

Completed Closed Audits

ITIL Adoption and Integration (PAO 630)

In 2009, State Fund adopted the ITIL (Information Technology Infrastructure Library) approach to IT service management. ITIL provides a set of best practice standards and governance for IT services. Its goal is to increase productivity and efficiency, improve business process, and optimize cost. ITIL has been implemented in three areas of our IT department: Incident Management, Change Management and Service Desk Management. Internal Audit's objective with this audit was to evaluate the achievement of goals and objectives established for the ITIL project, including costs and quality of deliverables; evaluate compliance with CoBit (Control Objective for Information Technology) and Project Management Office (PMO) standards for project management; and assess how ITIL has been translated into improved efficiencies and effectiveness of IT operations.

IT has developed Key Performance Indicators (KPI) and the tracking infrastructure that allows management to evaluate and respond to the information provided by these KPIs. Two of the most important benefits of ITIL are the increase in process efficiency, while at the same time making cost savings contributions to the organization. To date, the cost for ITIL implementation has been \$9.3 million, with \$7.3 million for Incident and Change Management and \$2 million for the Service Desk. Return on Investment for the three ITIL parts implemented is \$9.8 million, for the first three years. It is expected that over five years, saving will total \$25 million.

Based on Internal Audit's review, internal controls are adequate with regards to the ITIL projects. Proper documentation was provided to comply with both CoBit and PMO standards for project management. There were no significant issues found.