



OAG

Office of the Auditor General

Report Summary

Performance Audit

Office of Privacy and Security (OPS)

Department of Treasury (Treasury)

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OPS's mission is to protect the privacy, confidentiality, and integrity of information collected, used, and retained by Treasury. OPS is responsible for administering the disclosure provisions of Section 205.28(1)(f) of the *Michigan Compiled Laws* and privacy and security requirements for applicable State and federal statutes, regulations, and security standards. OPS is also responsible for establishing and enforcing privacy principles, security guidelines, and policies and procedures for Treasury. OPS provides oversight and monitoring for 125 Treasury systems and data applications.

Audit Objective			Conclusion
Objective #1: To assess the effectiveness of OPS's efforts to administer access to select information systems and applications.			Moderately effective
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
OPS did not obtain and review all security access rights frameworks from its business owners. OPS did not obtain 27% of the frameworks in fiscal years 2014 and 2015 and granted access to 50% of sampled users without a current framework, which impacted its ability to ensure that confidential information is available to only authorized individuals (<u>Finding #1</u>).		X	Agrees
OPS did not ensure that its security monitoring policy was updated in accordance with the State standard, which requires access rights to be reviewed every 120 days (<u>Finding #2</u>).		X	Disagrees

Audit Objective			Conclusion
Objective #2: To assess the effectiveness of OPS's efforts to monitor business owners' compliance with select security guidelines.			Moderately effective
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
OPS did not implement and maintain an accurate inventory or document key information related to Treasury's information systems and applications (<u>Finding #3</u>).		X	Agrees
For 30% of 125 systems we reviewed, OPS did not ensure that business owners properly classified their data as public, sensitive, or confidential and assigned a level of low or high based on the data's sensitivity, criticality, and risk. Also, OPS did not timely validate that classifications were still appropriate for 16% of the systems reviewed (<u>Finding #4</u>).		X	Agrees

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