

OFFICE OF THE AUDITOR GENERAL

The Navajo Nation

A 2nd Follow-up Review of the Department of Information Technology Corrective Action Plan Implementation

**Report No. 17-04
October 2016**


**Performed by:
Tracy Walters, IT Auditor**





M-E-M-O-R-A-N-D-U-M

TO : Harold Skow, Department Director
DEPARTMENT OF INFORMATION TECHNOLOGY

FROM : 
Elizabeth Begay, CIA, CFE
Auditor General
OFFICE OF THE AUDITOR GENERAL

DATE : October 31, 2016

SUBJECT : 2nd Follow-up Review of the Department of Information Technology Corrective Action Plan Implementation

The Office of the Auditor General herewith transmits Audit Report no. 17-04, A 2nd Follow-Up Review of the Department of Information Technology Corrective Action Plan Implementation. The objective for this 2nd follow-up review was to determine whether the Department of Information Technology fully implemented its corrective action plan.

Follow-up Results

The Department of Information Technology has implemented the corrective actions that were within their ability to implement. The Department did not implement the corrective actions to hire IT project managers to implement complex IT projects and hire additional personnel at each agency to resolve the delays in responding to trouble calls. The Department's requests for additional personnel have gone unfunded thereby hindering them in implementing the corrective actions. The corrective actions to purchase the equipment for the "hot site" were implemented. However, the site has yet to be put in place in the Administration Two building. As a result, of the four findings the Department of Information Technology has yet to resolve, only one was fully resolved, two were not resolved due to lack of funding and one will be resolved when the "hot site" goes on line on November 1, 2016.

Conclusion

The Department of Information Technology has improved internal expertise, is providing services to other divisions and departments within the Navajo Nation government, while receiving positive feedback for their work. Although only 1 of 4 findings was fully resolved, the Department of Information Technology has met the corrective actions that are within their ability to implement. One finding relating to the establishment of the "hot site" is scheduled to 'go-live' by November 1, 2016. Therefore, the Office of the Auditor General concluded to lift the sanctions against the Department of Information Technology and the Department Director once the "hot site" is online. The Office of the Controller will release all withheld funds to the Department and Department Director when the sanctions are lifted in accordance with 12 N.N.C. Section 9.

xc: Virgil Brown Jr, Acting Division Director
DIVISION OF GENERAL SERVICES
Chrono

Tables of Contents

	<u>Page</u>
INTRODUCTION AND BACKGROUND.....	1
PROGRAM PURPOSE AND ORGANIZATION.....	1
OBJECTIVE, SCOPE AND METHODOLOGY	1
REVIEW RESULTS	2

INTRODUCTION AND BACKGROUND

The Navajo Nation Office of the Auditor General conducted a 2nd follow-up review of the Department of Information Technology corrective action plan implementation in accordance with 12 N.N.C. Section 7. The follow-up review was conducted to determine whether the Department of Information Technology implemented its corrective action plan to resolve the findings presented in audit report no. 10-02. The Navajo Nation Council Budget and Finance Committee approved the corrective action plan on December 21, 2010 per resolution no. BFD-45-10.

In 2014, the Office of the Auditor General conducted a follow-up review and determined the Department of Information Technology had yet to fully implement its corrective action plan. Therefore, sanction to withhold 10% of the Department's operating budget and 20% of the salary of the Department Director was approved by Budget and Finance Committee. This 2nd follow-up was conducted by the Office of the Auditor General based on the Department's representation that the corrective action plan was fully implemented.

PROGRAM PURPOSE AND ORGANIZATION

The Department of Information Technology is responsible for information technology (IT) within the Navajo Nation. The Department is divided into four sections: 1) Administration, 2) Network Support, 3) PC Support, and 4) System Support. The Navajo Nation Council appropriates approximately \$1.6 million annually to the Department of Information Technology to fund its operation. The Department of Information Technology is within the Division of General Services with oversight by the Health, Education and Human Services Committee of the Navajo Nation Council.

OBJECTIVE, SCOPE AND METHODOLOGY

In accordance with 12 N.N.C. Section 7, the following objectives were established:

- Determine whether the Department of Information Technology implemented its corrective action plan.
- Identify the barrier(s), if any, that hindered implementation efforts.

In meeting our objectives, we verified records pertaining to the corrective action plan implementation as provided by the Department of Information Technology. We interviewed department staff and consultants and reviewed documentation supporting their activities covering the period October 1, 2015 through September 30, 2016.

The Office of the Auditor General expresses appreciation to the Department of Information Technology for their cooperation and assistance throughout this review.

REVIEW RESULTS

Finding I

The initial audit of the Department of Information Technology reported that the staff has not kept up with the changing technological needs of the Navajo Nation. The Department of Information Technology personnel did not have all the skill sets required to evaluate the IT needs of the Navajo Nation, develop an implementation plan, budget, and oversee the IT project plan to fruition.

CORRECTIVE ACTION:

Hire consultant to: a) identify IT needs, b) generate IT Needs Statement, and c) assess staff skill sets, produce skills gap analysis, and develop a staff training plan

STATUS: Not Implemented

Since 2013, the Department of Information Technology has had a contract with Valiant Consulting of Albuquerque, New Mexico to assist the Department in meeting the needs of the corrective action above. While the staff skills assessment, a gap analysis and training plan have been generated, they are a general framework, and no evidence was found of an overarching IT needs statement which should be the foundation for the rest of the work. Consequently, the gap analysis and training plan do not have solid objectives which provide direction.

That being said, much progress has been made in general skills of the Department staff, and if focus were given to the training to meet specific skill requirements for positions being filled by current personnel, the Department of Information Technology would be better able to respond to customer requests.

CORRECTIVE ACTION:

Hire IT project managers to implement complex IT projects

STATUS: Not Implemented

It is apparent through discussion with the Department of Information Technology and personnel from other Divisions/Departments, that as an employee becomes skilled, they may seek employment elsewhere either within the Navajo Nation government or for an outside agency. This is often driven by the lack of persons skilled in Information Technology disciplines on the Navajo Nation, salaries for IT personnel being lower than the norm on the Navajo Nation, and a recent requirement to have a degree. It has severely hampered the ability of the Department of Information Technology to obtain the required personnel to meet their basic needs.

Training current personnel to fulfill the project manager skill requirements is the most likely method of getting needed personnel, but the risk is that those personnel will leave unless salaries become more commensurate with industry norms. Submissions for a budget to hire IT Project Managers have been made in funding years since the original audit, but have not been funded.

CORRECTIVE ACTION:

Establish an IT Steering Committee

STATUS: Implemented

The corrective action has been met. An IT Steering Committee has been formed and is meeting on a regular basis. While the nature of the IT Steering Committee appears to be ad-hoc, personnel from a broad section of the Navajo Nation government are on the meeting notice list, and many do attend.

CORRECTIVE ACTION:

Develop an IT Strategic Plan that aligns IT with Navajo Nation government operations

STATUS: Implemented

The corrective action concerning amending the Department's plan of operation is being met. While the Navajo Nation Department of Information Technology has been operating under GSCJY-67-99 since 1999, a new plan of operation has been developed and submitted to the Navajo Nation Council for adoption.

AUDIT FINDING I RESOLVED? NO - Due to lack of funding

Finding II

The original audit stated that the Department of Information Technology lacked reliable internet connectivity. Additionally, there was no mandatory offsite storage to safeguard the backup tapes. Also, the creation of a geographically separate "warm site" was not created to bring operations online with the backup tapes.

CORRECTIVE ACTION:

Procure backup core router for Internet connectivity

STATUS: Implemented

The corrective action to procure a backup core router has been met. Some support funding was provided by another Navajo Nation Department/Division that enabled the Department of Information Technology to purchase the backup core router.

CORRECTIVE ACTIONS:

Procure backup servers for Active Directory, Web and Email

Deploy storage area network (SAN) storage unit systems

Procure secure off-site storage for backup units

Prepare geographically separate "warm site"

STATUS: Not Implemented

A "hot site" (active/active load balancing cluster) is being put in place in the Administration Two building of the Window Rock Navajo Nation government. The activity has been funded, and most of the components are in place. The servers are currently installed in the Department of Information Technology computer room, a fiber optic line to the other location is in place and has been tested. The remaining work to be done is supply electrical in nature at Administration Two building, including installation of a backup generator. The generator is being procured by another department within the Navajo Nation, and the project plan calls for final installation and 'Go-Live' on November 1, 2016. The project is being closely monitored by a firm who specializes in this type of installation. Confidence is high that "hot site" will be online in the specified timeframe.

AUDIT FINDING II RESOLVED? NO until the "hot site" is online

Finding III

The initial audit found that there was no formal process to evaluate the Department of Information Technology performance measures. The only measure that the Department adopted was a help desk ticket system. However, the help desk call ticket system built internally by the Department of Information Technology was not fully implemented and had limited data to accurately evaluate performance. Consequently, there was no system in place to evaluate the Department of Information Technology performance.

CORRECTIVE ACTIONS:

- Implement a Help Desk tracking system
- Develop Help Desk Operating Procedures
- Procure Help Desk Software
- Implement Help Desk Software

STATUS: Implemented

The corrective action is met. New help desk tracking software has been procured, installed and is operational. Although it has not been used to its fullest potential, new reports have been built, a new Departmental employee has taken ownership of managing the process, and the process is improving daily. Some corrections were made to improve performance of the Help Desk application during the period of this review, such as additional reports and reducing the minimum response on a help desk call incident from 24 hours to 2 business hours.

AUDIT FINDING III RESOLVED? YES

Finding IV

The initial audit stated that limited personnel have made Department of Information Technology services difficult to provide on a 24/7 basis, which was critical for acceptance within the Navajo Nation government. Calls made to the Department of Information Technology to obtain support were not responded to in a timely fashion because the staff were either out on another call or traveling to a conference. The Department of Information Technology often failed to respond to after-hours problems until the next business day. In addition, the Department of Information Technology has only two vehicles available for onsite support visits. This caused significant delays in personnel responding to trouble calls that require an onsite visit.

CORRECTIVE ACTIONS:

Increase the number of vehicles

Hire additional network and server administration staff

Hire additional network/PC technicians at each of the 5 agency offices

STATUS: Not Implemented

According to budget documents available during this review, attempts have been made to add additional personnel and provide housing for them at the agency offices. The Department of Information Technology personnel have stated that requests for additional personnel and vehicles have gone unfunded for several years.

Based on data collected regarding the difficulty of hiring new personnel from the perspective of requiring a college or associate degree and the low salaries compared to industry standard, the corrective actions cannot be met until funding is made available.

AUDIT FINDING IV RESOLVED? NO - Due to lack of funding

CONCLUSION

The Department of Information Technology leadership continues to be more focused on vision than critical operations and improving their customer's experience, although it is much better today than at the time of the original audit in 2009. The Department of Information Technology has improved internal expertise, is providing services to other divisions and departments within the Navajo Nation government, while receiving positive feedback for their work. This improvement is crucial for the Department of Information Technology to regain trust and become the primary provider of information services to the Navajo Nation government, gaining efficiency and providing excellent benefit to the Navajo Nation.

Two findings presented in the 2014 initial follow-up report (Report no. 14-16) remain unresolved. The Department did not implement the corrective actions to hire 1) IT project managers to implement complex IT projects and 2) additional network/PC technicians at each agency. The Department's requests for additional personnel and vehicles have gone unfunded thereby hindering them in implementing the corrective actions. We recommend for the Department to continually advocate for additional funding to implement the corrective actions.

The corrective actions to purchase the equipment for the "hot site" were implemented. However, the site has yet to be put in place in the Administration Two building.

Although only 1 of 4 findings was fully resolved, the Department of Information Technology has met the corrective actions that are within their ability to implement. One finding relating to the establishment of the "hot site" is scheduled to 'go live' by November 1, 2016. Therefore, the Office of the Auditor General concluded to lift the sanctions against the Department of Information Technology and the Department Director once the "hot site" is online. The Office of the Controller will release all withheld funds to the Department and Department Director when the sanctions are lifted in accordance with 12 N.N.C. Section 9.