



MEMORANDUM

Legislative Division of Post Audit
800 SW Jackson, Suite 1200
Topeka, KS 66612-2212
voice: 785.296.3792
fax: 785.296.4482
web: www.kslpa.org

TO: Members, Legislative Post Audit Committee
FROM: Katrin Osterhaus, IT Audit Manager
DATE: March 21, 2018
SUBJECT: KanLicense IT Project Monitoring Update

Our primary objective in monitoring IT projects is to identify when a project is at risk of failure due to scope, schedule, cost, or quality problems. By communicating our concerns to the agency, other stakeholders, and the Legislature, we hope to help improve the chance that project issues are more readily identified and resolved. Our secondary objective is to evaluate whether monitored IT projects have adequately planned for security controls.

We have monitored the KanLicense (formerly KanDrive) IT project since February 2016.

The Department of Revenue's KanLicense project includes the conversion of the current Kansas driver's license system from a legacy mainframe to a modern, web-based software framework. The new driver's license system will continue to issue and manage driver's licenses and identification cards.

During our nearly two years of monitoring the KanLicense IT project, we have published six quarterly reports that placed the project in caution status because of scope, schedule, cost, or quality issues. At the time of our last monitoring report (released December 15, 2017) the agency planned to go live with the system in early January, despite our concerns regarding delays on several project components, and the status of the system's IT security. In that report, we questioned whether the January deadline was realistic given the amount of remaining work, including testing to achieve the necessary certification from the American Association of Motor Vehicle Administrators (AAMVA).

After our December report was published, the agency decided to delay system implementation. Because the agency depends on the AAMVA certification to launch the system, officials chose not to set a new rollout deadline, but instead focused on completing related AAMVA tests to pass that intermediate milestone first. Because of that dependency, officials did not set a new system implementation deadline.

We have reduced our project monitoring efforts significantly because the agency is actively working to remediate our remaining schedule and IT security concerns. Given the late stage of this project, we did not think our standard monitoring process would be efficient or would uncover any new concerns to help improve the project's status. Agency staff have assured us that up to this point, the cost of this \$8.7 million project has not substantially increased due to the schedule delays. We also think the scope of this project, being so close to being finished, has not

further changed. Regarding IT security, officials told us the project now has secured web sessions, have planned another review of their system code, and are working on improvements to their disaster recovery plan. Regarding the schedule, officials told us they hope to get done with AAMVA testing and receive the certification at the end of March. Once that is completed, they anticipate several statewide end-to-end-tests before launching the new system.

Although we do not intend to continue providing quarterly monitoring reports for this project, we will continue to track it on a more limited-basis until it goes live.