The Town of Westport

IA 18-02 IT Systems Assessment and Evaluation
Findings and Recommendations

Final Report

August 2018

BlumShapiro

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Contents

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I. Project Overview

A. Background & Scope

The Town of Westport (hereinafter, also referred to as the "Town") engaged BlumShapiro Consulting to review and assess the Information Technology (IT) systems in use within the Town and School District. BlumShapiro assessed the IT systems and applications in use across all Town Departments and in use at the School District Business Office. The assessment included the following:

1. Review of current systems in use
2. Confirmation of current technology/software application costs
3. Confirmation of the IT purchasing process
4. Development of findings and recommendations

BlumShapiro worked with the Town's Audit Manager/Senior Accountant to identify the Town and School District departments to interview regarding the use of software applications. BlumShapiro interviewed approximately 30 professional staff members across the Town and School Department as part of this operational audit.

There are many types of applications that are used by the Town and School District Departments that are specific to their areas of operations. For this project, the School District's academic, educational, and curriculum–centric technologies and software have been excluded.

B. Methodology

The goals and objectives of this assessment included the following:

- Document IT software systems inventory of in-use applications across the Town and School District of Westport
- Document the contractual agreements associated with each application and note any risks/gaps to the Town/School District
- Identify any applications that are duplicative or extraneous in nature that the Town/School District could consider retiring
- Identify any applications that the Town/School District pays for but no longer actively uses
- Review current controls around systems that are in use at the Town and/or School District
- Review the purchasing process related to IT systems and applications
- Document findings and operational/control gaps observed as part of the review
- Provide concrete recommendations for improvements that will lead to more effective and efficient operations and, potentially, cost-savings

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C. <u>Acknowledgements</u>

BlumShapiro would like to thank the Town of Westport staff for their participation, contributions, support, on-going dialogue, and feedback during this project.

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II. Network Technology Overview

A. <u>The Town and School District currently have separate IT functions and departments</u>
   1. The Town's IT operations are managed by two (2) full-time staff supporting approximately 1,320 technology devices:
      a. Director
      b. Network Operations Manager
      c. The Town contracts with individuals for part time activities such as website maintenance, database report writing, and videography
   2. The Town Police Department also has an Officer who is dedicated to the support of police/public safety applications and desktop support
      a. The Town Network Operations Manager manages all IT infrastructure for the Police Department
   3. The Town Fire Department also has a designated internal resource Training Officer that manages Fire Department applications, hardware, and software
      a. The Fire Department networking is managed by the Town's Network Operation's Manager and the Fire Department resides on the Town's network domain
   4. The School District's IT operations are managed by 12 full-time staff supporting approximately 14,300 technology devices:
      a. Technology Director
      b. Technology Assistant
      c. Technology Operations Manager
      d. Five (5) District Technicians
      e. Infrastructure Manager
      f. Applications Support
      g. Information Systems Manager
      h. Network Support

B. <u>The Town of Westport primarily utilizes the following technologies to manage and monitor Town IT operations:</u>
   1. Amazon – backup cloud storage

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2. Quest Rapid Recovery – backup software

3. Symantec Endpoint Protection – antivirus

4. Palo Alto – firewall, virtual private network (VPN)

5. Horizon – desktop virtualization

6. Global Protect – remote access

7. Snapp – internet traffic monitoring

8. Cablevision – wireless, Wi-Fi

9. Granicus Inc. – Town website

10. Network Access SA – Connecticut Education Network (CEN) – internet

11. Vision Internet Provider – Web development, hosting

12. Total Communications – Cisco Voice-over-IP (phone and maintenance)

C. <u>The Westport School District utilizes the following technologies to manage and monitor School District IT operations:</u>

1. McAfee – antivirus

2. Veeam – data backup

3. Hyper-V – server virtualization

4. Nagios – basic network monitoring

5. Verdiem Surveyor – power management, energy consumption analytics

6. Zoho – helpdesk management (run for the Town as well)

7. Finalsite – School District website

8. JAMF – Apple device management

D. <u>Some technology resources are shared (or managed jointly) between the Town and School District</u>

1. The Town and School District currently share the same phone system

2. Some shared data closets for network equipment currently exist

3. The help desk management/ticketing system is shared between Town and School District

4. The School also has a direct connection into the Town's network via controlled access control lists (ACLs)

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III.   Findings and Recommendations

A. <u>Limited IT purchasing processes exist for Town Departments</u>
1. There is no formal policy in which individual Town Departments must consult with the IT Department for basic technology purchases
    a. Generally, each Department serves as a "subject matter expert" when it comes to the tools and technologies needed to perform their duties. As such, Departments can make purchases of IT-related items (e.g., a tablet, laptop) without the consent of the Town's IT Department
    b. IT-related purchases follow the normal Town purchasing process and chain of approval as documented in the Appendix
        i. If a purchase comes out of a Department's individual budget (and not an IT Department line item), it will not be routed through the Town's IT staff and as a result, they may not become aware of the IT purchase
2. Any devices (e.g., smartphones, tablets) that a Department requests to join the Town's network require the notification to, and assistance of, Town IT for proper configuration and support
3. Large or costly technology purchases made directly by the Town's IT Department (e.g., over $25K) are made through State contract and follow documented Town procedure(s)
4. Shared systems involving use by multiple Town Departments are generally treated as a capital expenditure and the IT Department plays a significant role in selecting, purchasing, and managing these integrated systems (e.g., the new Land Use Departments system)
5. Public Safety (including the Police Department/EMS and Fire Department) IT purchases are independent of the Town's IT Department
    a. These Departments generally manage their own IT function with some network support and management provided by the Town's Network Operations Manager
    b. Management of software, equipment, etc. is handled by the Public Safety Departments
6. It was noted that the Town Departments do tend to coordinate with the IT Department for input, feedback, advice, and support, on occasion, and when more challenging or costly IT purchases occur
    a. Currently, this is elective, rather than policy or procedural requirements
    b. A copy of the Purchasing Procedure Policy is provided in the Appendix

RECOMMENDATION: Consider updating the purchasing process to include approval and authorization by the Town IT Department for technology related purchases (where applicable)

1. Currently, it does not seem that independent Departmental technology purchases are unreasonable, excessive, or overly costly to the Town. However, without the Town IT Department's awareness of departmental technology purchases, the ability for IT to provide support, feedback, advice and input towards these purchases is a missed opportunity for the Town
   a. It is likely that the Town IT Department can offer the departments advice on price, product quality, and functionality if they are consulted prior to purchase
   b. In addition, under current practice, it is possible that a town department can purchase a technology device or system that is incompatible with the network and/or other Town programs
      i. This risk can be avoided if IT approval is sought prior to purchase
   c. The Town can configure the IT Department as an approval in the MUNIS purchasing workflow for items purchased using Departmental IT budget lines

B. A number of IT purchasing processes exist for the School District
   1. All main purchases for software go through the School District's Director of Technology. Per interview with the School District's Technology Department, the individual schools work very closely and in a strong consultative manner with the Technology Department to develop a request list for purchases that go through the full budgeting process
      a. The Technology Department works closely with the School Superintendent to develop IT budget costs/cuts
   2. If the individual schools wish to purchase a piece of educational software on their own through PTA grant funds etc., then in those instances, the Accounts Payable Department will not approve any IT-related purchases until they confer with the Technology Department
      a. The Director of Technology will generally send an email approving the purchase to the Assistant Director of School Business Operations /requisitioner
      b. This practice is not a formality of current, documented School District purchasing procedures, rather, it is an informal best practice currently followed
         i. A copy of the School District Purchasing Policy is provided in the Appendix

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    c. For these one-off purchases that do not come out of the Technology software budget lines, Accounts Payable approves the purchases. The Technology Department is not part of the automated approval workflow for purchases that are not part of the normal software account line within the financial management system

3. The School District Technology Department manages the overarching District technology budget which is currently divided into subaccounts by School

    a. The Director of Technology manages the District-wide technology budget by cost center (each School in the District)

        i. For systems that are used across multiple Schools, the Director of Technology manages via cost-sharing across all Schools (where applicable) (e.g., all Middle Schools, all Elementary Schools, etc.)

    b. The individual schools do not have access to the District IT account within eFinancePLUS (the School District's financial management system) The School Director of Technology is the only one with approval rights in the eFinancePLUS system

4. One other exception is the purchase of special education software for individual students per their Individualized Education Plan (IEP.) The special education department researches and procures the software needed for these students separate from the Technology Department. The special education department does coordinate with the Technology Department to make sure the software that is purchased will run properly on school equipment and across the network (as needed)

RECOMMENDATION: Document the District-Wide exceptions for technology purchases that are not automatically routed through the IT Director via the eFinancePLUS electronic workflow

C. The management of vendor contracts for software applications and technology purchases could be improved by both the Town and School District

1. Throughout the course of this project, BlumShapiro sought to obtain approximately 45 vendor contracts/software agreements from the Town and School District

    a. For the Town, a handful of contracts/agreements were successfully obtained directly from the Town Attorney's office

        i. Within the Town Attorney's office's "Active Agreement Database," it was observed that several of the systems listed were no longer in actual use by the individual Departments

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    ii.   Additionally, many of the software systems currently in use throughout the Town were missing from the "Active Agreement Database"

        1. Of the (approximate) 110 Town software systems in place, the "Active Agreement Database" only identified (approximately) 23 of these systems

        2. Five (5) of the agreements listed in the "Active Agreement Database" were not identified as "in-use" systems via the Town interviews

        3. The intent of the "Active Agreement Database" is to inventory contracts and agreements that require approval from the First Selectman, and therefore, this database may not be the best tool to rely on for all contracts Town-wide

    iii. No central location of contracts was identified; some of the contracts were held by individual departments while others were held by IT

  b. For the School District, contracts/agreements are managed and maintained jointly between the School Business Office and the IT Department

    i. For the contracts requested as part of this audit, a majority of the documentation came from IT, though not all of these documents were the formal, final executed contract

RECOMMENDATION: Centralize vendor contracts management and maintenance responsibilities/locations for all IT-related agreements/contracts

1. It is recommended that the Town maintain copies of all IT-related contracts and software agreements within the Town Attorney's Office and IT Department

  a. The Town Departments may wish to retain a copy for their own record and budgetary purposes

2. For the School District, one (1) central point/location should be designated for contract storage and management

  a. The School Business Office may be the ideal location for all contracts while the School District IT Department may wish to retain a copy of all contracts that are specifically technology-related

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D. <u>Several agreements/contracts for software and technologies were outdated for both the Town and School District</u>
1. For the approximate 45 contracts BlumShapiro reviewed, it was noted that a significant number were outdated and/or several years old
    a. BlumShapiro assessed the contracts for license/contract expirations and renewal dates and found approximately 15 to have been past the renewal date, with some dating back to 2011
    b. Within the Town's "Active Agreement Database," approximately eight (8) software agreements have now passed the date of autorenewal and/or Certificate of Insurance (COI) expiration
        i.   As such, it is likely that the cost information within the agreements is also outdated and likely below the Town and School District's current annual costs
        ii. It is unclear if the Town and School District, by procedure, obtain a new agreement or contractual document at each license renewal date
2. BlumShapiro also observed instances where software products have been bought out by other vendors and contracts were not updated/new contracts were not obtained to reflect the new ownership and new vendor agreement terms
    a. Public Safety – Vision/TriTech
    b. School District – LunchByte/NutriKids
3. Additionally, in evaluating the Town's "Active Agreement Database" against actual contracts and software agreements, several discrepancies were noted
    a. There were instances where the "Active Agreement Database" identified a different renewal date or contract term date than the actual contract provided to BlumShapiro for review
4. Outdated contracts and vendor agreements pose a risk to the Town and School District
    a. Payment and vendor terms and conditions may change over time
    b. Annual support/pricing increases may auto-occur
        i. Instances of this were noted in the BlumShapiro review of contracts
            1. Some contracts noted an annual percentage price increase. Without an annually updated contract or document tracking this, it is difficult to obtain true annual software system costs at any given time
            2. The Town or School District would have to confirm the monthly invoice within the financial management system and annualize, or obtain the original agreement and calculate the appropriate percentage increase against each invoice

      c. Town/School District (client) system requirements may change, etc.

5. Without obtaining an updated contract/agreement on a fairly regular basis, the Town/School District may be unaware or unable to easily identify particular vendor expenses, terms, and conditions
      a. As part of the annual budget process, the School District obtains price quotes from existing software vendors

RECOMMENDATION: Update contract/agreement management documentation, databases, and records within both the Town and School District

1. It is recommended that the Town and School District determine the formal policy regarding the frequency of obtaining updated contracts and software agreements
      a. If the Town or School District do not wish to obtain updated vendor contracts or agreements on a regular basis (e.g., every 2-3 years), then centralized management or records of systems and pricing should be updated accordingly
      b. The Town Departments may wish to retain a copy for their own record and budgetary purposes
2. It is recommended that the Town refresh and update the "Active Agreement Database"
      a. This includes comparing and validating license renewal dates and contract terms against the IT Software Systems Inventory (located in the Appendix of this report)
      b. This also includes validating the use of all systems currently listed and/or missing in the "Active Agreement Database"
3. For any agreements/contracts dated five (5) or more years old, the Town should request an updated vendor contract
4. Additionally, the Town and School District should consider electronic notification or a "tickler" system for notification of auto-renewing contracts
      a. This recommendation was made in the BlumShapiro IA-1702 Contracts Audit Report
      b. This will serve as a reminder for the Town and School District that a software and/or vendor contract will soon be auto-renewing and can help eliminate the risk of an agreement "rolling forward" that the Town/School District is unaware of
          i. Several of the agreements reviewed include specific instructions regarding agreement terminations (e.g., "60 days written notice prior to the renewal date/agreement termination date")

E. Not every system or technology in the Town and School District may have a formal, completed contract or associated agreement
    1. BlumShapiro was unable to confirm the existence (or locate) a contract or formal agreement for a number of technologies/software applications (Town and School District)
        a. In some instances, an invoice was used to obtain pricing information
        b. In some instances, the software did not have an associated formal vendor agreement (e.g., the Building Department Permitting system)
        c. In some instances, the contracts provided did not have final signatures and execution dates
    2. From an operational perspective, this is not a best practice
        a. The Town should have a formal document (agreement or contract) confirming:
            i.   Westport responsibilities and required system/network configurations
            ii.   Payment terms and conditions
            iii. Pricing (with any annual percentage increases documented)
            iv.   Privacy terms
            v.   Any risks or special terms and conditions

RECOMMENDATION: Establish protocols regarding which technology-related systems require formal contracts/vendor agreements
    1. It is recommended that the Town and School District standardize on which software systems and technologies require a formally executed contract
    2. Once determined, the Town and School District should document this policy as part of purchasing policies and procedures
    3. For both, the Town and School District, it is important that the frequency of obtaining new contracts and/or vendor agreements is also standardized

F. The Town and School District are on two (2) different financial management systems
    1. The Town is currently on the MUNIS financial management system
        a. The software is web-based
        b. Approximate annual cost: $110K
        c. Next contract renewal: 3/31/2019
    2. The School District is currently on the eFinancePLUS financial management system

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        a. It is installed on premise

        b. Approximate annual cost: $32K

        c. Next contract renewal: 6/30/2018

3. Both systems provide general financial management modules including general ledger, purchasing, payroll, HR, project/grant accounting, fixed assets, etc.

        a. These two (2) systems do not integrate/interface at this time. Information cannot be directly exchanged or shared between the Town and School District via these financial management systems

RECOMMENDATION: Consider consolidating into one (1) financial management system in the future

1. As products change over time, it may make sense for the Town and School District to consider sharing a financial management system

        a. Better and easier cross-training opportunities exist

        b. Overall software costs for a financial management system may be reduced

        c. This is a major step for creating a "shared services" environment in Westport

2. It should be noted that the Town and School District can share a single financial management system while maintaining appropriate security segregations, business process workflows, and access rights/permissions

        a. This has been done in numerous Connecticut communities including:

            i. City of Torrington - MUNIS

            ii. City of Bristol - MUNIS

            iii. Town of Mansfield – ADMINS

            iv. Town of Ledyard – MUNIS

            v. City of Norwalk – MUNIS

            vi. Town of Brookfield - MUNIS

G. There is no centralized mobile device management system/program in place across Town/School District departments

    1. Under current operations, mobile devices (iPads, smartphones, etc.) are used in different capacities across Town and School District departments

    2. There is no centralized mobile device management (MDM) software used to manage all mobile devices across the Town and/or School District

    3. Via the interview process, it was noted that the employees within several Departments currently utilize their personal mobile device for access to their Town email account

    4. From an IT security, privacy/confidentiality perspective, this poses a risk to the Town/School District. If an employee were to store Town or School District information on a mobile device and then lose the device, IT has no way of knowing and/or remotely wiping/securing the device without an MDM software and mobile device management policy/program in place

        a. This places Town/School District data at risk of exposure to unauthorized individuals

RECOMMENDATION: Develop a universal standard for Town/School District mobile device usage

    1. The Town and School District should determine the protocols regarding personal mobile device usage and access to employee resources, including email

        a. Consider security protocols (texting, email, notes)

        b. This will require involvement of each policy-writing body from the Town and School District in order to uniquely document and formalize the security protocols and requirements for each (Town and School District)

    2. Should the Town and School proceed to allow employees access to email and the use of personal mobile devices in the workplace, remote wipe capability should be ensured for security purposes

        a. If an employee loses their personal mobile device, policy should require the employee to notify their respective IT Department so a remote wipe can be performed

        b. The policy should include a waiver/acknowledgement form with employee signoff

    3. Consider Mobile Device Management (MDM) software

        a. The Town and School District may choose to implement an MDM software to help monitor and track Town or School-owned mobile devices

            i. Most MDM systems provide the following abilities:

1. GPS location of the mobile device
2. Security over application downloads and installations
3. Device monitoring
4. Enhanced security capabilities
5. Centralized management

   ii. The School District currently has JAMF software which allows mobile device management of Apple devices

   iii. Mobile Device Management tools can cost anywhere between $0 to $ 20,000 depending on the product purchased and number of devices

H. Various credit card/payment processing systems are used across the Town

1. Tax Department
   a. Online credit card payments are accepted for taxes via Invoice Cloud
2. Health Department
   a. (Regional Department not interviewed as part of this report)
3. Senior Center
   a. Two (2) onsite Municipay swipe terminals
4. Parks and Recreation
   a. ActiveNet (built-in to Parks and Recreation software)
   b. Heartland (Marina fuel and Golf)
   c. Square (Beach parking)
5. Human Services
   a. Point and Pay (online donations)
6. Note: The School District does not process any credit card payments at this time

RECOMMENDATION: Consider consolidating the number of payment processors or standardize on one particular system

1. Where possible, the Town should aim to limit the number of payment processors in place to avoid redundancy and streamline the security management

       a. It is understood that certain "built in" payment processors that are application specific (i.e. ActiveNet) must be utilized in order to operate specific Departmental services

2. New payment processors should require consultation with and approval from the Finance Director for confirmation and review of fees, terms and conditions, etc.

3. It should be noted that the Town IT Department is actively seeking a payment processor (from a customer service perspective) that can be utilized Town-wide for residents to make payments to the Town

       a. Some Departments may be able to improve customer service by allowing credit cards to be used for selected transactions

          i. Town Clerk

          ii. Dog licensing

          iii. Permits

I. <u>Windows XP machines were identified at the Fire Department</u>

1. At the time of this project, it was noted that there were three (3) Computer Automated Dispatch (CAD) workstations in the Fire Department Dispatch center still running Windows XP operating system

       a. Windows XP is no longer supported by Microsoft and therefore, is susceptible to cyberattacks as patches and updates are no longer provided and applied

2. The IT Department is actively upgrading all Town workstations to the Windows 10 environment which will improve security for network

3. Note: Per interview with the Fire Department, these three (3) CAD workstations were set to be replaced in May 2018

4. Per interview with the School District Technology Department, there are no XP workstations

RECOMMENDATION: <u>Confirm the removal of all XP workstations Town and School-District wide</u>

1. The Town should confirm that the XP machines have been upgraded to a newer, supported operating system (Windows 10)

J. <u>Windows Server 2003 in the Fire Department</u>

1. Server 2003 is no longer supported and as such, is vulnerable to cyberattack

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2. Per interview with the Fire Department, this server will be upgraded no later than January 2019. It is currently used to run a program that holds old/historical Fire Department evidence in a program that the Fire Department is migrating from. The Fire Department stated that the server is not connected to the internet
3. The Town-wide NORESCO energy project includes the replacement of the HVAC systems that require Server 2003.

RECOMMENDATION: Confirm the removal of any instances of Server 2003 in the Town and School District
1. The Town should coordinate with the Fire Department to confirm the upgrading of Server 2003 as soon as possible to improve network security
2. The School District should work to remove and/or upgrade any Server 2003s as soon as possible in conjunction with the Town-wide NORESCO energy project.

K. Several instances of "one-off" basic applications were noted throughout the Town
1. PDF Creator/PDF tools
   a. Several Departments expressed a need for better PDF tools that include editing capabilities
2. FileMakerPro
3. Gmail Accounts / Google Drive/ Google Forms/ Google Docs
   a. Some Departments (e.g. Human Services) expressed a need to share files and communicate with other Departments (Public Safety, Public Works, etc.) and as such, have begun using Google tools
      i. Some of these files do contain sensitive, confidential client information
   b. It was noted that the Human Services Department also has approximately six (6) Gmail email accounts used to access Google documents, share information, etc.
      i. This can cause security issues in terms of data privacy and confidentiality if proper security measures are not taken in regard to third-party email accounts managed outside of the Town's IT Department
4. Not all third-party applications are inherently secure and it is likely that Departmental staff do not have the IT security background to confirm security capabilities before use
   a. This poses a data security risk for the Town

RECOMMENDATION: Create a standard policy/procedure for obtaining and installing third-party applications

1. The Town should require employees to obtain approval from IT before using third-party software applications
   a. This will allow IT to ensure security parameters are in place and necessary configurations are established (i.e. document storage, cloud security)
2. It should be noted that the Town's IT Department has "locked down" workstations to some extent to limit and/or block particular downloads and installations (e.g., website blacklisting)
3. The Town should select and install a single PDF tool that can be used Town-wide by all Departments
4. The Town should determine what third-party tools are appropriate for sharing information and data between Departments (Google, SharePoint, etc.)

L. Document management inconsistent throughout the Town and School District

1. Based on the interviews, each Department is managing documents in different ways. Some are very paper-intensive, while others are pushing to be more electronic
2. Several interviewees expressed an interest in adopting a better mechanism for managing their documents and files
3. The School District IT Department has noted that they would like to decrease paper storage for the School District but there is not technical system in place for this at this time

RECOMMENDATION: Consider a Town-wide/School District-wide software solution for document storage

1. The Town's IT Department is actively seeking a digital archiving software system for scanning, storing, and managing documents that will work across all Departments
2. For documents pertaining to Finance, the Town may wish to implement Tyler Content Manager (TCM), a component of MUNIS that handles document storage and electronic file management
   a. This could also be a designated place for vendor contracts and agreements and would function well as all Departments currently have MUNIS accounts
3. The School District should also consider implementing a universal system for document storage
4. It is possible that this can be a collaborative software purchase/implementation for the Town and School District

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M. <u>Usage of Social Media is not standardized across the Town and School District</u>
1. There is not a current standard in place for the use of social media (Facebook, Twitter, Blogs) by individual departments
2. Policies are in place regarding the use of personal social media but not in regard to administering pages as a representative of the Town and/or School District (e.g., the use of a Departmental Facebook page as a means of communicating to the residents, parents, etc.)
3. This poses a number of risks to the Town and School District including:
    a. Security risk (e.g., the use of shared passwords to administer an account, the use of personal employee email addresses to manage social media accounts, etc.)
    b. Reputational risk (e.g., "mixed messages" in regard to Town/School viewpoints, tone, and "voice")
    c. Privacy risk (e.g., sharing personal, private, or confidential data inadvertently or intentionally on a social media platform)

RECOMMENDATION: <u>Create policies for the usage of social media by individual departments</u>
1. Social media is increasingly becoming a business and mass communication tool for many communities, allowing Towns and School Districts to quickly and easily share updates in the community including public safety notifications, public works projects, School events, etc.
2. In addition, many residents and parents are now using social media as a means to contact and connect with administrators and management at the Town/School District
3. As such, it is important that the Town/School District develop their unique approach for how to handle and manage social media in a united, uniform manner

IV.   IT Software Systems Inventory

An IT Software Systems Inventory was created for the Town and School District of Westport. It is provided as a separate document to this report.

The IT Software Systems Inventory captures the following information:
- Name and primary function/purpose of all software systems in use Town and School District-wide
  - (aside from systems that are educational or curriculum-based in nature)
- All respective Departments that use each system
- Whether the system is used internally (Town or School District), externally (by the public), or both
- Whether or not the system provides information to the public
- Approximate number of users
- Cloud or local installation
- Approximate annual cost (where possible)

For the approximate 44 systems where contracts/agreements were obtained and reviewed, BlumShapiro identified additional characteristics including:
- Number of licenses
- Contract expiration/renewal date
- Contractual terms
- Payment Terms
- Any other notable contract findings

Key Findings to note from the IT Software System's Inventory review:

A. BlumShapiro did not find any instances of licensing issues (e.g., insufficient licenses for the number of system user) on Town or School District systems
   1. The review was based on number of users (estimated) by the Departmental interviewees and based on the review of select licenses/agreements
   2. BlumShapiro only reviewed a selected sample of vendor contracts; not all 100+ contracts were reviewed as part of this project

B. <u>BlumShapiro did not find any instances of extraneous software systems in place (and actively paid for) but not used by the Town and/or School District</u>

1. There were some legacy systems in place that the Town uses for historical purposes, but these do not have a financial annual cost to the Town

C. <u>Many of the contracts require written 60 days termination notice by the Town should they decide to end the use of the system</u>

1. The Town and School District should maintain record of this and any special provisions per contract going forward

D. <u>Some contracts auto-renew at the end of each term</u>

1. The town and School District should maintain a record of the systems that will auto-renew and track this (see recommendations above regarding tickler system and notification)
2. The Town and School District may be able to use this IT Systems Inventory as a starting point

V. Recommendations Priority List

We recommend that the Town and School District of Westport implement the above recommendations and best practices in the following order. Cybersecurity risks and financial costs associated with implementing any recommendation were factored into making this priority list.

Recommendations:

1. Confirm the removal of all XP workstations Town-wide
2. Confirm the removal of any instances of Server 2003 in the Town and School District
3. Develop a universal standard for Town/School District mobile device usage
4. Create a standard policy/procedure for obtaining and installing third-party applications
5. Centralize vendor contracts management and maintenance responsibilities/locations for all IT-related costs
6. Update contract/agreement management documentation, databases, and records within both the Town and School District
7. Establish protocols regarding which technology-related systems require formal contracts/vendor agreements
8. Consider updating the purchasing process to include approval and authorization by the Town IT Department (where applicable)
9. Consider formalizing the current Technology Director's approval for technology-related purchases made by individual Schools via automated workflow
10. Create a Town/School District-Wide policy for the usage of social media by individual departments
11. Consider consolidating the number of payment processors or standardize on one (1), or particular systems
12. Consider consolidating into one (1) financial management system in the future
13. Consider a Town-wide/School District-wide software solution for document storage

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VI.   Interview List

The following staff was directly involved in providing information for the IT Systems Evaluation Project. The BlumShapiro Team thanks all who participated for their time, knowledge and efforts. The individuals that participated included:

Town of Westport

• Debra Ferrante, Human Resources Manager	• Paul Friia, Assessor
• Colin Kelly, Compliance Officer, Conservation	• Jen Fava, Director, Parks and Recreation
• Lynn Scully, Audit Manager/Senior Accountant	• Rick Giunta, Deputy Director, Parks and Recreation
• Katherine Daniel, Deputy Director, Planning & Zoning	• Scott Sullivan, Highway Superintendent
• Kevin White, Registrar of Voters	• Manny Furtado, Superintendent, Water Pollution Control Authority (WPCF)
• Sue Pfister, Director, Center for Senior Activities	• Denise Puskas, Administrative Assistant, Senior Center
• Peter Ratkiewich, Director, Public Works	• Mike Frawley, Superintendent of Facilities, Public Works
• Colleen Tarpey, Assistant Town Clerk	• Eileen Zhang, Director, IT
• Jamie Sachs, Network Operations Manager	• Elaine Daignault, Director, Human Services
• Susan Stefenson, Finance Manager, Human Services	• Rich Kotchko, Purchasing Officer
• Robert Yost, Chief, Fire Department	• Brett Kirby, Assistant Chief/Training Officer, Fire Department
• Marc Hartog, Deputy Director, EMS	• Charles Sampson, Officer/IT, Police Department

Westport School District

• Elio Longo, Director of School Business Operations	• Philip Cross, Assistant Director of School Business Operations
• Natalie Carrignan, Director, Technology	• Ken Dias, Infrastructure Manager
• Jonathan Crosby, IT Operations Manager	

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VII.   Appendix – Town Purchasing Policy

PURCHASING

PROCEDURE & POLICY

September 2015

Approved by Board of Selectmen, September 24, 2015

Town of Westport

PURCHASING PROCEDURE & POLICY

September 2015

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PURPOSE

The purpose of this purchasing procedure is to establish an orderly and uniform purchasing process that is fiscally sound and provides accountability and compliance with **Sections C7-3 and C12-4** of the Charter of the Town of Westport as follows:

§ C7-3. Purchasing.

"The Board of Education shall designate 1 employee to act with the Finance Director of the Town to maximize economies of purchasing in all areas practicable. The Finance Director, as Purchasing Authority, shall establish standards for purchasing, subject to approval of the Board of Selectmen and the Board of Education on annual basis, which shall provide in part for sharing of purchases between the Town and the Board of Education and shall provide a policy of competitive bidding where appropriate."

§ C12-4. Purchasing.

"The Finance Director shall be the purchasing authority of the Town and shall supervise the manner of purchasing. No officer or employee of the Town shall make any purchase or any contract for service until the Finance Director has certified that there is a sufficient unexpended and unencumbered balance of the appropriation and appropriation item against which the expense is to be charged and that the purchase is consistent with the standards of purchasing provided in Section C7-3."

No commitment for goods and/or services is to be made to any supplier nor is any purchase order to be placed without the proper authorization from the Finance Department.

Purchase Order Process

a) The requisitioning department obtains quotes for desired goods and services. Based on the dollar amounts below, the following process is to be adhered to:

Dollar Amount	#Quotes required	Type
$500 - $9999	2	Verbal

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$10,000 - $24,999	3	Written
$25,000 and over	Formal Bid/RFP	Written

Notes:

Evidence of verbal quotes will be available for verification from requisitioner and entered in the "General Notes" field of the requisition.

Written quotes shall be attached electronically to the requisition.

b) Requisition is entered into MUNIS and forwarded to Department Head for approval or denial. If approved, then MUNIS will forward requisition to Purchasing Officer for approval.

c) Purchasing Officer will analyze requisition for quote review and accuracy. Purchasing Officer will then either approve or deny requisition. If denied, then requisition returns via MUNIS to requisitioner. If approved, and the dollar amount is less than $10,000 (see approval table below), then it is converted into a purchase order.

d) If the requisition is approved by the Purchasing Officer and is greater than $10,000, then it is forwarded to the Finance Director for review and approval. If denied by the Finance Director, it is then sent back to the requisitioner via MUNIS. If approved, and is less than $25,000, then it is converted into a purchase order. If the dollar amount exceeds $25,000, then it is forwarded to the First Selectman for review and approval.

e) First Selectman will review requisitions greater than $25,000. If denied by the First Selectman, it will be returned to the requisitioner via MUNIS. If approved, it will be converted into a purchase order.

Dollar Limits	Approver
< $10,000	Purchasing Officer
$10,000 - $24,999	Finance Director
>$25,000	First Selectman

Note: Orders for like items or services that would ordinarily be purchased on one (1) purchase order, and that may exceed $10,000 <u>cannot</u> be separated into multiple requisitions for the purpose of avoiding the approval process.

f) In all cases of approved requisitions, the Finance Department will generate the purchase order in MUNIS. Upon its creation, an "Accounting Copy" of the purchase order is sent via e-mail from MUNIS to the Finance Department the "Receiving Copy" of the purchase order and the "Department Copy" are sent to the requisitioner. At this time, the supplier may be engaged for his goods and/or services.

g) In cases where the Finance Department receives an invoice directly from a supplier, the invoice is then sent to the responsible department to verify the receipt of goods/services from the supplier. The responsible department confirms receipt of same, signs the "Receiving Copy" of the purchase order and returns it, together with the invoice, to the Finance Department. The invoice is processed and payment is remitted to supplier. If this payment is in full for service or goods rendered or received, then purchase order is closed. If this is a partial payment, then purchase order remains open until such time as the goods and/or services are completely delivered and accepted. Subsequent invoices for an open purchase order will be handled in the same manner until such time as the purchase order is complete and closed.

h) Purchase Orders over $25,000 are subject to the bid procedure under the management of the Finance Department as outlined in Section 2.

Formal Bid/RFP Process

All purchases or leases of goods and /or services whose cost exceeds $25,000 shall be made by the formal sealed bidding process ("Bids") or requests for proposals ("RFP"). Orders of goods or services that exceed the $25,000 dollar threshold <u>cannot</u> be split or separated for the purpose of avoiding this process.

Bids are defined as a form of solicitation which includes an invitation to bid on a service or specific commodity that is specified by the Town.

RFP's are a form of solicitations made through an invitation to bid on a service or commodity which may be complex and only generally defined by the Town allowing responders to propose unique and varying solutions and approaches in the most cost effective manner.

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a) Specifications for Bids/RFP's are developed by the requesting department in concert with the Finance Department. These Bids/RFP's are posted in three locales: local newspaper, Town of Westport website, and the State of Connecticut DAS website. The Finance Department will prepare all documentation to be posted on these sites and will ensure that all proper methods will be adhered to in regards to the date and time of receipt and opening of all Bids/RFP's.

b) The details of the Bids/RFPs will be recorded and maintained by the Finance Department.

c) Multi-year contracts - Bids/RFP's which contain multi-year specifications must provide that payment and performance obligations after the first fiscal year are subject to the availability and appropriation of funds. In this regard, the Bid/RFP must include a "non-appropriation" clause.

d) Construction projects that meet or exceed the dollar limits established by the State of Connecticut must comply with the State Prevailing Wage Laws. A Prevailing Wage package must be included in the Bids/RFPs. Departments preparing such Bids/RFPs must allow for a reasonable length of time for the Finance Department to acquire the Prevailing Wage package from the State.

e) All responses to Bids and RFP's are evaluated by the requesting department to ensure that all requirements have been met. Any exceptions to specifications noted by responders will be taken into consideration in the review process. Selection will be made based on the lowest <u>qualified</u> bidders. Evaluation criteria to establish this decision include, but is not limited to:

   (i.) Ability, capacity and skill of the bidder to perform the contract or provide the service required.

   (ii.) Demonstrated experience of the bidder in projects of similar scope and size as being requested in the Bid/RFP.

   (iii.) Ability of the bidder to acquire the necessary insurance requirements as outlined in the Bid/RFP.

   (iv.) The accepted review of bidder's references.

   (v.) The ability of the bidder to meet any specific skill criteria as defined in the Bid/RFP.

   (vi.) The sufficiency of the financial resources and ability to perform the contract or provide the service.

   (vii.) Whether the bidder can perform the contract or provide the service within the time specified, without delay or interference.

   (viii.) Past performance.

In all cases the Town of Westport reserves the right to waive any defects and informality in the bidding, or to reject any or all bids for any reason whatsoever, regardless of price, and to accept that bid deemed to be in the best interest of the Town.

Exceptions to Formal Bid/RFP Process

State Contract- Items under State of Connecticut contracted pricing which allows for municipalities to share in this already negotiated price, or contracts negotiated through cooperatives or consortiums.

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Waiver Due to Unique Circumstances -   In the event that the Finance Director certifies that there is only one provider of a unique product or service (sole source) the First Selectman may authorize a waiver of the formal Bid/RFP requirement.

Non-Collusion Among Bidders

 Bidders or proposers shall independently develop their proposals or bid submissions and pricing. Collusion among bidders to fix prices or attempt to influence the award through collaborative activity is prohibited and is grounds for disqualification and potential legal action.

Non-Preferential Treatment

 Under no circumstances shall a Town official assist a bidder or proposer with the preparation of a bid or RFP. Under no circumstances shall a Town official provide any preferential treatment, information or special access to any bidder that is not provided to all bidders.

Emergency Purchase Orders

 Purchasing procedures must be flexible enough to deal with true emergency situations. An emergency purchase is defined as any purchase necessitated by uncontrollable circumstances during a time when the normal purchasing cycle is impractical or when the failure to make the purchase is potentially hazardous to the life, health, or convenience of the Town's citizens or employees. For example the Town of Westport alleviates a great deal of these issues by yearly bidding out through the Department of Public Works, various emergency services in the case of hurricanes, floods, blizzards etc.

Board of Education and Town of Westport

a) All BOE purchases which use capital expenditure fund appropriations shall be entered within the MUNIS system under the direction of the Finance Department.

b) The BOE Business office will provide the Town Purchasing Officer with all pertinent data; i.e., Bid Number, Bid Award and Specifications, etc.

c) Requisitions will be created by the Finance Department and go through the standard life cycle as outlined in Section 1c through 1g.

d) The Purchasing Officer will forward the "Receiving Copy" of the Purchase Order to the Business Office of the BOE and retain the "Accounting Copy" in the Finance Department. All invoices are paid through the Finance Department with the approval of the BOE, and the BOE Business Office is forwarded acknowledgement of these payments.

Based on Section C7-3 of the Town Charter, the Finance Department and the BOE will act in concert and coordinate the sharing of procurement activities and commodities where practical and in the best interest of the Town.

Addition of New Vendors

a) All new vendors will be added into MUNIS by Finance Department personnel.
Accurate information should be supplied by the requesting department via the NEW VENDOR APPLICATION FORM. The form must be sent to the Purchasing Officer and will be reviewed and approved/rejected by the Purchasing Officer or Finance Director.

b) W-9's will be solicited from all new vendors by the requestor, and forwarded along with the NEW VENDOR APPLICATION FORM, prior to said vendors being added to MUNIS.

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VIII. Appendix – School District Purchasing Policy

Business and Non-Instructional Operations

Purchasing Policy

Purpose

The Westport Board of Education recognizes the importance of maximizing the use of district resources, the need for sound business practices in spending public money, the requirement of complying with state laws governing purchasing, the importance of standardized purchasing regulations, and the need for clear documentation in meeting State of Connecticut and Federal Auditing requirements

Within the framework of applicable laws and regulations, purchases and use of material and other resources shall be accomplished in accordance with good business practices with the primary purpose of serving the program of instruction.

Authority

The duties of purchasing shall be centralized under the Director of School Business Operations who shall be responsible for all purchase transactions for the district. In accordance with the Westport Town Charter, the Director of School Business Operations is the designated representative of the Board of Education to act with the Finance Director of the Town to maximize economies of purchasing through sharing of purchases in all areas practicable. If questions arise, the scope of this provision shall be determined by the Board of Education.

The Superintendent or designee shall sign purchase orders and other purchase obligations. For the purpose of this policy, only the Director of School Business Operations shall be deemed the designee of the Superintendent for the signing of purchase orders and other purchase obligations.

Purchasing Guides

Purchasing services will include personnel and equipment necessary to process promptly all approved requisitions, to deliver goods and services promptly. Purchasing services will have as their criteria for all items and services:

1. Best possible quality;

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2. Lowest possible cost; specifications of the user;

3. Availability when needed;

4. Efficient use of time of staff;

5. Compliance of suppliers and staff with equal employment opportunity and other Board policies;

6. Preference to Westport vendors where possible, providing price, quality and availability are equal to or better, than non-Westport vendors.

All purchases of goods and services with district funds must be made on a properly executed district purchase order or contract issued by the Director of School Business Operations.

Quantity Purchasing

To help achieve both quality control and the price advantages of quantity purchasing, the administration is encouraged to:

1. Set specifications for goods and services as needed. Cite several existing, commercially available "standard brands" that meet those qualifications acceptable as examples.

2. Invite and/or advertise for vendors to bid on those examples, or comparable ones which the vendors believe to be acceptable according to the specifications.

Bidding

Competitive bidding is required as detailed below. Preference is to be given to local suppliers and vendors when quality and price are equal.

1. For purchases totaling between $3,000 and $4,999, at least three (3) verbal price quotations must be sought and recorded.

2. For purchases totaling between $5,000 and $24,999, formal written quotations from at least three (3) separate vendors shall be provided, if available.

3. For purchases above $25,000, formal bid(s) must be sought.

4. The following purchases are not subject to competitive bidding except as stated in paragraph 7 below:

   a. Purchases under $3,000;

   b. Emergency purchases;

   c. Goods purchased from state agencies, such as furniture produced by the State Department of Corrections;

   d. Goods purchased under state contracts;

   e. Purchasing collaboratives involving federal, state, local governments and regional entities;

   f. Surplus and secondhand purchases from another governmental entity;

   g. Sole source goods or services;

   h. Purchases to maintain equipment consistency;

   i. Textbooks and other programmed instructional materials as only one source generally exists.

For a requesting administrator to obtain a Waiver, the requesting administrator must make a written request to the Superintendent of Schools or his/her designee. The Waiver must bear the signature of the requesting administrator and state the reason(s) for requesting the Waiver. Upon receipt of such request, the Superintendent of Schools or his/her designee will promptly notify the requesting administrator if such Waiver has been granted.

5. Price quotes/bids are not required when items are available from one vendor only (e.g., most educational media, software and services).

6. When purchasing from approved vendors using school district, state or purchasing consortium contracts, if multiple price quotes or bids are not obtained from separate vendors, a written explanation and/or documentation must be provided to demonstrate why the purchase from the chosen vendor(s) provides the greatest value and benefit. Value and benefit are not to be measured solely by price level.

7. Except as stated in paragraphs 4(b), 4(g), and 5 above, and regardless of any previously listed exceptions, for single item purchases over $50,000 the formal bid process must be followed.

8. There shall be an annual report of collective purchases made from single vendors to ensure that the verbal bid quotation process is consistent with the purchasing policy.

9. For capital projects, as defined by Board of Education Policy 3400, the Superintendent or his/her designee will have the Board's attorney review any contracts associated with the project prior to the final awarding of the contract.

Financing

The Board of Education, wherever possible, will seek the advice of the Board of Finance and the Education and Finance committees of the RTM as to manner of financing when considering purchase or lease agreements that obligate the Board of Education to finance the acquisition of goods by multi year periodic payments. A final decision will be made by the Board of Education.

Legal Reference: Connecticut General Statutes

10-220 Duties of boards of education

10-222 Appropriations amid budget

Policy adopted: March 15, 2004,

November 10, 2014

Policy modified: June 7, 2004

Policy amended: October 20, 2014

Policy amended: March 12, 2018

WESTPORT PUBLIC SCHOOLS

Westport, Connecticut

3320

Business and Non-Instructional Operations

Purchasing Procedures

Purpose

To ensure that goods and services are acquired at the lowest possible cost without sacrificing quality or educational purpose; are within dollar amounts and purpose as approved in the budget; comply with federal, state, town, and Westport Public Schools requirements, as well as generally accepted business practices.

To insure oversight and accountability, purchasing is a two step process. Account managers may initiate purchase requisitions but only the business office may create and send purchase orders. (A computerized accounting software system converts approved purchase requisitions into purchase orders.)

Purchasing Authority

Only designated cost center managers, i.e., administrators and non-certified managers, may initiate a purchase requisitions. Managers may designate other staff to prepare the requisition. However, managers must always sign the purchase requisition.

Processing Procedure

Purchases may be made only by purchase order approved by the Director of School Business Operations. Any individual who orders goods and services without a purchase order approved by the Business Office is considered to be making a personal purchase. The Westport Public School District is not responsible for paying these types of bills.

All prospective purchases must be submitted as requisitions through the accounting software and also by hard copy prior to the event, purchase or planned reimbursement. The system automatically tests for fund availability. If there are insufficient funds in the account to be charged, the manager must complete a Transfer of Funds Request Form, attach that form to the purchase requisition and forward to the Business Office.

Types of Purchase Requisitions

1. **Descriptive** - This requisition should contain all the information needed to fill the order: quantity, full product description (including model number, size, color, etc.), individual unit pricing, extension of total cost, freight where applicable, vendor discount if available, and complete account coding. An attachment in lieu of order description may be used only in extreme circumstances.

2. **Standing (Encumbrance Only)**

This type of requisition should contain a brief description of the item(s) that will be ordered and the individual(s) authorized to place item orders. These are generally used for repairs or recurring weekly purchases of supplies.

3. **Emergency Purchases**- When uncontrollable circumstances require immediate acquisition of goods or services the following procedure is to be used:

- Requisition approved by account manager must be faxed to Business Office (341-1008) with cover note requesting emergency approval.

- Accounts Payable must be alerted by phone (Ext.1005) to expect the emergency fax.

- Once the emergency purchase is approved by the assistant superintendent for business, the order may be faxed or called to the vendor, using the purchase order number.

Payment Process

The Business Office must have evidence that materials or services have been received in order to pay invoices:

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1. The individual who receives an order must confirm receipt on-line.

2. All packing slips must be forwarded to the Business Office with the purchase order number written on them.

3. If partial order has been received the cost center should send the packing slip and a copy of the pink section of the purchase order to accounts payable. This will allow the Business Office to pay for the goods received, but keep the purchase order open waiting for the back ordered items to be delivered.

Bidding Guidelines

1. Under $3,000   Pricing may be developed by comparing costs in current catalogs and should be confirmed with vendor.

2. $3,000 - $4,999   Three (3) verbal quotes are required.

3. $5,000 - $25,000   Three (3) written quotes must be obtained and attached to the requisition. Purchases should be made using the low quote. Any exceptions to low quote must be carefully explained.

4. Over $25,000   Formal bid(s) required.

Orders for like items or services that would ordinarily be purchased on one (1) purchase requisition cannot be separated into multiple purchases to keep the total below the bidding guidelines of $3,000 for verbal quotes, $5,000 for written quotes, and $25,000 for formal bid.

Whenever appropriate, the use of state or other purchasing collaborative bids is encouraged (you may refer to: http://www.das.state.ct.us). If you are using a state or other collaborative bid, you must reference the bid number on the purchase order.

Petty Cash

Petty cash accounts are used to facilitate purchases under $25.00 for which a purchase order cannot be issued because of the need for immediate cash, e.g., overnight mail. There maybe instances where the sum used from the petty cash is

a higher amount. The administrator would make sure that all proper documentation and a description of the use of the funds is clearly noted and authorized by him/her. Reimbursement for petty cash by any school or office must be submitted with a purchase requisition with proper account codes and all original receipts. Sales tax will not normally be reimbursed.

Reimbursement For Professional Development

An approved travel authorization and Aesop job number must be attached to the purchase requisition.

The Westport Public School District is tax exempt according to state statute; therefore sales tax is not normally paid or reimbursed.

_____

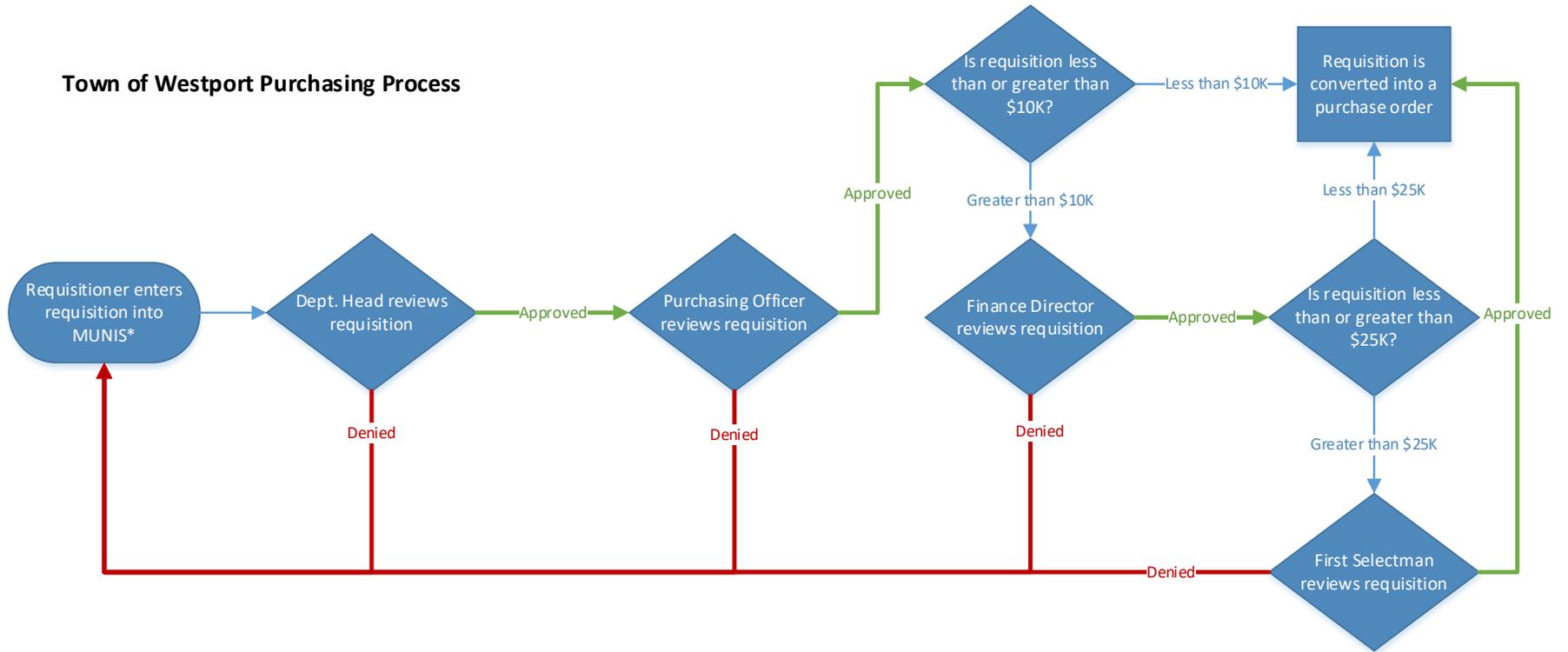**Regulation approved: March 15, 2004, November 10, 2014**

Regulation amended: October 20, 2014

WESTPORT PUBLIC SCHOOLS

Westport, Connecticut

IX. Appendix – Town and School District Purchasing Workflow

Town of Westport Purchasing Process

Requisitioner enters requisition into MUNIS*

Dept. Head reviews requisition —Approved→ Purchasing Officer reviews requisition

Approved

Is requisition less than or greater than $10K? —Less than $10K→ Requisition is converted into a purchase order

Greater than $10K

Finance Director reviews requisition —Approved→ Is requisition less than or greater than $25K?

Less than $25K

Greater than $25K

First Selectman reviews requisition —Approved

Approved

Denied / Denied / Denied / Denied

* MUNIS will not allow a requisitioner to proceed with entering a requisition if the account does not have adequate funds.

Westport BOE Purchasing Process
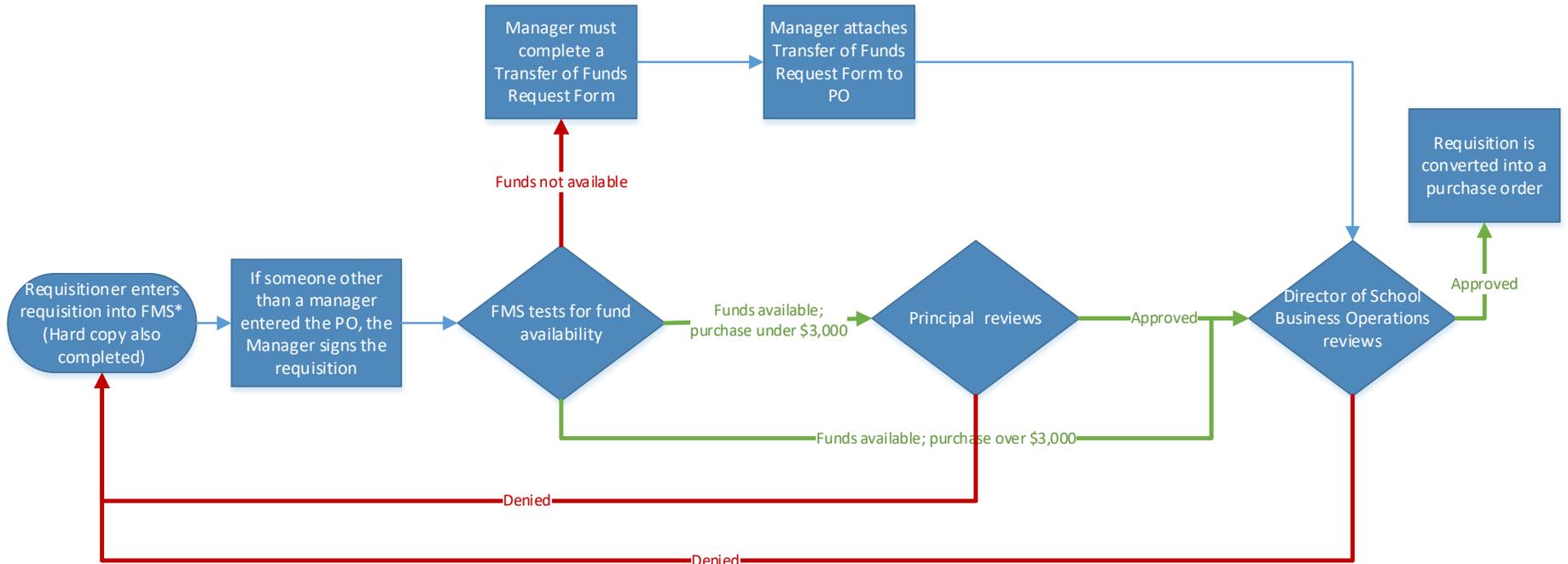
* Only designated cost center managers, i.e., administrators and non-certified managers, may initiate a purchase requisition. Managers may designate other staff to prepare the requisition. However, Managers must always sign the purchase requisition.

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