COMMISSION AGENDA

STAFF BRIEFING

Item No.   7b

Date of Meeting   February 05, 2013

DATE: January 25, 2013

TO: Tay Yoshitani, Chief Executive Officer

FROM: Joyce Kirangi, Director, Internal Audit

SUBJECT: Enterprise Technology Risk and Performance Assessment

SYNOPSIS:

Protiviti has completed its report on the Port of Seattle Enterprise Technology Performance and Risk Assessment. The report encompasses the analyses, conclusions, observations and recommendations derived by Protiviti as a result of the procedures it performed. Protiviti is also scheduled to brief the Audit Committee on February 5, 2013.

Highlights

The IT cost benchmarking analysis conducted by Protiviti indicates the Port IT functions have effectively managed costs, including the following key results:

- The Port has generally outperformed comparable industries in controlling IT operations (or "run") costs.
- The Port has successfully shifted more of its IT spending towards growth and transformation of business operations.
- The Port's IT process activities perform favorably when compared to organizations of comparable size and industry-groups.

Opportunities

The report suggests opportunities to:

- Further mature certain core IT processes
- Continue to align ICT and Aviation IT operations
- Explore additional avenues to collaborate and communicate with the Commission and Executive Team

Protiviti also conducted a technology risk assessment and recommends the following thee-year IT Audit plan, including direction on staffing levels and appropriate skills sets to complete the recommended audits:

- 2013
    - Scheidt Bachman Parking System
    - Data Center

- o   PeopleSoft Post-Implementation Review
- 2014
  - o   End-Point Security
  - o   IT Asset Management
  - o   HIPAA Compliance Assessment
- 2015
  - o   Data Loss Prevention
  - o   IT Change Management Diagnostic
  - o   Business Continuity/Disaster Recovery

BACKGROUND:

Technology is rapidly changing and absolutely critical to the Port's overall operations. It is essential to enhance the efficiency and effectiveness of the Port's business processes through the protection, reliability, availability, and analysis of business information.

The Audit Committee and the Executive Team recognized such critical roles and recommended a third party conduct an assessment of the Port enterprise technology risk and performance. The Port, using its competitive procurement process, engaged Protiviti to conduct the assessment. The project was initiated in the September 2012 time frame and completed in December 2012.

The project consisted of two primary objectives:

1. Assess the overall management, efficiency and effectiveness of Port information and communication technology assets and services within the following key areas: Strategy, Operations, Investment, Governance and Risk Management

2. Execute a technology risk assessment resulting in a three-year IT Audit plan, including direction on staffing levels and appropriate skills sets to complete the recommended audits.

Provititi performed a number of procedures, including a broad set of interviews with organization leadership and process leads; review of provided policies, procedures, and process documentation; and conducted detailed benchmarking analysis.

OTHER DOCUMENTS ASSOCIATED WITH THIS BRIEFING:

- Protiviti Detailed Report on the results of the Enterprise Technology Risk and Performance Assessment
- PowerPoint presentation (summary)

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS:

None