



**New Jersey State Legislature  
Office of Legislative Services  
Office of the State Auditor**

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**EXECUTIVE SUMMARY**

**INFORMATION TECHNOLOGY PROJECT MANAGEMENT**

**July 1, 2015 to March 31, 2016**

We found that the Office of Information Technology's Project Management Office and the individual agencies understand the importance of strong project management practices and have made strides toward implementing such practices. However, we noted areas where improvement is needed in order to advance project management in the state and create a sustainable and repeatable project management and oversight process.

**AUDIT HIGHLIGHTS**

- As of March 31, 2016, there was no formal Project Review Board (PRB) as required by The Office of Information Technology Reorganization Act. Without the legislatively-mandated PRB in place, there is no independent oversight group monitoring large-scale projects and the accountability intended in the law is not occurring.
- The Project Management Office (PMO) currently has no statewide Information Technology Circular Letter defining or enforcing any of its project management best practices. This leads to inconsistent practices throughout the state.
- Three of the six projects on which we performed in-depth reviews lacked a qualified project manager representing the interests of the state. In two cases, the state relied on the vendor to provide the project manager, and in the third case, there was a state project manager; however, the person did not have the appropriate experience and training in project management. The first two projects were never completed, and the third completed with a budget overage that could be traced to issues in the design process.
- Four of the six projects on which we performed in-depth reviews had issues related to scope management. Two had project scopes expanded because of avoidable change orders. Two other projects, with expansive initial scopes, were unsuccessful and resulted in millions of dollars spent with no usable product.
- A sample of 52 projects found that only 18 had any type of cost-benefit analysis performed as part of the project life cycle. Of those, only 5 had a cost-benefit expressed in monetary savings. Interviews with agency personnel at 14 agencies found that only 4 prepared a cost-benefit analysis prior to a project beginning and only one stated that any type of follow-up analysis was performed to verify the accuracy of the initial analysis.

**AUDITEE RESPONSE**

The office concurs with our findings and recommendations.

For the complete audit report, click [here](#).