



STATE OF MICHIGAN

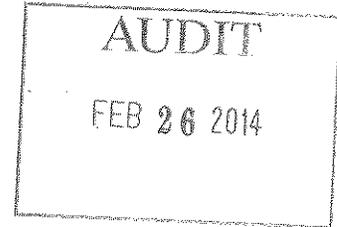
DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET

LANSING

January 31, 2014

RICK SNYDER
GOVERNOR

JOHN E. NIXON, CPA
DIRECTOR



Doug Ringler, Director
Office of Internal Audit Services
State Budget Office
George W. Romney Building
111 South Capitol, 6th Floor
Lansing, Michigan 48913

Dear Mr. Ringler:

In accordance with the State of Michigan, Financial Management Guide, Part VII, attached is a summary table identifying our responses and corrective action plans to address recommendations contained within the Office of the Auditor General's audit report of the Michigan Business One Stop System, Department of Technology, Management & Budget.

Questions regarding the summary table or corrective action plans should be directed to me.

Sincerely,

Signature Redacted

Mike Gilliland, Director
Financial Services

- c: Rep. Joseph Haveman, Chair, House Appropriations
- Sen. Roger Kahn, Chair, Senate Appropriations
- Melissa Schuiling, Office of the Auditor General
- Dennis Muchmore, Executive Office
- Dick Posthumus, Executive Office
- House Fiscal Agency
- Senate Fiscal Agency
- David Behen, DTMB
- Lynn Draschil, DTMB
- James McFarlane, DTMB
- Stewart Willard, DTMB
- Chris Harkins, DTMB
- Kurt Weiss, DTMB
- John Juarez, DTMB
- Rick Lowe, DTMB

Agency Response to the Office of the Auditor General's performance audit of the Michigan Business One Stop System, Department of Technology, Management and Budget.

Summary of Agency Responses to Recommendations

1. Audit recommendations DTMB fully complied with: None
2. Audit recommendations DTMB agrees with and will comply: #1, 2, 3, and 4
3. Audit recommendations DTMB disagrees with: None

Agency's plan to address the recommendations

1. Continued Development and Use of MBOS

DTMB and other State departments agree and will coordinate the development of a strategic plan to ensure the system meets the needs of the departments and their customers. The development of the strategic plan will require substantial involvement and input from all participating departments. DTMB and other State departments have engaged Gartner to assist with the development of the strategic plan and anticipate compliance by June 30, 2014.

2. Post Implementation Review

DTMB and other State departments agree and will conduct a post implementation review and adhere to COBIT objectives and the State's SUITE methodology. DTMB and other State departments have engaged the Enterprise Project Management Office within DTMB to develop a schedule for conducting a post implementation review and implement a corrective action plan to address the audit findings. DTMB and other State departments anticipate compliance by June 30, 2014.

3. Governance Structure

DTMB and other State departments agree and will develop a governance structure which outlines roles and responsibilities ensuring the achievement of objectives. For cost recovery, capitalized and operational costs have been allocated across all State departments through first quarter FY15. DTMB and other State departments will reevaluate the cost recovery model and also develop a sustainable future financial model. In addition, DTMB and other State departments have engaged Gartner to assist with the development of the Governance Structure and anticipate compliance by June 30, 2014.

4. Maintenance of MBOS Online Content

DTMB and other State departments agree and will develop and implement a process to periodically review and update MBOS online content. In addition, the process will identify the specific review and update frequencies. DTMB and other State departments anticipate having the process implemented June 30, 2014.