communicated no later than the fourth quarter of this fiscal year (6/30/24). 4. IMPLEMENTED in November 2022. Tracking the life of the Idea/Demand within the ServiceHub tool. The process is published on the PLM Website. 5. PARTIALLY IMPLEMENTED. Daily status reporting to executive staff using an interactive dashboard. Currently, reporting to agencies occurs through assigned OIT IT Portfolio managers, but is not yet standardized. Our Customer Office is completing a "reimagining" effort that will begin to address inconsistencies in processes by identifying the best practices occurring within the Customer Office and standardizing those best practices. This work is expected to be implemented and communicated no later than the fourth quarter of this fiscal year (6/30/24).

Recommendation 2A	
The Governor's Office of Information Technology (OIT) should establish or improve, as applicable, its Information Technology (IT) governance structure related to the IT service management practice of Incident Management by assigning an overall Incident Manager to monitor incidents across all OIT service areas, specifically to enforce incident reporting procedures, monitor long-term trends, identify and provide support for exceptions to documented procedures, and report on the overall incident processing effectiveness for OIT.	
Current Implementation Status	Implemented
Current Implementation Date	August 2023
Status Update Narrative	OIT has assigned an overall Incident Manager to address this recommendation.

Recommendation 2B	
The Governor's Office of Information Technology (OIT) should establish or improve, as applicable, its Information Technology (IT) governance structure related to the IT service management practice of Incident Management by once an Incident Manager has been assigned, as recommended in Part 2A, they should update the OIT Incident Management Procedure to clarify how, when, and by whom incidents should be created, documented, routed, monitored, and reported.	
Current Implementation Status	Implemented
Current Implementation Date	October 2023
Status Update Narrative	OIT created a new incident response procedure after service commencement of ServiceHub IT Service Management. This is part of the reimaging effort for OIT's Customer Care Office. Our assigned Incident Manager, mentioned in our response to Recommendation No. 2A above, is responsible for this procedure.

Recommendation 2C	
The Governor's Office of Information Technology (OIT) should establish or improve, as applicable, its Information Technology (IT) governance structure related to the IT service management practice of Incident Management by developing a communications plan to emphasize incident management procedures, including updates made as recommended in Part 2B, with OIT staff and the need to capture user support work efforts in OIT's centralized ticketing system. The communications plan should include an agency-directed marketing plan item to emphasize the benefits of engaging the OIT Service Desk to submit and record user incidents.	
Current Implementation Status	Not Implemented
Current Implementation Date	January 2024
Status Update Narrative	The OIT Service Desk needs to meet with OIT Communications to develop a communication plan with the consolidated agencies. Estimated implementation date is January 2024.

Recommendation 3A

The Governor's Office of Information Technology (OIT) should establish or improve, as applicable, its Information Technology (IT) governance structure related to the IT service management practice of Knowledge Management by assigning ownership to an OIT individual who is empowered to lead OIT in developing a common vision or strategy and associated processes to ensure the collection and organization of a comprehensive knowledge base.

Current Implementation Status	Implemented
Current Implementation Date	September 2022
Status Update Narrative	OIT Executive Staff assigned a Knowledge Administrator in fall 2022. The Knowledge Administrator is responsible for implementing Knowledge Management in ServiceHub across OIT. Knowledge Managers are assigned to each team, as well as Knowledge Contributors.

Recommendation 3B

The Governor's Office of Information Technology (OIT) should establish or improve, as applicable, its Information Technology (IT) governance structure related to the IT service management practice of Knowledge Management by implementing a Knowledge Management digital solution, once Part 3A is implemented, as a single platform for hosting standard operating procedures, historical information, detailed technical solutions, solutions and technologies available, and other information that may assist in providing a higher level of product and service delivery to agencies in a timely manner and facilitate continuous improvement opportunities.

Current Implementation Status	Partially Implemented
Current Implementation Date	November 2023
Status Update Narrative	OIT will manage knowledge (policies, procedures, standards, etc.) through the utilization of ServiceHub, as our digital solution. Knowledge articles have been loaded into ServiceHub by Knowledge Managers and OIT staff started accessing those articles in July 2023. Our Knowledge Management project will be completed and the recommendation fully implemented when access is rolled out for customers on November 15, 2023.

Recommendation 4A

The Governor's Office of Information Technology (OIT) should establish or improve, as applicable, its Information Technology (IT) governance structure related to the IT service management practice of IT Asset Management by developing a set of common practices for OIT Directors to use in engaging and advising agencies about technology replacement planning and budget forecasting.

Current Implementation Status	Partially Implemented
Current Implementation Date	January 2024

Status Update Narrative	OIT Directors (ITDs) will be provided with a list of IT assets (hardware and software) that are approaching their refresh/retirement date every month, starting January 2024. We are still working with the ITDs to ensure accurate information is sent to them so purchases are not made too early or too late. We will have these reports sent on a monthly basis starting in Jan 2024. Separate from, but tangentially related to asset tracking, OIT and agencies partner to gather life cycle data and conduct annual health assessments of the IT Products / Business Application owned by OIT and consolidated agencies. As part of this, OIT advises agencies about technology replacement planning and budget forecasting. Agencies vary in their dedication to and participation in this planning process. OIT is not responsible for agency budgeting.

Recommendation 4B	
The Governor's Office of Information Technology (OIT) should establish or improve, as applicable, its Information Technology (IT) governance structure related to the IT service management practice of IT Asset Management by assisting the agencies in their strategic planning efforts for technology updates by utilizing available solutions, asset inventories, data and metrics to develop forecasting tools to help normalize funding variations and reduce budgeting conflicts.	
Current Implementation Status	Not Implemented
Current Implementation Date	January 2024
Status Update Narrative	OIT continues to work with the OIT Directors to ensure accurate information is sent to them so purchases are not made too early or too late. We will have these reports sent on a monthly basis starting in Jan 2024. The reports will show the expected retirement dates of IT assets and what would be needed to replace those IT assets.