SOFTWARE/APPLICATION ASSET MANAGEMENT FOLLOW-UP REVIEW
Department of Innovation and Technology

OBJECTIVE

The objective of this follow-up review was to determine whether the Department of Innovation and Technology (DoIT) effectively implemented the action plans based on the recommendations from the December 2021 Software/Application Asset Management audit report.

BACKGROUND

On December 1, 2021, we issued a report on our audit of DoIT's Software/Application Asset Management. The objective of the audit was to determine whether effective controls are in place to ensure all applications used to conduct City business are licensed, inventoried, and meet City IT security standards. The audit report included nine recommendations to improve asset inventory processes, software purchasing policies and asset management system completeness and accuracy. The department agreed with the recommendations and developed action plans to implement the recommended changes.

CONCLUSION

Of the nine recommendations, one has been implemented and eight are currently in progress. We will conduct another follow-up review in approximately 9 months. The recommendations and status are summarized below:

Recommendations	Status
1-1 Complete the transition of assets from the prior asset management system to the new asset management system.	✔
1-2 Conduct a Citywide inventory of software/applications.	*In Progress*
1-3 Perform periodic reconciliations between the asset management system and end user systems.	*In Progress***
1-4 Consider requiring departments to complete an annual software/application inventory and report the results to DoIT.	*In Progress***
1-5 Update policies and procedures to clearly state that software/application purchases must be approved by DoIT.	*In Progress*

1-6 Review purchasing reports to ensure software/application purchases (especially procurement card purchases) are recorded in the asset management system.	*In Progress*
1-7 Periodically review the asset management system for completeness and accuracy.	*In Progress* ✱
1-8 Consider an effective use of the Advantage Chart of Account Codes to ensure software/application purchases are approved by DoIT and accurately recorded in the asset management system.	*In Progress*
2-1 A formal method to track and monitor software/application license compliance should be implemented.	*In Progress* ✱

✱ Based on DoIT's plan for implementation, recommendations 1-3, 1-4, 1-7, and 2-1 will not be implemented until recommendation 1-2 is completed as an initial inventory is required before those recommendations can be completed.

The City Auditor's office provides audit, consulting, and investigative services to identify and minimize risk, maximize efficiencies, improve internal controls, and strengthen accountability to Mesa's citizens. We serve as an independent resource to City Management and the City Council, to provide them with timely, accurate, and objective information, assurances, and recommendations pertaining to City of Mesa programs and activities.

Audit Team
Karen Newman, CPA, CIA, CFE Senior Internal Auditor

City Auditor
Joseph Lisitano, CPA, CIA

Mesa City Auditor's Office
Phone: 480-644-5059
Email: auditor.info@mesaaz.gov
Website: https://www.mesaaz.gov/government/city-auditor
Copies of our audit reports are available at:
https://www.mesaaz.gov/government/city-auditor/audits