

# INTERNAL AUDIT

Software Asset Management  
Advisory Engagement

May 1, 2020





## Advisory Memorandum

### Background

Software asset management (SAM) refers to the business practice that involves managing and optimizing the purchase, deployment, utilization, and disposal of software applications within an organization. SAM technologies and processes track contract terms, and license re-distribution and expiration, thereby allowing an organization to function efficiently, ethically and within software compliance regulations.

Sound software lifecycle practices provide optimization of software usage, cost reduction where possible and limit business reputation and legal risks related to potential license agreement violations, while maximizing operational responsiveness and end users' productivity.

Governance documents were developed to outline and communicate program objectives and roles to management and employees. An updated asset management corporate policy was released in January 2020 to delineate effective internal controls over Citizens' tangible and digital assets. New service management software is being implemented which includes a module that will provide automation and workflows for asset lifecycles. The IT asset management module was implemented at March month-end with some remaining software data and configuration work to be completed.

### Objectives and Scope

The Vendor Management Office (VMO) requested Internal Audit to benchmark a newly developed SAM program charter and policies with industry standards and provide advice and guidance where appropriate. Information was also provided related to potential maturity models and a checklist for third party software audits.

### Results

OIA provided the advisory results to the VMO, which included the following deliverables:

- Benchmark results for a Software Use Policy and Software Asset Management Committee Charter utilizing leading practice standards.
- Relevant sections of leading practice standards for reference in policy development.
- Potential maturity models with which to benchmark program development.
- A checklist/job aid that includes 3<sup>rd</sup> party software audit preparation, notification, and process details.

We request that management consider the materials provided to enhance the SAM program and best serve the needs of the organization.

We would like to thank management and staff for their cooperation and professional courtesy throughout the project.



## Distribution

---

Addressee(s) Keri Dennis, Manager, Vendor Relationship Management

Addressee(s) **Business Leaders:**  
Barry Gilway, President/CEO/Executive Director  
Kelly Booten, Chief Systems and Operations  
Christine Turner Ashburn, Chief Communications, Legislative & External Affairs  
Stephen Guth, V.P. Vendor Management  
Mark Kagy, Acting Inspector General

**Audit Committee:**  
Marc Dunbar, Citizens Audit Committee Chair  
Bette Brown, Citizens Audit Committee Member  
James Holton, Citizens Audit Committee Member

**Following Audit Committee Distribution:**  
The Honorable Ron DeSantis, Governor  
The Honorable Jimmy Patronis, Chief Financial Officer  
The Honorable Ashley Moody, Attorney General  
The Honorable Nikki Fried, Commissioner of Agriculture  
The Honorable Bill Galvano, President of the Senate  
The Honorable Jose R. Oliva, Speaker of the House of Representatives  
  
The External Auditor

*Completed by Karen Wittlinger, IT Audit Director  
Under the Direction of Joe Martins, Chief of Internal Audit*