

**Office of the Auditor General**  
Preliminary Survey Summary

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**Master System List**  
Department of Technology, Management, and Budget  
August 2021

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The auditor general shall conduct post audits of financial transactions and accounts of the state and of all branches, departments, offices, boards, commissions, agencies, authorities and institutions of the state established by this constitution or by law, and performance post audits thereof.

The auditor general may make investigations pertinent to the conduct of audits.

*Article IV, Section 53 of the Michigan Constitution*

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# OAG

Office of the Auditor General

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**Doug A. Ringler, CPA, CIA**  
Auditor General

August 31, 2021

Mr. Brom Stibitz  
Director, Department of Technology, Management, and Budget  
Chief Information Officer, State of Michigan  
Elliott-Larsen Building  
Lansing, Michigan

Dear Mr. Stibitz:

This is our preliminary survey summary of the Master System List (MSL), Department of Technology, Management, and Budget. Although we identified significant areas of interest that would warrant the additional use of our audit resources, we have decided to terminate this performance audit because the MSL is in the initial stage of implementation and has not reached a sufficient level of maturity to justify an audit.

We appreciate the courtesy and cooperation extended to us during our preliminary survey. If you have any questions, please call me or Laura J. Hirst, CPA, Deputy Auditor General.

Sincerely,

Doug Ringler  
Auditor General



# PRELIMINARY SURVEY SUMMARY

## MASTER SYSTEM LIST (MSL)

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### RESULTS

Although our preliminary survey identified significant areas of interest, we decided to terminate this project because the MSL is in the initial stage of implementation and has not reached a sufficient level of maturity to justify an audit. As the procedures we employed did not constitute a performance audit, we will not issue an audit report and do not express conclusions on the effectiveness and efficiency of the MSL.

### FACTORS IMPACTING AUDIT TERMINATION

- The Department of Technology, Management, and Budget (DTMB) created the MSL dataset in January 2019. To ensure the completeness and accuracy of the MSL, DTMB primarily focused its efforts on data reconciliation and establishment of processes for maintaining the MSL.
- The goals and purpose of the MSL continue to evolve. DTMB plans to implement additional processes in the future to realize the full benefits of the MSL. Given the MSL's current status, it limited our ability to evaluate its overall effectiveness and efficiency.

### OBSERVATIONS

While conducting our preliminary survey, we identified the following opportunities for improvement for DTMB to consider as it continues to implement the MSL and associated processes:

- Access control improvements will help ensure the completeness and accuracy of the MSL. Because of the confidentiality of the access controls, we separately provided the specific details supporting this observation to DTMB management.
- DTMB should ensure the MSL is a complete and accurate listing of all applications operating in the State's IT environment. Specifically, the MSL contains only applications supported by DTMB and does not include applications solely managed by other State departments. Also, DTMB should continue its efforts to ensure sufficient information is collected for each application to support business decisions in alignment with the MSL's current and future goals.
- The MSL is in an initial state of maturity where the purpose and goals continue to evolve. DTMB should ensure it implements a consistent management approach to achieve its governance objectives through items such as policies and procedures, formally defined roles and responsibilities, and State agency engagement.

## BACKGROUND

**Description:** The MSL contains the IT applications supported by DTMB that are used by State agencies to conduct their organization's business. The MSL was developed in January 2019 by combining datasets from Changepoint (formerly a change management system) and Michigan Configuration Management Database (an asset management tool) to create a unique listing of applications that was validated by the State agencies. Information within the MSL includes application name, business owner, State agencies utilizing the application, functionality, and technology-specific information.

The goal of the MSL was to create a single repository for naming conventions and applications supported by DTMB. The MSL is primarily managed by DTMB's Enterprise Portfolio Management Office and Agency Services, in conjunction with State agencies. As of June 2021, there were 1,624 active applications in the MSL.

## SCOPE

Our preliminary survey generally covered January 3, 2019 through June 9, 2021 and included a limited review of the following MSL activities:

- Creation and reconciliation procedures.
- Completeness and accuracy of MSL contents.
- Access controls over system modifications.
- State agencies' roles and responsibilities.
- DTMB's governance structure.

## PURPOSE

Within a performance audit, we design the preliminary survey to obtain an understanding of the core activities within an entity or a program and to identify potential program improvements and/or deficiencies that could impair management's ability to conduct its operations in an effective and efficient manner. If the results of a preliminary survey do not identify significant concerns, our practice is to terminate the planned performance audit.

Preliminary survey procedures are limited in nature and should not be considered a completed performance audit in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. In addition, our preliminary survey procedures would not necessarily disclose the presence or absence of any material conditions and/or reportable conditions. Given that the procedures we employed did not constitute a performance audit, we will not issue a performance audit report and we do not express conclusions regarding the MSL's effectiveness or efficiency.





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