



STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET
LANSING

RICK SNYDER
GOVERNOR

DAVID B. BEHEN
DIRECTOR

Sept 20, 2014

Nancy Duncan, Deputy State Budget Director
Office of Internal Audit Services
Office of the State Budget
George W. Romney Building
111 South Capitol, 6th Floor
Lansing, Michigan 48913

Dear Ms. Duncan:

In accordance with the State of Michigan, Financial Management Guide, Part VII, attached is a summary table identifying our responses and corrective action plans to address recommendations contained within the Office of the Auditor General's audit report of Computer Equipment Inventory, Department of Technology, Management & Budget.

Questions regarding the summary table or corrective action plans should be directed to me.

Sincerely,

Signature Redacted

Mike Gilliland, Director
Financial Services

c: Rep. Joseph Haveman, Chair, House Appropriations
Sen. Roger Kahn, Chair, Senate Appropriations
Melissa Schuiling, Office of the Auditor General
Dennis Muchmore, Executive Office
Dick Posthumus, Executive Office
House Fiscal Agency
Senate Fiscal Agency
David Behen, DTMB
Eric Swanson, DTMB
Judy Odette, DTMB
John Juarez, DTMB
Scott Starr, DTMB
Caleb Buhs, DTMB
Rick Lowe, SBO

Agency Response to the Office of the Auditor General's performance audit of the Computer Equipment Inventory, Department of Technology, Management and Budget.

Summary of Agency Responses to Recommendations:

1. Audit recommendations DTMB fully complied with: None
2. Audit recommendations DTMB agrees with and will comply: #1
3. Audit recommendations DTMB disagrees with: None

Agency's plan to address the recommendations:

1. Accuracy of Computer Equipment Inventory

State departments and DTMB agree with the recommendation and will work to maintain an accurate inventory of computer equipment. DTMB has taken a number of steps to further assist state departments in complying with Administrative Guide 1305.00. DTMB has communicated with State departments, via its ITAM list serve, to use custodial HRMN IDs for contractors and to rescan all contractor workstations. In addition, DTMB has obtained complete inventory records of lab devices from DCH and MDARD to ensure ITAM includes a record of all computers, and is working with other State departments, to ensure all assets are included in the ITAM inventory records. DTMB has also made improvements to the ITAM web interface that departments and their ITAM agency liaisons utilize to manage and periodically review their inventory records. DTMB has communicated new internal control requirements to State departments, via its ITAM intranet site, and DTMB has updated and strengthened semi-annual inventory control requirements in the ITAM checklist. In addition, DTMB has provided multiple training sessions, both multi-agency and agency specific training, to ITAM agency liaisons and provided the ITAM agency liaisons with several additional reports to assist them in their compliance efforts. Furthermore, to help ensure compliance with Administrative Guide 1305.00, DTMB will semi-annually provide a report to State departments that will identify inventory assets in need of reconciliation. DTMB's initial semi-annual report will be disseminated by June 1, 2014. State departments and DTMB will fully comply with the audit recommendation by December 31, 2014.