July 20, 2015

Jeffrey S. Bankowski, Director
Office of Internal Audit Services
Office of the State Budget
George W. Romney Building
111 South Capitol Avenue, 8th Floor
Lansing, Michigan 48933

Dear Mr. Bankowski:

In accordance with the State of Michigan, Financial Management Guide, Part VII and Article VIII, Part 2 Section 229 of P.A. 252 of 2014, 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 the Michigan Department of State, Driver and Vehicle Related Systems, covering the period June 1, 2013 through May 31, 2014.

Questions regarding the summary table or corrective action plans should be directed to me at (517) 335-0218.

Sincerely,

Signature Redacted

Steve Stier, Director
Bureau of Information Security
Department Services Administration

Enclosures

cc: Honorable Rick Snyder, Executive Office
        Doug A. Ringler, CPA, CIA Auditor General
        John S. Roberts, State Budget Director
        Michael Senyko, MDOS Chief of Staff
        Michael Wartella, MDOS Customer Services Administration
        Rose Jarois, Director, MDOS Department Services Administration
        Representative Al Pscholka, Chair, House Appropriations
        Senator Dave Hildenbrand, Chair, Senate Appropriations
        Mary Ann Cleary, Director, House Fiscal Agency
        Ellen Jeffries, Director, Senate Fiscal Agency

Michigan Department of State
Performance Audit of the Driver and Vehicle Related Systems
Summary of Agency Responses to Recommendations
June 1, 2013 through May 31, 2014

1.   Audit Recommendations the agency complied with:

    None

2.   Audit Recommendations the agency agrees with and will comply:

    a. Will comply:

    Recommendation Numbers 1, 2, 3, & 4

    b. Will partially comply:

    None

3.   Audit Recommendations the agency disagrees with:

    None

RECOMMENDATION #1
We recommend that DOS strengthen its controls over the updating of external data to driver and vehicle records on the mainframe to help ensure timely, accurate, and complete updates of conviction and stolen vehicle data.

ANTICIPATED ACTION: Will Comply

DESCRIPTION OF ANTICIPATED ACTION: A new database was established to document the errors that are returned to the courts. Reports from the database facilitate follow-up by internal staff, as well as, discussions with the courts during court liaison visits. Any errors identified that could be resolved programmatically will be prioritized along with other technology projects. Research and planning on the stolen vehicle error process continues. Due to new legislative requirements for recreational abandoned vehicles, the state is engaging abandoned vehicle towers and law enforcement in implementing the recreational vehicle abandonment project. This deployment involves many of the same programs used for both abandoned vehicle and stolen vehicle reporting. As these additional vehicle types are added, the state is looking to its partners to address this audit finding.

Anticipated Compliance Date: December 31, 2015

RECOMMENDATION #2
We recommend that DTMB fully establish security and access controls over key databases that DOS uses to process driver and vehicle related transactions.

ANTICIPATED ACTION: Will Comply

DESCRIPTION OF ANTICIPATED ACTION: DTMB agrees with the recommendation and will fully establish security and access controls. DTMB will enforce the existing Database Security Standard 1340.00.15 in all agency databases. In addition, the Database Security Program Office will maintain records of controls being properly managed on all DB security standards. DTMB will ensure internal reviews occur frequently and randomly on each agency's databases to ensure compliance. DTMB tracks database access requests through the Remedy system and approvals are documented. Database access is reviewed monthly. DTMB's Database Security Program Office will assign a DBA Security Specialist to work with each agency to assist in training DBA's on how to properly secure their databases following the 1340.00.14 standard and other best practices available.

Anticipated Compliance Date: December 31, 2015

RECOMMENDATION #3

We recommend that DTMB establish effective security and access controls over key operating systems.

ANTICIPATED ACTION: Will Comply

DESCRIPTION OF ANTICIPATED ACTION: DTMB agrees and will continue its efforts to establish effective security and access controls over key operating systems. DTMB has implemented an automated configuration management tool for all Driver and Vehicle related servers. The automated configuration management tool assists in the rapid deployment, maintenance, and auditing of operating system security and access controls. DTMB will run compliance reports monthly to review and remediate out-of-compliance access and configurations. The department's corrective action plans also include scheduling and running vulnerability scans monthly.

Anticipated Compliance Date: March 31, 2016

RECOMMENDATION #4

We recommend that DOS fully implement effective access controls over key driver and vehicle related systems.

ANTICIPATED ACTION: Will Comply

DESCRIPTION OF ANTICIPATED ACTION: DOS has complied with this recommendation as it pertains to COLD and Screen Machine. DOS continues to work to implement improvements to application access controls over its driver and vehicle related systems, including BAM. These efforts will include further refinements to the overall information security strategy deployed for BAM, including application access controls based on recently completed information security review. Also, the Department will implement new procedures to have all program areas complete annual user reviews to update access documentation and ensure that users no longer have system access beyond their current needs.

Anticipated Compliance Date: December 31, 2015