AGENDA ITEM SUMMARY

NAME: Committee of the Whole   **DATE:** June 17, 2024

TITLE: NextGen Project Risk Review #12

☐ Action   ☒ Review and Discussion

☐ *This item is required by policy*

PRESENTERS
Amy Jorgenson, Chief Audit Officer
Mike Cullen, Principal, Baker Tilly

PURPOSE
The purpose of this presentation will be to present project risk review checkpoint #12 results and recommendations.

BACKGROUND INFORMATION

Minnesota State's NextGen implementation is a large and complex system implementation project with various inherent risks that, if not managed or executed properly, can lead to potential issues resulting in unplanned delays, increased costs, and refractory stakeholders. Performing periodic independent project risk reviews allows for enhanced risk awareness and transparency amongst the various stakeholders, contributing to early detection and development of strategies to manage risks, minimizing the impact of potential issues, and increasing the likelihood of project success. Internal Audit has been providing the Board of Trustees with NextGen specific project risk review (PRR) checkpoints since June 2018.

As of May 31, 2024, Internal Audit completed the 12th NextGen PRR checkpoint as part of the fiscal year 2024 (FY24) audit plan.

Internal Audit concluded the overall risk of not achieving project success (i.e., July 2024 go-live) is currently "Elevated" or yellow, status meaning current project risks require action before and after go-live, which will require sustained significant efforts by the project team, system office personnel, and certain campus personnel (e.g., staff, summer faculty, HR personnel, finance personnel, IT personnel). This is an improvement in risk levels from the last several project risk

reviews where the overall risk was "Serious", or orange, status. The improvement reflects the many activities the project team has completed in the last few months since our March 2024 review. Internal Audit recommends completing the execution of known in progress activities.

To perform the NextGen Project Risk Review, Internal Audit interviewed identified key stakeholders and obtained and reviewed relevant project artifacts to assess project risks across the following categories:

- **Project governance and management** covers leadership, oversight, guidance, and decision-making over the project. We have no current recommendations in this area.
- **Organizational change management (OCM)** covers planning, communications, training, and support related to successful transition and adoption. We have no current recommendations in this area.
- **Stakeholder involvement** covers participation of key business process/control owners in definition and validation of requirements. We have no current recommendations in this area.
- **Project execution** covers the completion of all implementation activities, including operational, technical, and compliance controls. We recommend the completion of several items both pre- and post- go live, including the go-live checklist and move to production authorization, as well as finalizing the sustainment plan.