



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET
LANSING

MICHELLE LANGE
DIRECTOR

April 11, 2023

Mr. Richard Lowe, Chief Internal Auditor
Office of Internal Audit Services
Office of State Budget
George W. Romney Building
111 South Capitol, 6th Floor
Lansing, Michigan 48913

Dear Mr. Lowe:

In accordance with the State of Michigan, Financial management Guide, part VII, following is a summary table identifying our ongoing responses and corrective action plans to address recommendations contained within the Office of the Auditor General's audit report of Physical Security and Environmental Controls Over Information Technology Resources (071-0500-15F).

If you have any questions, or if we can be of further assistance, please don't hesitate to contact me directly.

Sincerely,

A handwritten signature in black ink that reads "Michelle Lange".

Michelle Lange
DTMB Director

cc: Laura Clark, Chief Information Officer
Caleb Buhs, Chief Deputy Director
Jack Harris, Chief Technology Officer
Jayson Cavendish, Acting Chief Security Officer
Cindy Peruchietti, Director Agency Services
Eric Swanson, Director Center for Shared Solutions
Sherri Irwin, Director of Office of Support Services, DTMB ICCO

DTMB Corrective Action Plan for the OAG's Physical Security and Environmental Controls Over
Information Technology Resources audit
(071-0500-15F)

DTMB
Physical Security and Environmental Controls Over Information Technology Resources
audit

Summary of Agency Responses to Recommendations

1. Audit recommendations DTMB remediated: #1 & #4: Accepts risk
2. Audit recommendations DTMB partially agreed with and is deferring to State Agencies for remediating: #1

DTMB's Responses to Recommendations:

Finding #1 – Improved physical security controls needed to protect the State's telecommunication equipment

DTMB partially agrees.

DTMB disagrees the exceptions noted could be substantially detrimental to an Agency's ability to access the State's network or pose a material risk of loss or damage to State property.

The cost benefit analysis (as described below), to re-design and mitigate the construction items noted in the audit finding demonstrates the re-design, construction, and mitigation costs are exceedingly more than the potential associated risk. DTMB does not consider it an efficient use of taxpayer resources to require State Agencies to update existing buildings to meet the State of Michigan's 1345.00.02 Network and Telecommunications Infrastructure Facility Standard as it relates to telecommunication rooms. DTMB accepts the risk. DTMB will not request the Agencies remediate the construction items noted in a portion of subpart a, as well as all of the items noted in sub-parts b and c.

Cost Benefit Analysis:

In 2017 DTMB conducted a sample assessment of 14 State buildings to estimate the cost to implement the State of Michigan's 1345.00.02 Network and Telecommunications Infrastructure Facility Standard. The assessment indicated costs would exceed \$19 million statewide (based on 2017 cost figures) to implement the requirements contained in the Standard, and did not include all costs, some of which could be significant, such as relocating telecommunication rooms if needed; and labor, permit, or project management fees. Based on a review of records, since 2014, 29 telecommunication devices in State buildings have been replaced due to damage or loss out of 3,209 (0.009) devices existing statewide in telecommunication rooms. Nine (0.003) of these devices were replaced due to lightning strikes at the local site.

DTMB concurs opportunities for improvement exist related to the State of Michigan's 1345.00.02 Network and Telecommunications Standard.

The State of Michigan's 1345.00.02 Network and Telecommunications Standard was written to be applied in accordance with local and State building codes. The Standard notes certain provisions only apply if allowed by local and State building code. The OAG did not consider local and State building codes when interpreting non-compliance with the State of Michigan's 1345.00.02 Network and Telecommunications Standard. The sites have occupancy permits, which demonstrates that the sites met the local and State building codes. DTMB will review and revise the State of Michigan's 1345.00.02 Network and Telecommunications Infrastructure Facility Standard to remove these potential conflicts (December 2023).

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DTMB agrees State Agencies are responsible for limiting physical access to their buildings and rooms within their building which contain telecommunication equipment. For subpart a, DTMB will share the audit findings with the respective Agencies identified in the OAG's testing to ensure the State Agencies are aware of the Agency specific audit findings related to securing the Agency's site (September 2023).

Finding #4 – Adequate environmental controls not implemented

DTMB partially agrees.

DTMB disagrees the exceptions noted pose a material risk of loss or damage to State property.

The cost benefit analysis (as described below), to re-design and mitigate the construction items noted in the audit finding demonstrates the re-design, construction, and mitigation costs are exceedingly more than the potential associated risk. DTMB does not consider it an efficient use of taxpayer resources to require State Agencies to update existing buildings to meet the State of Michigan's 1345.00.02 Network and Telecommunications Infrastructure Facility Standard as it relates to telecommunication rooms. DTMB accepts the risk.

Cost Benefit Analysis:

In 2017 DTMB conducted a sample assessment of 14 State buildings to estimate the cost to implement the State of Michigan's 1345.00.02 Network and Telecommunications Infrastructure Facility Standard. The assessment indicated costs would exceed \$19 million statewide (based on 2017 cost figures) to implement the requirements contained in the Standard, and did not include all costs, some of which could be significant, such as relocating telecommunication rooms; and labor, permit, or project management fees. Based on a review of records, since 2014, 29 telecommunication devices in State buildings have been replaced due to damage or loss out of 3,209 (0.009) devices existing statewide in telecommunication rooms. Nine (0.003) of these devices were replaced due to lightning strikes at the local site.

DTMB concurs opportunities for improvement exist related to the State of Michigan's 1345.00.02 Network and Telecommunications Standard.

The State of Michigan's 1345.00.02 Network and Telecommunications Standard was written to be applied in accordance with local and State building codes. The Standard notes certain provisions only apply if allowed by local and State building code. Examination of local and State building codes were not considered when the OAG identified exceptions. The sites have occupancy permits, which demonstrates that the sites have met the local and State building codes. DTMB will review and revise the State of Michigan's 1345.00.02 Network and Telecommunications Infrastructure Facility Standard to remove these potential conflicts (December 2023).

DTMB does not agree with the exceptions related to fire extinguishers, fire suppression, smoke detectors and fire alarms. In terms of fire alarms, smoke detectors, sprinklers and the use of fire extinguishers, all buildings have such fire suppression as required by the fire inspector and local building code. DTMB does not agree with the OAG's interpretation that the State of Michigan's 1340.00.120.01 Physical and Environmental Protection Standard is applicable to telecommunication rooms; the State's Standard is intended to apply to Data Centers. DTMB will review and revise the Standard for clarity (January 2024).