



Report in Brief

July 7, 2022

Background

The U.S. Department of Commerce (the Department) currently maintains a suite of aging, expensive, and highly customized financial systems across three of its finance bureaus' disparate information technology (IT) infrastructures. The Business Applications Solution (BAS) Program (BAS program or Program), which will cost about \$341 million, will replace these legacy systems to save money and create a new agency-wide financial system consisting mainly of commercial off the shelf applications. The Program office is configuring the applications and revising processes to meet Department-wide and bureau-specific needs.

We conducted this audit due to the investment's critical nature and potential management challenges. The Department identified the BAS program as a top-priority IT investment under Strategic Objective 5.2, *Accelerate Information Technology Modernization*, within its 2018-2022 strategic plan. In our FY 2022 *Top Management and Performance Challenges* report, we noted that the BAS program must overcome challenges in managing requirements and reengineering business processes, among others, as it consolidates business functions currently supported by disparate legacy systems.

Why We Did This Review

Our audit objective was to assess the Department's management and implementation of the BAS program.

OFFICE OF THE SECRETARY

The BAS Program Needs to Increase Attention to Business Process Reengineering and Improve Program Management Practices

OIG-22-025-A

WHAT WE FOUND

We found the following:

- I. The Program continues to lack a sound business process reengineering plan.
- II. The Program should address weaknesses in its requirements management plans and processes.
- III. The Program should enhance its risk management practices.

WHAT WE RECOMMEND

We recommend that the Department's Chief Financial Officer do the following:

1. Ensure that the Program revises its business process reengineering plan to be more consistent with best practices by including assumptions, skills, and needed resources; documents existing financial management processes; and identifies performance improvement goals.
2. Ensure that the Program sufficiently defines target processes to include details of information flows, interconnections, and potential problem areas and assesses expected performance.
3. Ensure the Program updates its requirements management plans and processes to include how it will add, refine, prioritize, and establish bidirectional traceability among its requirements and between requirements and ongoing work.
4. Ensure that the Program manages requirements according to the updated requirements management plans and processes.
5. Update the Program's risk management plan to ensure that it documents, on an ongoing basis, all information and details necessary to manage its risks, including risk trigger dates, risk mitigation plans, and risk descriptions.
6. Ensure that the Program updates its risk register with all information and details necessary to manage its risks, consistent with the updated risk management plan.