



MICHIGAN

OFFICE OF THE AUDITOR GENERAL

AUDIT REPORT



THOMAS H. McTAVISH, C.P.A.
AUDITOR GENERAL

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– Article IV, Section 53 of the Michigan Constitution

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Michigan
Office of the Auditor General
REPORT SUMMARY

Performance Audit
Selected Activities of the Bureau of
Regulatory Services
Department of State

Report Number:
 231-0220-10

Released:
 April 2011

The Bureau of Regulatory Services (BRS), Department of State, includes the Driver Programs Division, Driver Assessment and Appeal Division, Business Licensing and Regulation Division, and Michigan Motorcycle Safety Program. BRS licenses and regulates driver training schools and driver training instructors, manages the third party driver skill testing program, and conducts driver's assessment reexaminations and hearings. BRS also licenses and regulates vehicle dealers, repair facilities, and mechanics.

Audit Objective:

To assess the effectiveness of BRS's efforts to ensure that driver education instructors and examiners are qualified to instruct and test driver education students.

Audit Conclusion:

BRS's efforts to ensure that driver education instructors and examiners are qualified to instruct and test driver education students were moderately effective. We noted two reportable conditions (Findings 1 and 2).

Reportable Conditions:

BRS did not ensure that all driver education and motorcycle safety instructors and providers met certification requirements. Also, BRS had not fully established motorcycle safety instructor requirements to ensure that it certified only instructors who had safe driving records. (Finding 1)

BRS could improve its process for monitoring automobile and motorcycle third party examiners and help ensure that all third party examiners conducted skills tests appropriately (Finding 2).

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Audit Objective:

To assess the effectiveness of BRS's efforts to ensure that high-risk drivers comply with the State's driver licensing requirements.

Audit Conclusion:

BRS's efforts to ensure that high-risk drivers comply with the State's driver licensing requirements were moderately effective. We noted one reportable condition (Finding 3).

Reportable Condition:

BRS did not conduct timely driver assessment reexaminations for high-risk drivers (Finding 3).

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Audit Objective:

To assess the effectiveness of BRS's efforts to limit access to licensing data to ensure data security.

Audit Conclusion:

BRS's efforts to limit access to licensing data to ensure data security were moderately effective. We noted one reportable condition (Finding 4).

Reportable Condition:

BRS had not fully established effective access controls over its licensing and certification data (Finding 4).

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Agency Response:

Our audit report contains 4 findings and 5 corresponding recommendations. The Department's preliminary response indicated that it agrees with all of the recommendations and has complied or will comply with them.

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A copy of the full report can be obtained by calling 517.334.8050 or by visiting our Web site at: <http://audgen.michigan.gov>



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April 8, 2011

The Honorable Ruth Johnson
Secretary of State
Richard H. Austin Building
Lansing, Michigan

Dear Secretary Johnson:

This is our report on the performance audit of Selected Activities of the Bureau of Regulatory Services, Department of State.

This report contains our report summary; description of agency; audit objectives, scope, and methodology and agency responses; comments, findings, recommendations, and agency preliminary responses; and a glossary of acronyms and terms.

Our comments, findings, and recommendations are organized by audit objective. The agency preliminary responses were taken from the agency's responses subsequent to our audit fieldwork. The *Michigan Compiled Laws* and administrative procedures require that the audited agency develop a plan to address the audit recommendations and submit it within 60 days after release of the audit report to the Office of Internal Audit Services, State Budget Office. Within 30 days of receipt, the Office of Internal Audit Services is required to review the plan and either accept the plan as final or contact the agency to take additional steps to finalize the plan.

We appreciate the courtesy and cooperation extended to us during this audit.

AUDITOR GENERAL

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Description of Agency

The Bureau of Regulatory Services (BRS), Department of State, licenses and regulates driver training schools and driver training instructors, manages the third party driver skill testing program, and conducts driver's assessment reexaminations* and hearings. BRS also licenses and regulates vehicle dealers, repair facilities, and mechanics. The mission* of BRS is to coordinate its divisions in issuing licenses, managing licensees, and educating businesses and individuals and to work with the Bureau of Information Security to ensure that the public receives equitable treatment and protection. This mission also encompasses programs designed to enhance driver safety.

BRS is composed of three divisions and one program:

1. Driver Programs Division (DPD)

DPD is responsible for providing for the safety, convenience, and protection of Michigan citizens by ensuring that the administration of third party driver skill testing services are available throughout the State and that the third party driver skill tests are administered in accordance with Department of State guidelines. In addition, DPD licenses driver training schools and instructors and ensures compliance with legal guidelines. As of July 2010, DPD licensed and regulated 541 driver education schools and 2,243 driver education instructors.

2. Driver Assessment and Appeal Division (DAAD)

DAAD is responsible for conducting driver assessment reexaminations and driver license appeal hearings. DAAD administers circuit court appeals and orders that involve driver license suspensions and revocations. The mission of DAAD is to provide for the safety of motorists by ensuring compliance with licensing controls and standards, establishing policies and programs, and intervening to reinforce the established standards. DAAD administers various classes of drivers, including young, inexperienced drivers under the Graduated Driver License Program; probationary drivers; drivers who have accumulated excessive points* or violated restricted licenses; drivers with medical, mental, substance abuse, and vision problems; drivers with multiple negligent accidents; and drivers involved in fatal accidents. DAAD is responsible for ensuring compliance with licensing controls and standards for the 7.1 million licensed drivers in Michigan.

* See glossary at end of report for definition.

3. Business Licensing and Regulation Division (BLRD)

BLRD processes applications and issues licenses for vehicle dealers, repair facilities, mechanics, and salvage vehicle agents. BLRD is responsible for educating, certifying, and licensing these customers and maintaining the integrity of customer licensing data in the License 2000 Database (L2000). L2000 is an automated system used by BRS to manage, coordinate, and automate the information and activities related to the licensing and regulating of vehicle dealers, repair facilities, mechanics, driver training schools, and driver training instructors. Contractors implemented L2000 for the Department of State in 2001. As of April 2010, BLRD licensed, oversaw, and regulated 6,152 automotive dealers, 10,136 repair facilities, and 33,489 mechanics.

4. Michigan Motorcycle Safety Program (MMSP)

Legally riding a motorcycle on public streets and highways requires a rider to possess a valid Michigan driver's license with a motorcycle endorsement. A motorcycle endorsement requires successfully passing a knowledge test administered at a Secretary of State branch office and completing a motorcycle safety class or passing a rider skills test administered by MMSP. The mission of MMSP is to ensure consistent and comprehensive motorcycle training in Michigan. MMSP uses safety standards established by the Motorcycle Safety Foundation as a basis for its motorcycle training. MMSP oversees 268 instructors, called "rider coaches," who provide motorcycle training in Michigan.

Audit Objectives, Scope, and Methodology and Agency Responses

Audit Objectives

Our performance audit* of Selected Activities of the Bureau of Regulatory Services (BRS), Department of State, had the following objectives:

1. To assess the effectiveness* of BRS's efforts to ensure that driver education instructors and examiners are qualified to instruct and test driver education students.
2. To assess the effectiveness of BRS's efforts to ensure that high-risk drivers* comply with the State's driver licensing requirements.
3. To assess the effectiveness of BRS's efforts to limit access to licensing data to ensure data security.

Audit Scope

Our audit scope was to examine the program and other records of the Bureau of Regulatory Services. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Our audit procedures, conducted from May through September 2010, generally covered the period October 1, 2008 through August 31, 2010.

Audit Methodology

To establish our audit objectives, we conducted a preliminary review of BRS's operations that included discussions with BRS staff regarding their duties and responsibilities. In addition, we reviewed BRS and Department policies and procedures and applicable laws and regulations. We also analyzed program data.

* See glossary at end of report for definition.

To accomplish our first objective, we analyzed the criminal history and driving records of driver education instructors and providers*, motorcycle safety instructors, and third party examiners. We reviewed the surety bond documentation for driver education providers. In addition, we analyzed a random selection of medical examination credentials for driver education instructors and a random selection of BRS's inspection records of the examiners.

To accomplish our second objective, we examined BRS's processes for reviewing high-risk drivers and scheduling reexaminations. We analyzed documentation for randomly selected high-risk drivers referred to BRS for reexamination by the following criteria: any accident between January and December 2009 that resulted in a fatality where a traffic crash report* indicated the driver was at fault; drivers referred by medical personnel, law enforcement, Department personnel, or concerned citizens between July and December 2009 because the driver may not have been capable of operating a motor vehicle safely due to a mental or physical condition; and all other drivers identified by BRS as high-risk between June 2009 and May 2010.

To accomplish our third objective, we interviewed BRS staff and reviewed system documentation to obtain an understanding of access controls for the License 2000 Database (L2000), the motorcycle instructor database, and the third party tester database. We identified and tested high-risk and incompatible user permissions. We also compared active L2000 users to active Department employees to evaluate whether user accounts are disabled upon employment termination.

When selecting activities or programs for audit, we use an approach based on assessment of risk and opportunity for improvement. Accordingly, we focus our audit efforts on activities or programs having the greatest probability for needing improvement as identified through a preliminary review. Our limited audit resources are used, by design, to identify where and how improvements can be made. Consequently, we prepare our performance audit reports on an exception basis.

Agency Responses

Our audit report contains 4 findings and 5 corresponding recommendations. The Department's preliminary response indicated that it agrees with all of the recommendations and has complied or will comply with them.

* See glossary at end of report for definition.

The agency preliminary response that follows each recommendation in our report was taken from the agency's written comments and oral discussion subsequent to our audit fieldwork. Section 18.1462 of the *Michigan Compiled Laws* and the State of Michigan Financial Management Guide (Part VII, Chapter 4, Section 100) require the Department of State to develop a formal response to our audit findings and recommendations within 60 days after release of the audit report to the Office of Internal Audit Services, State Budget Office. Within 30 days of receipt, the Office of Internal Audit Services is required to review the plan and either accept the plan as final or contact the agency to take additional steps to finalize the plan.

COMMENTS, FINDINGS, RECOMMENDATIONS,
AND AGENCY PRELIMINARY RESPONSES

DRIVER EDUCATION INSTRUCTORS AND EXAMINERS

COMMENT

Audit Objective: To assess the effectiveness of the Bureau of Regulatory Services' (BRS's) efforts to ensure that driver education instructors and examiners are qualified to instruct and test driver education students.

Audit Conclusion: BRS's efforts to ensure that driver education instructors and examiners are qualified to instruct and test driver education students were moderately effective. Our assessment disclosed two reportable conditions* related to instructor and provider qualifications and examiner on-site inspections (Findings 1 and 2).

FINDING

1. Instructor and Provider Qualifications

BRS did not ensure that all driver education and motorcycle safety instructors and providers met certification requirements. Also, BRS had not fully established motorcycle safety instructor requirements to ensure that it certified only instructors who had safe driving records. As a result, BRS cannot ensure that the instructors and providers were fully qualified to provide instruction and training to driver education and motorcycle safety students.

Section 256.681 of the *Michigan Compiled Laws* defines the certification rules for driver education instructors and providers. *Michigan Administrative Code* R 257.1708 defines the certification rules for motorcycle safety instructors and providers. The rules restrict the number of points that can be on an instructor's or a provider's driving record and prohibit an instructor or a provider from being convicted of criminal violations specified in Section 256.679 of the *Michigan Compiled Laws*.

Our review of 3,052 active instructors and providers disclosed:

- a. BRS did not provide an updated list of instructors and providers to the driving record subscription service used to monitor the driving records of the instructors and providers. As a result, BRS did not monitor the driving records

* See glossary at end of report for definition.

of all active instructors and providers to ensure that they continued to meet certification criteria. The subscription service notifies BRS of violations, restrictions, suspensions, or revocations posted to an instructor's or a provider's driving record. BRS did not provide the subscription service with the names of 176 (6%) instructors and providers. We noted one instructor who had accumulated 6 points on his driving record and BRS had not revoked the instructor's certification, in violation of Section 257.320(a) of the *Michigan Compiled Laws*.

- b. BRS did not review the driving records of all driver education instructors and providers to ensure that they met certification requirements before granting them certification. We identified one driver education instructor with a 4-point violation of the Michigan Vehicle Code that occurred in the last year. BRS did not identify the violation and certified the instructor. Section 256.681 of the *Michigan Compiled Laws* states that driver education instructors and providers cannot have any violations for which 4 or more points were assessed during the previous five years.
- c. BRS did not prohibit persons with alcohol-related driving violations or persons who accumulated 6 or more points in two years from being certified motorcycle safety instructors. We identified 2 instructors with alcohol-related violations received during the prior five years and 3 instructors with violations during the prior two years that accumulated to 6 or more points. Section 256.681 of the *Michigan Compiled Laws* calls for the denial or revocation of the driver education certificate of a person with a violation of 4 or more points or an accumulation of 6 or more points in two years. However, *Michigan Administrative Code R 257.1708* for motorcycle safety instructors and providers does not similarly address alcohol-related violations and points.

BRS informed us that it has proposed legislation to revise the motorcycle safety instructor requirements to be consistent with the driver education instructor requirements. However, until the legislation is enacted, BRS could update the applicable sections of the *Michigan Administrative Code* to make motorcycle safety instructor requirements more restrictive.

- d. BRS did not annually review the criminal history records of driver education instructors and providers. Section 256.679 of the *Michigan Compiled Laws*

states that the Department of Technology, Management & Budget (formerly the Department of Information Technology) shall work with the Secretary of State and the Michigan Department of State Police (MSP) to develop and implement an automated program to annually compare the conviction information received by MSP with active driver education instructors and providers. We noted that BRS is developing an automated program but had performed only one manual review in 2008 of all instructors and providers in the four years since the legislation took effect in October 2006. We compared MSP criminal history records to the Department of State's records of instructors and providers and did not identify any current instructors or providers who were convicted felons.

RECOMMENDATIONS

We recommend that BRS ensure that all driver education and motorcycle safety instructors and providers meet certification standards.

We also recommend that BRS fully establish motorcycle safety instructor requirements to ensure that it certifies only instructors who have safe driving records.

AGENCY PRELIMINARY RESPONSE

BRS agrees with the recommendations and informed us that it will comply by ensuring that driving record subscription service accounts are current with all driver education instructors and motorcycle safety instructors. In addition, appropriate licensing sanctions will be implemented when instructors do not meet minimum standards.

BRS informed us that during the audit review period, it engaged in upgrading and monitoring the motorcycle database and subscription service activity on current providers and motorcycle safety instructors. BRS also informed us that it is compliant with *Michigan Administrative Code R 257.1708* and the Office of the Auditor General's certification recommendation.

Finally, BRS informed us that it is seeking legislative support of bills to establish requirements for safe driving records for motorcycle safety instructors that would make these requirements consistent with the current requirements for driver

education instructors. BRS informed us that if legislation is not passed in a timely manner, the Department of State will begin the process to promulgate rules.

FINDING

2. Examiner On-Site Inspections

BRS could improve its process for monitoring automobile and motorcycle third party examiners and help ensure that all third party examiners conducted skills tests appropriately.

BRS contracted with 163 third party examiners to conduct skills tests of applicants for automobile, motorcycle, and commercial driver licenses. BRS informed us that it completed office reviews of pass/fail rates and examination scores that the third party examiners mailed to the central office. However, conducting on-site inspections would be a better control for monitoring third party examiners. During the on-site inspections, BRS reviews the examiners' processes and documentation to ensure that examiners are qualified and are conducting tests properly. For example, BRS reviews examiners' medical and criminal histories, fee schedules, insurance, recordkeeping procedures, and test performance. Our review disclosed:

- a. BRS did not document its risk-based process to monitor third party examiners who conducted skills tests of automobile and motorcycle license applicants. Although the Federal Motor Carrier Safety Administration established monitoring requirements for third party examiners of commercial driver license applicants that include annual on-site inspections, BRS has not developed a similar process for automobile and motorcycle license applicants. For the 85 automobile and motorcycle examiners, BRS had not conducted on-site inspections for an average of almost two years and had not conducted an inspection in over four years for 10 (12%) of the 85 examiners.
- b. BRS did not record current inspection dates in the third party examiner database. Without accurate inspection dates, it is difficult for management to monitor the status of the on-site inspections for compliance with federal and BRS requirements. We noted that the inspection date recorded in the database was not accurate for 31 (19%) of 163 third party examiners. The

inspection dates for the 31 examiners were incorrect by an average of more than one and one-half years.

RECOMMENDATION

We recommend that BRS improve its process for monitoring automobile and motorcycle third party examiners and help ensure that all third party examiners conduct skills tests appropriately.

AGENCY PRELIMINARY RESPONSE

BRS agrees with the recommendation and informed us that it will comply by documenting the monitoring process of third party organizations and ensure that all third party examiners conduct skills tests appropriately by performing additional on-site inspections.

HIGH-RISK DRIVERS

Audit Objective: To assess the effectiveness of BRS's efforts to ensure that high-risk drivers comply with the State's driver licensing requirements.

Audit Conclusion: **BRS's efforts to ensure that high-risk drivers comply with the State's driver licensing requirements were moderately effective.** Our assessment disclosed one reportable condition related to driver assessment reexaminations (Finding 3).

FINDING

3. Driver Assessment Reexaminations

BRS did not conduct timely driver assessment reexaminations for high-risk drivers. As a result, BRS cannot ensure that it properly restricted, suspended, or revoked the licenses of unsafe drivers in a timely manner.

Section 257.320 of the Michigan Vehicle Code states that the Department of State, upon good cause, may restrict, suspend, revoke, or impose other terms and conditions on the license of a person subject to reexamination and require the immediate surrender of the license of that person. Drivers are referred to BRS for driver assessment reexamination because the drivers' ability to continue driving

safely is uncertain. For example, drivers may be referred because they were at fault in a fatal crash, have a mental or physical condition, or have accumulated 12 or more points in a two-year period.

Our review of BRS's process for scheduling and conducting driver assessment reexaminations disclosed:

- a. BRS did not conduct timely driver assessment reexaminations for drivers determined to be at fault in a fatal crash or referred for newly identified medical conditions or other reasons. Because drivers can continue driving without restrictions until the driver assessment reexamination, it is important that BRS conduct reexaminations timely so that appropriate action can be taken. BRS informed us that standard practice is to allow 21 days to schedule a reexamination and to allow a driver to request one adjournment for qualifying reasons up to an additional 21 days. We reviewed driver assessment reexamination documentation for 27 drivers referred because they were determined to be at fault in a fatal crash, 65 drivers referred because of newly identified medical conditions, and 97 drivers referred for other reasons. We noted that 32 (17%) of the 189 driver assessment reexaminations occurred more than 60 days after their referrals.

The following table summarizes the number of days between the referral and the driver's assessment reexamination:

Number of Days Between Referral and Reexamination	Number of Drivers			Total
	Determined to be at Fault in a Fatal Crash	Referred for Newly Identified Medical Condition	Referred for Other Reasons	
0 - 30 Days	0	8	10	18
31 - 60 Days	13	50	76	139
61 - 90 Days	9	7	9	25
91 - 120 Days	4	0	2	6
121 + Days	1	0	0	1
Total reviewed	27	65	97	189

- b. BRS did not conduct timely driver assessment reexaminations of drivers with previously identified medical conditions who did not submit updated medical statements. When a driver has an ongoing medical condition that could affect his or her ability to drive safely, the driver must periodically submit an updated medical statement and/or take a driver assessment reexamination. Upon request from BRS for an updated medical statement, the driver has 60 days to provide the medical statement. If BRS does not receive the medical statement in 60 days, BRS will schedule the driver for a driver assessment reexamination. We randomly selected five days from June 2009 through May 2010 and identified 118 drivers who required updated medical statements. We randomly selected 12 drivers from the 118 drivers. We noted that 4 (33%) of the 12 drivers did not submit medical statements on time and BRS did not schedule a driver assessment reexamination.

RECOMMENDATION

We recommend that BRS conduct timely driver assessment reexaminations for high-risk drivers.

AGENCY PRELIMINARY RESPONSE

BRS agrees with the recommendation. BRS informed us that a change in procedure was put in place October 29, 2010, whereby driver analysts are documenting justification for any adjournments (which increases the number of days between referral and reexamination) granted for good cause. BRS also informed us that measures have been put in place to ensure that all drivers are scheduled for reexaminations timely and that higher risk drivers (i.e., medical referrals and those involved in fatal crashes) are given priority in the scheduling process.

DATA SECURITY

Audit Objective: To assess the effectiveness of BRS's efforts to limit access to licensing data to ensure data security.

Audit Conclusion: BRS's efforts to limit access to licensing data to ensure data security were moderately effective. Our assessment disclosed one reportable condition related to access controls (Finding 4).

FINDING

4. Access Controls

BRS had not fully established effective access controls over its licensing and certification data. Without effective access controls, BRS cannot ensure the security and integrity of personal and confidential information.

BRS maintains its business licensing and certification data in three databases. The data includes personal and confidential information, such as driver's license numbers, social security numbers, dates of births, and addresses. We reviewed the access controls over the databases and noted:

- a. BRS had not fully implemented policies and procedures for granting, monitoring, and disabling access. Our review disclosed:
 - (1) BRS did not periodically review users' access to ensure that access was necessary. We identified 2 users with the ability to modify licensing data who no longer required access because of a change in their job roles. In addition, 31 (18%) of 175 active user identification codes either were never used or were not used for more than six months. In addition, 6 user identification codes belonged to users who were no longer employees. In accordance with the Insider Threat Study published by Carnegie Mellon Software Engineering Institute's CERT Coordination Center, conducting periodic account audits is necessary to physically and electronically disable unneeded or unauthorized accounts before they can be used for illicit activity.
 - (2) BRS did not document management's authorization of users' access rights. BRS recently started using a standardized form to request, update, and remove access. Although the form documented the division that the employee would be working in, it did not identify the specific access that the employee should be granted and did not have management's authorization of that access. Control Objectives for Information and Related Technology (COBIT) states that a user should have authorization from management to ensure that access is for a documented business need and consistent with the organization's security policy.

- (3) BRS did not fully implement strong password control policies. We noted that the License 2000 Database (L2000) did not immediately force users to change their passwords when first given access or after the administrator reset their passwords. Strong password control policies are essential to prevent unauthorized access.
 - (4) BRS did not monitor the activity of administrative users to ensure that changes to users' roles and access were appropriate and authorized. Administrative users are privileged users who are responsible for adding, deleting, and modifying user access. In addition, administrative users create and update user roles, including defining the features in L2000 to which users' roles have access. COBIT states that monitoring is necessary to identify unusual activity.
- b. BRS did not fully identify the roles and activities in L2000 that are appropriate for each job function. COBIT states that a user's roles and access should be limited to only that which is required for the user's job. In order to ensure that access is appropriately limited, BRS administrators need to have a complete understanding of how the activities assigned to each role correlate to activities executed in L2000. Our review of roles and activities disclosed:
- (1) BRS inappropriately assigned access to 22 users from the Business Licensing Unit and Third Party Testing Unit that allowed them to add, modify, or delete inspections and complaints. Inspections and complaints are not a function for which either unit is responsible.
 - (2) BRS inappropriately assigned administrative user access to 4 users who were not responsible for administrative user functions.
 - (3) BRS inappropriately assigned full business licensing access to 3 users that allowed them to modify, approve, and update licenses. However, the users' job duties related to licensing were very limited. Therefore, BRS should restrict the access of the 3 users to only those licensing functions that are actually required to perform their job duties.

After bringing our test results to management's attention, BRS corrected these weaknesses.

- c. BRS did not assign and authenticate individual user accounts for the databases that contain motorcycle safety instructor and third party testing certification data. BRS granted 20 users access to either the motorcycle database or the third party examiner database. However, the databases did not require the 20 users to sign on with a user identification code and password to view, modify, or delete the data. COBIT states that there should be a method for authenticating and authorizing users to establish responsibility for activities and enforce access rights. Authentication would also help provide assurance that personal information is protected from unauthorized access.

After bringing our test results to management's attention, BRS reduced the access to the third party examiner database to 8 authorized users.

RECOMMENDATION

We recommend that BRS fully establish effective access controls over its licensing and certification data.

AGENCY PRELIMINARY RESPONSE

BRS agrees with the recommendation. BRS informed us that it will comply by formalizing procedures to fully establish controls and limit access over its licensing and certification data. The formalized procedures will ensure the security and integrity of personal and confidential information.

GLOSSARY

Glossary of Acronyms and Terms

BLRD	Business Licensing and Regulation Division.
BRS	Bureau of Regulatory Services.
Control Objectives for Information and Related Technology (COBIT)	A framework, control objectives, and audit guidelines published by the IT Governance Institute as a generally applicable and accepted standard for good practices for controls over information technology.
DAAD	Driver Assessment and Appeal Division.
DPD	Driver Programs Division.
effectiveness	Success in achieving mission and goals.
high-risk driver	<p>A driver who meets one of the following conditions:</p> <ul style="list-style-type: none">(a) The Secretary of State has reason to believe that the person is incompetent to drive a motor vehicle or is afflicted with a mental or physical infirmity or disability rendering it unsafe for that person to drive a motor vehicle.(b) The person, as a driver, has in one or more instances been involved in an accident resulting in the death of a person.(c) The person, within a 24-month period, has been involved in three accidents resulting in personal injury or damage to the property of a person, and the official police report indicates a moving violation on the part of the driver in each of the accidents.

- (d) The person has been charged with a total of 12 or more points within a period of two years.
- (e) The person has been convicted of violating restrictions, terms, or conditions of the person's license.

L2000	License 2000 Database.
mission	The main purpose of a program or an agency or the reason that the program or the agency was established.
MMSP	Michigan Motorcycle Safety Program.
MSP	Michigan Department of State Police.
performance audit	An economy and efficiency audit or a program audit that is designed to provide an independent assessment of the performance of a governmental entity, program, activity, or function to improve program operations, to facilitate decision making by parties responsible for overseeing or initiating corrective action, and to improve public accountability.
points	A value set by the Michigan Vehicle Code (Section 257.320a of the <i>Michigan Compiled Laws</i>) for traffic violations that may be posted to a driver's record. Points are placed on a driver's record after a licensee is convicted of, found guilty of, or responsible for a civil infraction.
provider	A person who maintains or obtains the facilities and certified instructors to give instruction in the driving of a motor vehicle or maintains or obtains the facilities and certified instructors to prepare an applicant for an examination given by the Secretary of State for a driver's license.
reexamination	A test to determine a driver's ability to drive safely and if BRS should impose any licensing controls.

reportable condition

A matter that, in the auditor's judgment, falls within any of the following categories: an opportunity for improvement within the context of the audit objectives; a deficiency in internal control that is significant within the context of the objectives of the audit; all instances of fraud; illegal acts unless they are inconsequential within the context of the audit objectives; significant violations of provisions of contracts or grant agreements; and significant abuse that has occurred or is likely to have occurred.

traffic crash report

The report used by all law enforcement agencies in Michigan to submit crash data to the Criminal Justice Information Center, Michigan Department of State Police. Law enforcement agencies complete a traffic crash report when the driver of a motor vehicle involved in a traffic crash injures or kills someone or damages property totaling \$1,000 or more. It is also completed when the driver of a snowmobile or off-road vehicle is involved in a crash resulting in injuries to or the death of someone or property damage in an estimated amount of \$100 or more.

