



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



## MANAGEMENT LETTER

Ohio Department of Public Safety  
1970 West Broad Street  
Columbus, OH 43223

We have audited the financial statements of the State of Ohio in accordance with *Government Auditing Standards* as of and for the year ended June 30, 2018, and have issued our report thereon dated December 21, 2018.

*Government Auditing Standards* require us to report significant internal control deficiencies, fraud, noncompliance with laws and regulations, and also abuse and noncompliance with contracts and grant agreements that could directly and materially affect the determination of the State of Ohio's financial statement amounts. We have issued the required report dated December 21, 2018 for the year ended June 30, 2018.

The Ohio Department of Public Safety (the Department) is part of the primary government of the State of Ohio. While we have applied audit procedures to the Department, our procedures are designed to detect matters the preceding paragraph describes that could be material to the State's financial statements. Accordingly, these procedures may not detect misstatements, control deficiencies, or noncompliance that might be significant to the Department. However, the procedures we performed at the Department did not identify matters we must report in the statewide report *Government Auditing Standards* requires.

We are also submitting the following comment for your consideration regarding the Department's internal controls. This comment reflects matters that do not require inclusion in the *Government Auditing Standards* report. Nevertheless, this comment represents matters for which we believe improvements in internal controls or operational efficiencies might be achieved.

The scope of our audit included testing procedures related to audit significant data processing systems, license and fee revenue related to the Highway Safety Fund, non-payroll disbursements, payroll, petty cash, the Department's portion of Note 2 to the Schedule of Expenditures of Federal Awards, and compliance with certain state laws and regulations for the period July 1, 2017 – June 30, 2018.

Due to the limited nature of our audit, we have not fully assessed the cost-benefit relationship of implementing these recommendations. However, this comment reflects our continuing desire to assist your Department but are only a result of audit procedures performed based on risk assessment procedures and not all deficiencies or weaknesses in controls may have been identified. If you have questions or concerns regarding this comment, please do not hesitate to contact us.

### 1. IT – DISASTER RECOVERY

Disaster recovery and contingency planning help ensure an entity can accomplish its mission and has the capability to process, retrieve, and protect information maintained in its systems in the event an interruption or disaster leads to temporary or permanent loss of the computer facilities. A written and

## 1. IT – DISASTER RECOVERY (Continued)

approved plan defines actions to be taken in the event of various disaster situations to facilitate decision making. The plan is based upon business-defined recovery time and recovery-point objectives for systems and data and includes a list of prioritized applications and systems to restore, in the event of an extended outage. The plan must also be tested periodically at a secure off-site location to help ensure its effectiveness.

During SFY2018, the Department processed approximately \$453 million in revenue through the Business Application Services System (BASS) which provides point of sale functionality for driver and motor vehicle licensing and registration and other services. The Department's hardware and software were maintained and administered at the State of Ohio Computer Center (SOCC) by the Department of Administrative Services/Office of Information Technology (DAS-OIT). However, the Department does not have a disaster recovery plan for its major data processing systems, including BASS.

The creation and use of a comprehensive, disaster recovery plan minimizes the risk of data loss and minimizes the risk that computer operations important for the functioning of the Department will not be restored in a timely, cost effective manner after a disastrous event. As a result, the Department could incur substantial costs in attempting to retrieve and recreate pertinent processing/reporting information for internal and external purposes.

We recommend the Department and DAS-OIT implement a service-level agreement between the two agencies to clearly define the disaster recovery services provided by DAS-OIT for the Department. In addition, the Department should implement an agency-level disaster recovery plan to cover the areas not covered by the service-level agreement. The plan should define the areas of shared responsibility between the Department and DAS-OIT, as well as the responsibilities of key Department personnel in the disaster recovery process. The Department should prioritize applications and datasets, and identify resources to be engaged in the event of a disaster and various degrees of system outages.

In addition, a redundant off-site recovery location should be established to provide both testing and alternate processing facilities. Once the plan is approved and implemented, DAS-OIT and Department management should develop a testing schedule, perform periodic testing of the disaster recovery plan, and update the plan for identified weaknesses.

The Department has responded to the issue discussed in this Management Letter. You may obtain a copy of their response from Matthew Martin, Chief Financial Officer at (614) 466-4301. This letter is intended for the information and use of management and those charged with governance for the State of Ohio.



Keith Faber  
Auditor of State  
Columbus, Ohio

March 26, 2019

OHIO AUDITOR OF STATE  
**KEITH FABER**



**OHIO DEPARTMENT OF PUBLIC SAFETY**

**FRANKLIN COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
APRIL 18, 2019**