December 28, 2023

MEMORANDUM

TO: Rick Lowe, Internal Auditor
                 Office of Internal Audit Services
                 State Budget Office

FROM: Heather Boyd, Director *HB*
                 Office of Financial Management
                 State Budget Office

SUBJECT: Corrective Action Plan for the State Public Universities' Reporting of Selected Higher Education Institutional Data Inventory (HEIDI) Data Report

---

In accordance with the State of Michigan's Financial Management Guide, Part VII, Chapter 3, Section 100, enclosed is a summary table identifying our responses and corrective action plan to address the recommendations contained within the Office of the Auditor General's Report on State Public Universities' Reporting of Selected Higher Education Institutional Data Inventory (HEIDI) Data, covering fiscal years 2021 and 2022. The Office of Internal Audit Services, State Budget Office, approved the distribution of the plan.

Enclosure

cc: Executive Office
      Office of the Auditor General
      Rep. Samantha Steckloff, Chair Approp Subcommittee on Higher Education & Community
        Colleges
      Rep. Carol Glanville, Chair, Higher Education Standing Committee
      Sen. Sean McCann, Chair Approp Subcommittee on Universities & Community Colleges
      House Fiscal Agency
      Senate Fiscal Agency
      Kyle Guerrant, State Budget Office
      Beth Bullion, State Budget Office

State Budget Office
Corrective Action Plan for OAG Audit Titled State Public Universities' Reporting of
Selected Higher Education Institutional Data Inventory (HEIDI) Data
(Report# 331-0300-23, Issued September 27, 2023)

Summary Response Matrix

	Complied	Will Comply	Partially Complied	Will Not Comply
Agrees		Finding 1 & 2		
Partially Agrees				
Disagrees				

Finding 1
Strengthen reviews and documentation of HEIDI data and certifications needed.

Recommendation
We recommend SBO strengthen its reviews and documentation of university-reported HEIDI
information and certifications.

Management Views
SBO agrees with the recommendation to strengthen reviews and documentation of university
reported HEIDI information and certifications. While SBO believes that its current process does
ensure the collected data is accurate and reliable, it is exploring options to outline those
procedures and better ensure supporting documentation is maintained as to its reviews, follow-
up, and resolution processes.

Planned Corrective Action
Starting fall 2023, SBO updated the HEIDI User Guide to document the Data Validation process
for HEIDI users. The current data validation process is summarized below:

Approximate Date of Action	Actions to be Taken:
Oct 15, Nov 15 for WSU	HEIDI data entry completed by universities.
Oct 30, Nov 30 for WSU	Universities have 10 business days from October 30th (Nov 30 for WSU), to submit a Validation Report which contain all data field entries which should have been completed by Oct 15 (Nov 15 for WSU). Hardcopy certification verifying completion and accuracy of data is signed by appropriate university personnel & emailed to DTMB-SBO-Postsecondary@michigan.gov.
By Nov 15, Dec 15 for WSU	If university personnel have not submitted a Validation Report, SBO notifies the University Verifier and sets a new deadline to submit the report. If a report is still not submitted, SBO notifies University Vice President

	overseeing HEIDI personnel that certification has not been received and must be received in the next 10 working days.
After Nov 30, Dec 30 for WSU	If certification has still not been received, SBO notifies the University President, appropriations subcommittee chairs, and state budget director that University has not submitted completion/accuracy certification. Letter to University President would also note that payments can be withheld if certification is not received within the next 10 working days.
After Dec 15, Jan 15 for WSU	State Budget Director notifies University President and Appropriation subcommittee chairs that payments will be withheld beginning with the January (February for WSU) payment unless certification of completion and accuracy of data is received immediately.
Jan 5, Feb 5 for WSU	State Budget Director notifies State Treasurer to withhold payments until compliance is attained pursuant to Section 241 of the higher education appropriations act.
Ongoing	SBO personnel review validated data to look for large variations from prior year's data throughout the year. SBO notifies university HEIDI contact through e-mail of large variations. University has 10 working days to explain or reconcile the data. SBO will open up database to allow university to change data.
Ongoing	If satisfactory reconciliation cannot be made, SBO notifies HEIDI database advisory committee members. State user representatives of the Database advisory committee may notify the Auditor General.

The data validation process outlined above includes a provision that SBO personnel will review validated data to look for large variations from prior year data. SBO intends to perform these reviews primarily related to data potentially impacting levels of state funding, including, but not limited to, headcount and fiscal year equated students data. SBO will work with members of the HEIDI Advisory Committee to identify year-over-year variations that require additional information from a university.

Anticipated Completion Date
12/31/23

Finding 2
Improvements needed in HEIDI user access controls.

Recommendation
We recommend SBO strengthen user access controls over HEIDI.

Management Views
SBO agrees with the recommendation to strengthen user access controls over HEIDI and is in the process of updating related policies and procedures.

Planned Corrective Action
For part a,
In fall 2023, SBO updated the HEIDI User Guide to create a HEIDI User Request Form. If a University Administrator needs to request to add, delete or modify a user for their institution, they must send in a completed HEIDI User Request Form to the State Budget Office at DTMB-SBO-postsecondary@michigan.gov. The HEIDI User Request Form can be found within the

Documents page on the HEIDI site. The HEIDI User Request Form asks the university verifier to share the contact and work information to add, delete, or modify a user and select the appropriate user security level. The forms sent to the State Budget Office will be saved digitally for documentation purposes.

For part b,
As of August 2, 2023, SBO has contacted all 15 universities and verified the user information and level for needed users. DTMB has deleted any users in HEIDI and MiLogin HEIDI access that were not identified by the universities as active users.

Beginning in Fall 2023, SBO will annually review HEIDI user access for each university. The SBO will reach out to each university prior to the data collection cycle to confirm university-specific HEIDI users and roles. For users not affiliated with a university (SBO staff, DTMB staff, audit staff, etc.) SBO will perform the annual review.

Beginning Fall 2023, DTMB witll send SBO periodic reports that includes the list of HEIDI users that have been inactive in MiLogin for 18 months. The SBO will review this report and will work with DTMB to remove any inactive users from MiLogin and HEIDI.

For part c,
As noted above, beginning in Fall 2023, SBO will annually review HEIDI user access for each university. The SBO will reach out to each university prior to the data collection cycle to confirm university-specific HEIDI users and roles.

<u>Anticipated Completion Date</u>
12/31/2023