



Project Management/Controls and their impact on Auditing and Accounting Issues

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Today's presenters



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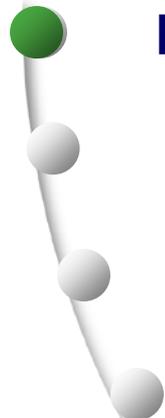


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Agenda

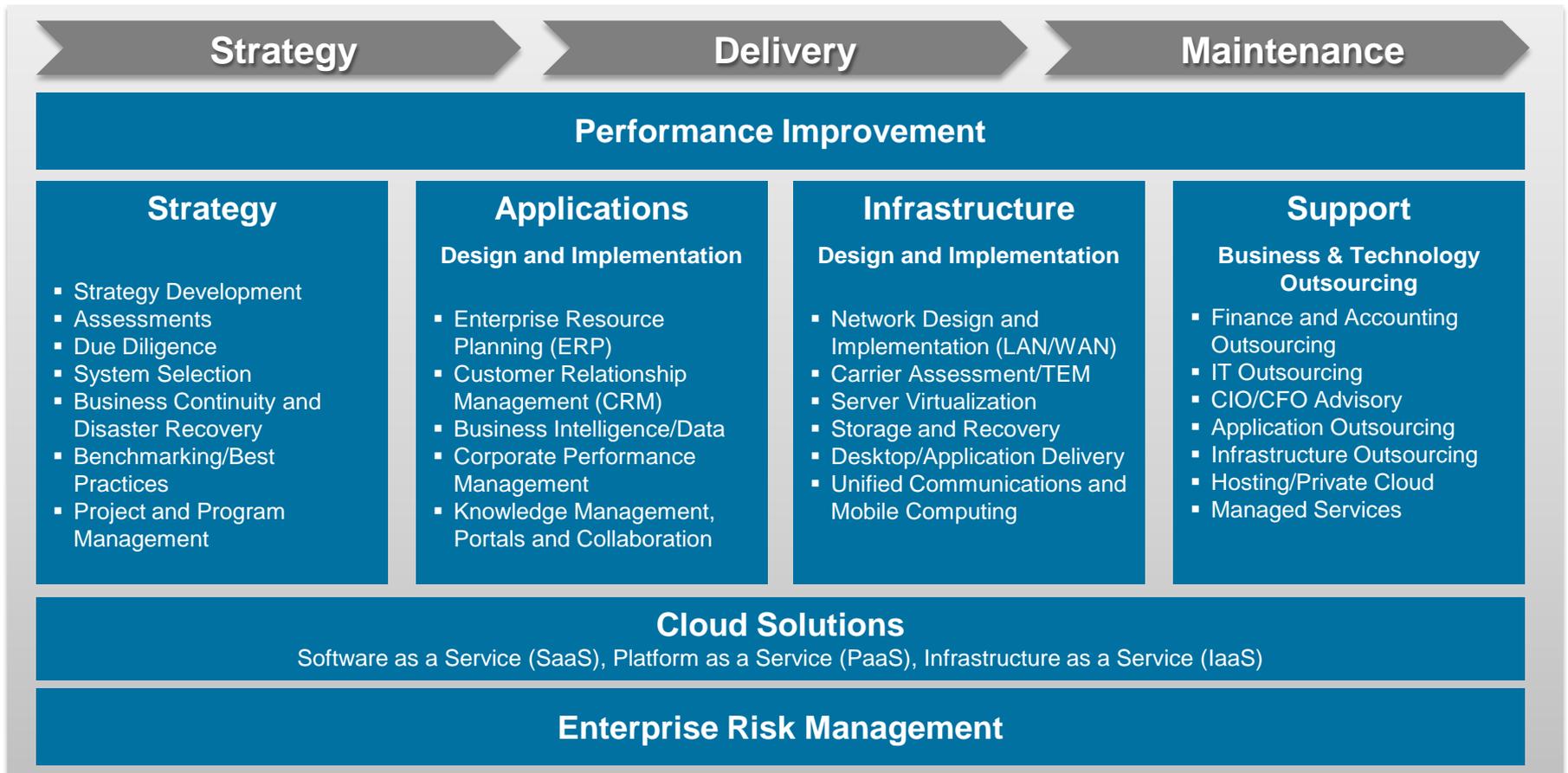
- 
- Perspective of the current environment**
 - Managing projects and programs**
 - The areas of potential greatest risk**
 - Questions**

Our perspective of the current environment

- Many government organizations (at all levels) are moving to implement significant technology and process enhancements
- Taking advantage of ever improving technology platforms and new technologies
- Additional threats are emerging causing risks for audit and accounting issues

Business and Technology Landscape

Business and technology projects cover Strategy, Process, Application and Systems Integration, Infrastructure and Outsourcing.



Enterprise Resource Planning (ERP)

Identify and implement the correct ERP and process software solutions for your department's needs.

ERP focuses on:

- Centralizing your department's data
- Automating operational processes
- Streamlining complex reporting
- Integration with suppliers and customers

The objective is overall performance improvement so you can meet the needs of your department and lower 'cost to serve'.

ERP Providers

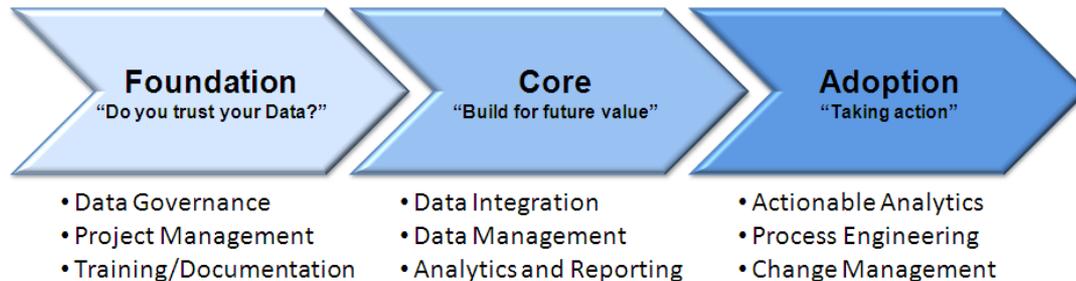


Business Intelligence

Prior to the ability to gain the insight required to take action, a core set of applications and capabilities must be built on a solid foundation of data governance.

- Business intelligence/analytics assessment
- Corporate Performance Management
 - Planning, forecasting, consolidations and budgeting systems
- Dashboards, scorecards and analytics systems

The Business Intelligence Journey



The complete business intelligence journey transforms data into information into action.

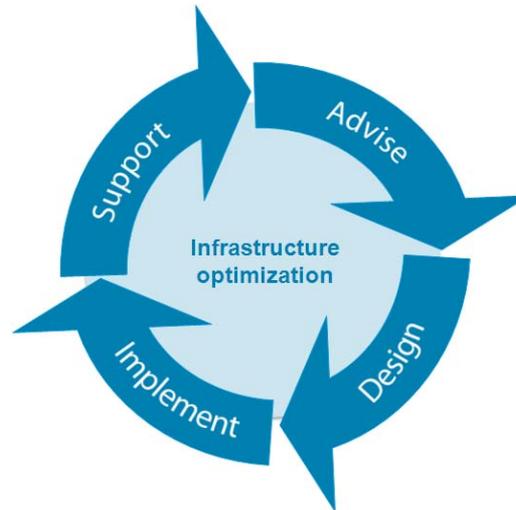
Common Tools



Infrastructure

Technology infrastructure must help improve performance and support strategic goals and objectives.

- Network design, implementation and support (LAN/WAN)
- Carrier Assessment/TEM
- Telecom and voice
- Server virtualization
- Storage and backup
- Desktop/application delivery
- Unified communications and mobile computing



These projects optimize your infrastructure to support your function with modern environments, migrations from legacy platforms and transformations of your current capabilities.

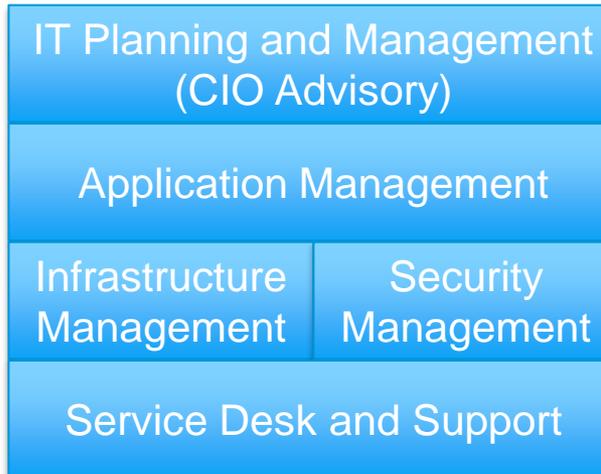
Select Providers



Infrastructure Outsourcing/Managed Services

What technology functions can you reasonably and cost effectively outsource and which strategic functions need to be retained?

- CIO Advisory
- Infrastructure Monitoring
- Maintenance and Enhancement
- Network, Server & Storage
- Data Backup
- Data Center and Hosting
- Service Desk and End User Support



Focus on your core and consider the benefits of outsourcing certain 'back office' and non-core processes.



Outsourcing may also include processes such as customer service, finance, accounting and logistics.



Cloud Computing

Cost savings? Shorter innovation lead time? Freedom to focus? Are cloud computing solutions right for you needs?

- Cloud Strategy and Roadmap
- Cloud Business Case
- Evaluation and Implementation Support
 - Software as a Service (SaaS)
 - Platform as a Service (PaaS)
 - Infrastructure as a Service (IaaS)

Cloud Roadmap *Rapid Assessment Approach*



A focused evaluation is geared toward the discovery of opportunities to simplify operations by leveraging cloud computing so you can focus on your core functions.



A solid approach to cloud should cover strategy, application, infrastructure and outsourcing, including hosting & private cloud.

Agenda



Perspective of the current environment

Managing Projects and Programs

The areas of potential greatest risk

Questions

PoV on Program Leadership and Management

While effective project management is critical, Program Management pulls multiple workstreams together in a cohesive fashion.

Focus of Project Management

- Focus is to manage the cost and effort of tasks to achieve one or more key deliverables (e.g., install a system)
- A well-defined start and end-date with a relatively short duration (measured in months)
- Risks are generally fewer and risk management is focused on controllable factors
- Success is measured by budget, schedule achievement and fit of deliverable to design
- Focus is on one component of a broader initiative to deliver business value
- **A project manager is highly knowledgeable in the 'content' of the project; e.g., technology, production, media**

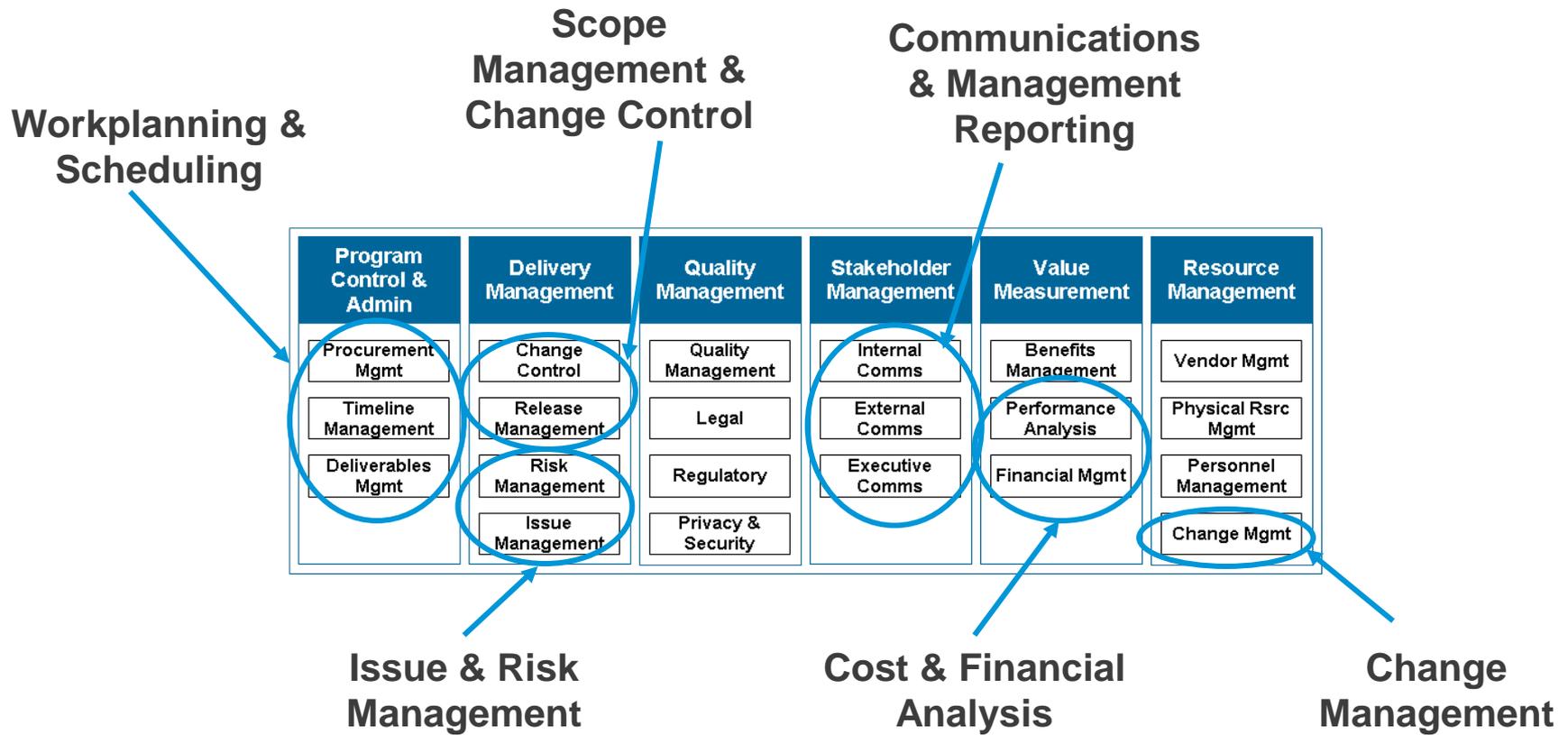
Focus of Program Management

- Drive delivery of integrated workstreams
- Focus is on launching and coordinating a series of projects to build a business capability of strategic value requiring multiple disciplines across the business
- Manages to a strategic vision and benefit realization
- Manages the full life-cycle of a strategy – from innovative idea creation through implementation and benefit realization
- Tracks delivery of vision components
- Risks are typically of greater magnitude and often outside control of the program
- Contingency is managed in relation to business risk
- Coordinates interdependence of projects
- Manages the expectations of multiple stakeholders, communicates progress, and decision makers
- **A Program Manager performs as a 'business executive' and is valued for the ability to make business decisions**

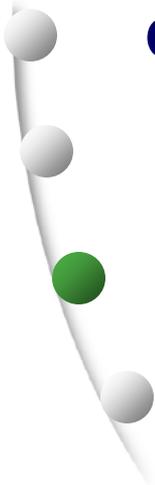
While a Program Management varies by organization, it typically includes many of these disciplines.

Program Control & Admin	Delivery Management	Quality Management	Stakeholder Management	Value Measurement	Resource Management
<p><u>Procurement Mgmt</u> Responsible for the timely acquisition of goods and services to support the projects.</p> <p><u>Timeline Management</u> ★ The management of integrated timelines and dependencies.</p> <p><u>Deliverables Mgmt</u> ★ The management of completed deliverables to ease reuse and regulatory compliance.</p>	<p><u>Change Control</u> ★ The management and prioritization of new requirements, including change orders.</p> <p><u>Issue Management</u> ★ A standard methodology and tool for reporting, prioritizing, and escalating issues to ensure timely resolution.</p> <p><u>Risk Management</u> ★ The development and management of standard risk identification and response capabilities to manage risk across the program.</p> <p><u>Release Management</u> The management of an integrated release strategy to support organization-wide prioritization, dependencies & risk</p>	<p><u>Quality Management</u> The development and management of standard processes and practices to manage quality across the program.</p> <p><u>Legal</u> Single point of contact to manage compliance with requirements of legal department</p> <p><u>Regulatory</u> Single point of contact to manage compliance with regulatory requirements, at direction of regulatory departments</p> <p><u>Privacy & Security</u> Single point of contact to manage compliance with privacy & security requirements at direction of privacy & security officers</p>	<p><u>Internal Communications</u> ★ Management of integrated communications with projects</p> <p><u>External Communications</u> ★ Management of integrated communications with business units and other departments</p> <p><u>Executive Communications</u> ★ Management of communications with executives and stakeholders</p>	<p><u>Benefits Management</u> Management of benefits realization and business cases to ensure business benefits are measured and achieved</p> <p><u>Performance Analysis</u> ★ The management and production of program performance analysis & reporting.</p> <p><u>Financial Mgmt</u> ★ The management and production of financial planning and reporting.</p>	<p><u>Vendor Mgmt</u> Integrated management of key vendors, including contractual, administrative, and communication functions.</p> <p><u>Physical Resource Mgmt</u> Responsible for the prioritization, allocation of physical resources including hardware, software and facilities.</p> <p><u>Personnel Management</u> Responsible for the prioritization and allocation of personnel.</p> <p><u>Change Management</u> ★ Assess the impact a program will have on related business areas and identify training and resource needs.</p>
Key					
★ = Common Capabilities at the Program Level					

You should consider establishing expertise or focus in specific areas that map back to core Program Leadership capabilities.



Agenda



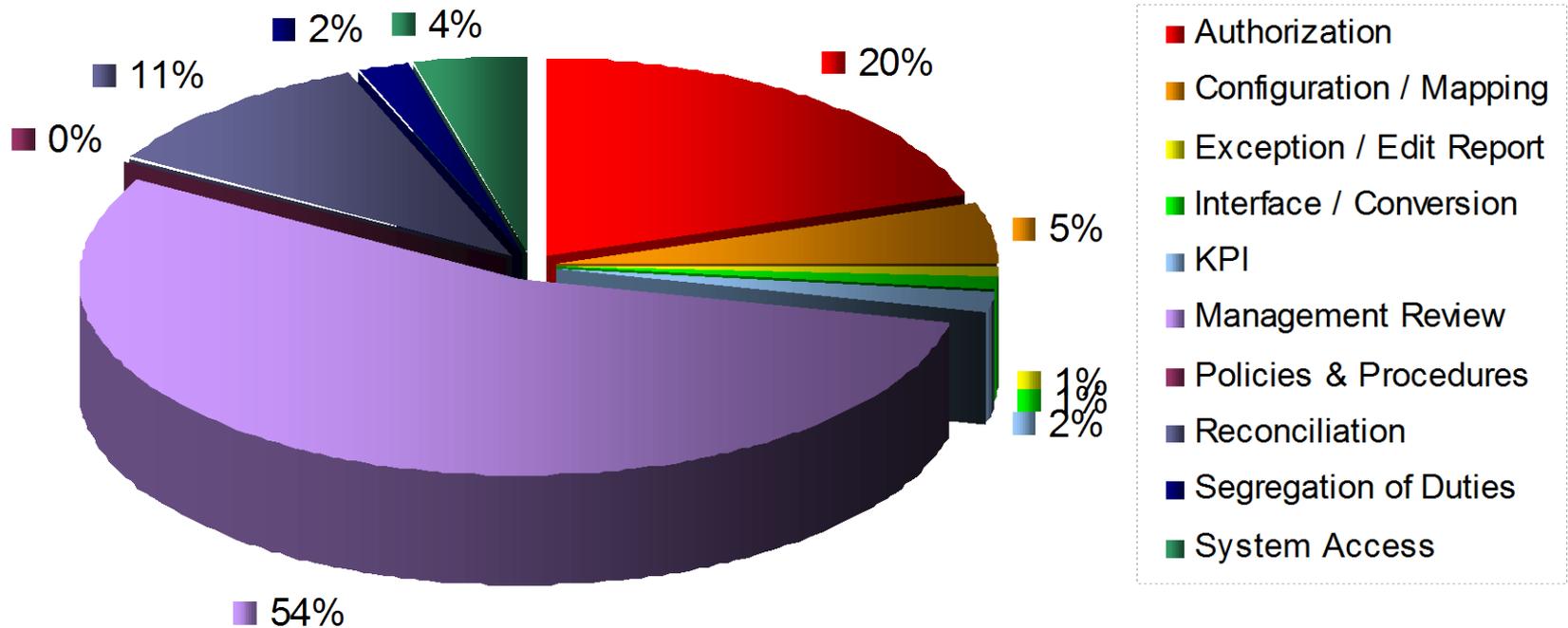
- **Our understanding of the effort**

- **Proposed Project Approach**

- **The areas of potential greatest risk**

- **Questions**

Number and types of commons controls



The majority of controls in place are Authorizations and Management Review

As cutbacks have come into play, personnel have not been replaced

Authorizations and reviews have been performed by different personnel or not at all

A greater number of errors and omissions tend to occur

Segregation of Duties

11% of controls in processes are focused on segregation of duties



And personnel have not been replaced...



A greater number of errors and irregularities exist

Questions



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