



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RACHAEL EUBANKS
STATE TREASURER

October 31, 2025

Jessica Thomas, Director
Office of Internal Audit Services
Office of the State Budget
George W. Romney Building
111 South Capitol, 6th Floor
Lansing, MI 48913

Dear Ms. Thomas,

In accordance with the State of Michigan Financial Management Guide, Part VII, the following is our corrective action plan to address recommendations contained within the Office of the Auditor General's (OAG) Follow-Up Audit of the Michigan Integrated Tax Administration System (MIITAS), Report Number 271-0595-19F. The Follow-Up Audit concluded that the agency has partially complied with the material findings originally discovered and reportable conditions still exist as detailed below.

1. Audit recommendations the agency complied with:
 - Finding 1, related to access rights granted outside of the GRC tool: Since the follow-up audit, Department of Technology, Management and Budget (DTMB) and Treasury have increased monitoring activities specific to access rights granted outside of the Governance and Risk Compliance (GRC) tool.
 - Finding 2, Part C: Annual rights review was completed in June 2025. All GRC requests were accounted for and appropriate action taken prior to the review's closure. The review guides have been updated to include this step.

2. Audit recommendations the agency agrees with and will comply:

Finding 1 Audit Recommendation:

We recommend Treasury, in conjunction with DTMB, monitor security-related events within MIITAS to help facilitate the ongoing awareness of threats, vulnerabilities, and information security.

Agency Plan:

- Finding 1, related to segregation of duties: Treasury will work with business areas to create a risk mitigation procedure to identify risk owners, resolve access risk with expected compensating controls, and establish deadlines to resolve the risk as presented in the GRC Risk Analysis tool by January 2026.

- Finding 1, related to temporary elevated rights: Treasury will run an audit log query for the users with elevated rights upon assignment for leadership review and certification. Treasury will update the elevated rights procedure to document monitoring activity once completed. Completion of these activities is expected by December 2026.

Finding 2 Audit Recommendation

We recommend Treasury continue to improve access controls over MIITAS to help ensure data is secure and system controls are operating as intended.

Agency Plan:

- Finding 2, Part A: Treasury will work with business areas to remove unneeded access from role assignments and incorporate the OAG's suggestions, as well as document risk acceptance and compensating controls. Treasury will review access and remove unnecessary access from roles by December 2025
- Finding 2, Part D: Treasury will configure the Risk Analysis tool to incorporate and update customized transaction codes and authorization objects using a risk-based approach. Treasury's GRC team will evaluate 500+ customized and 1500+ Authorization Objects by February 2026.

3. Audit recommendations the agency disagrees with: None

Should you have any questions regarding the corrective action plan, please contact Ryan McElhone at McElhoneR1@michigan.gov.

Sincerely,

Corey Grant, Senior Deputy Director
Executive Operations

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Cc: JoAnne Huls, Executive Office
Doug Ringler, Office of the Auditor General
Rep. Tom Kuhn, House Appropriations General Government Sub-committee
Sen. John Cherry, Senate Appropriations General Government Sub-committee
Rep. Ann Bollin, House Appropriations Committee
Sen. Sarah Anthony, Senate Appropriations Committee
Mary Ann Cleary, House Fiscal Agency
Kathryn Summers, Senate Fiscal Agency
Rachael Eubanks, Treasury
Ann Good, Treasury
Allison Clark, Treasury
Ryan McElhone, Treasury
Jonathan Bowen, Treasury
Danelle Gittus, Treasury
Ron Leix, Treasury

Kelly Manning, DTMB

Mike Williams, Office of Internal Audit Services

Fran Thelen, Office of Internal Audit Services