



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF AGRICULTURE
AND RURAL DEVELOPMENT

JAMIE CLOVER ADAMS
DIRECTOR

DATE: June 2, 2017

TO: Director Rick Lowe
Office of Internal Audit Services
Office of the State Budget
George W. Romney Building
111 South Capitol, 8th Floor
Lansing, MI 48913

FROM: Jamie Clover Adams, Director
Michigan Department of Agriculture and Rural Development

SUBJECT: Corrective Action Plan for the Performance Audit of the Bovine Tuberculosis Program, Report # 791-0110-16

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 the Bovine Tuberculosis Program in the Michigan Department of Agriculture and Rural Development.

Questions regarding the summary table or corrective action plans should be directed to Maria Tyszkiewicz, Director of Financial and Office Services at 517-284-5722.

cc: Executive Office
Doug A. Ringler, Office of the Auditor General
Mary Ann Cleary, House Fiscal Agency
Ellen Jeffries, Senate Fiscal Agency
House & Senate Appropriations Sub-committees on Agriculture and Rural Development
House & Senate Standing Committees on Agriculture and Rural Development
Gordon Wenk, Chief Deputy, MDARD
James Averill, DVM PhD, State Veterinarian, MDARD



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF AGRICULTURE
AND RURAL DEVELOPMENT

JAMIE CLOVER ADAMS
DIRECTOR

**Performance Audit of the Bovine Tuberculosis (bTB) Program
Michigan Department of Agriculture & Rural Development
Summary of Agency Responses to Recommendations
10/1/2013 thru 7/31/2016**

- 1. Audit recommendations the agency complied with:**
 - **Finding 3**

- 2. Audit recommendations the agency agrees with and will comply:**
 - **Finding 1**
 - **Finding 2**

- 3. Audit recommendations the agency disagrees with:**
 - **NONE**

OAG Audits\ESD 60 Day Summary Response to OAG 062015 Exhibit B.doc

**Michigan Department of Agriculture and Rural Development
Performance Audit of the Bovine Tuberculosis Program 791-0110-16
Corrective Action Plan**

Findings Related to Audit Objective	Reportable Condition	Agency Preliminary Response	Preliminary Plan
<p>MDARD did not implement a monitoring process to identify illegal cattle movement within the three counties having movement restrictions in the Accredited Free Zone. Without monitoring, the risk of bTB spreading to other cattle increases (<u>Finding #1</u>).</p>	X	Agrees and will comply.	<p>On January 27, 2017 MDARD proposed changes to the TB program to be incorporated in a new MOU with USDA. This proposal included eliminating TB activities in Otsego and Cheboygan counties, and implementing triennial TB testing of commercial cattle herds in Presque Isle county. If accepted, MDARD would eliminate compliance activities in Otsego and Cheboygan counties, and implement triennial inventory reconciliation for cattle herds in Presque Isle county upon implementation of the new MOU. MDARD is awaiting a response from USDA and will not be making any programmatic changes regarding this recommendation until a new MOU is finalized. The current MOU expires April, 2018.</p>
<p>MDARD did not sufficiently establish an agreement with law enforcement for monitoring livestock movement between zones to ensure that livestock producers comply with movement laws and regulations. This resulted in extended time periods without sufficient monitoring (<u>Finding #2</u>).</p>	X	Agrees and will comply.	<p>The current MOU with MSP expires September 30, 2017, and MDARD has entered discussions with USDA regarding a new TB program MOU. MDARD will modify both MOU's to clarify the interval to be used for computing "average stops" as a new TB program is implemented, and the current MOU with MSP expires. MDARD proposed TB program modifications to be incorporated in a new MOU with USDA on January 27, 2017 and is currently awaiting a response. MDARD will not be making any programmatic changes regarding this item until a new MOU is finalized or the current MOU with MSP expires, whichever comes first.</p>
<p>MDARD did not fully implement user access controls over USAHerds. Thirty one of 101 users had inappropriate access (<u>Finding #3</u>).</p>	X	Agrees and has complied.	<p>MDARD agrees with the recommendation and has complied. MDARD has implemented user access controls including the implementation of USAHerds user access standard operating procedures and user access forms to help prevent or detect inappropriate access to data.</p>