City of Milwaukee - Employes' Retirement System (ERS)

Software Licensing Audit

FEBRUARY 24, 2016

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EXECUTIVE SUMMARY

Background

At the direction of the Administration and Operations Committee, the Software Licensing Audit was completed January 25, 2016 – February 2, 2016. At a high level, the audit determined whether the organization as a whole:

- Contains policy and procedural guidance relating to the installation and use of software and applications.
- Is in compliance with software and application licensing with vendors requiring licensing.
- Has an ability to monitor and track software licensing compliance.

Audit Scope and Objectives

Software compliance is an important sub-set of asset management and a component of corporate risk management. When a company is unaware of what software is installed and being used on its machines, it can result in multiple layers of exposure such as fines, penalties and negative reputation.

To test ERS's software compliance, Experis was engaged by ERS management to perform a software licensing audit. The audit attempted to validate what software was currently installed, what software licenses have been purchased, verify that installations don't exceed licenses purchased and identify unapproved software that is in use (games, unauthorized cloud storage applications, hacking tools and etc...).

Overall Audit Conclusion

ERS management has implemented controls to manage its software licenses. Based on the results of our review, **no internal control deficiencies** were noted.

Experis noted the following strengths:

- ERS has the ability to report on and track all software installed using a tool called Altiris.
- ERS produced a copy of all purchase orders for 2015 and 2016 along with a tracking spreadsheet listing applications in use.
- ERS has policy and procedural guidance defined within "ITSEC014 Software Installation and Removal Policy.doc".

PROCEDURES PERFORMED

Experis requested policies and procedures that govern software installation and use, a detailed report of all applications installed on active devices within the environment, and purchase orders and software license information for 2015 and 2016.

- The auditor reviewed policies, procedures and the ERS software inventory report (Altiris tool) to verify compliance to policy
- Auditor reviewed purchase orders and software licensing information for 2015 and 2016.
- Auditor compared software installed to the licenses purchased based on what was being reported as installed from Altiris to actual purchase orders received.