

**Attestation of the Orange
County Property Appraiser's
Office Use of the Florida
DHSMV's DAVE Database**

**Report by the
Office of County Comptroller**

**Martha O. Haynie, CPA
County Comptroller**

County Audit Division

J. Carl Smith, CPA
Director

Christopher J. Dawkins, CPA, CIA
Deputy Director

Wendy D. Kittleson, CISA, CIA
IT Audit Manager

**Report No. 431
May 2013**

TABLE OF CONTENTS

Transmittal Letter	1
Executive Summary	2
Action Plan.....	4
Introduction	6
Background	7
Scope, Objectives, and Methodology	8
Overall Evaluation	10
Recommendations for Improvement.....	11
1. Information Obtained from the DAVE Database Should Only Be Used for Purposes Specifically Authorized by the MOU	12
2. Quarterly Quality Reviews of User Access Should Be Performed as Specified in the MOU	15
3. Acknowledgements Should Be Maintained in a Current Status as Specified in the MOU.....	16

May 28, 2013

Rick Singh, Property Appraiser

We have conducted an attestation of the Property Appraiser's use of the Florida Department of Highway Safety and Motor Vehicles' (DHSMV) Driver and Vehicle Express (DAVE) database. The period examined was January 1, 2012 through December 31, 2012. The attestation was limited to an examination of the internal controls to protect the personal data obtained from the DAVE database from unauthorized access, distribution, use, modification, or disclosure. The requirements for safeguarding personal information obtained from the DAVE database are specified in the Memorandum of Understanding (MOU) between the Property Appraiser's Office and the DHSMV dated June 25, 2012.

We conducted this attestation in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the attestation to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our objectives.

Responses to our Recommendations for Improvement were received from the Chief of Staff and are incorporated herein.

We appreciate the cooperation of the personnel of the Property Appraiser's office during the course of our work.

Martha O. Haynie, CPA
County Comptroller

c: Orange County Board of County Commissioners
Brian Mills, Chief of Staff, Orange County Property Appraiser's Office

EXECUTIVE SUMMARY

Executive Summary

We have conducted an attestation of the Property Appraiser's Office use of the Florida Department of Highway Safety and Motor Vehicles' (DHSMV) Driver and Vehicle Express (DAVE) database. The scope of the attestation was limited to an examination of the internal controls to protect the personal data obtained from the DAVE database from unauthorized access, distribution, use, modification, or disclosure. The requirements for safeguarding personal information obtained from the DAVE database are specified in the Memorandum of Understanding (MOU) between Property Appraiser's Office and the DHSMV dated June 25, 2012. The period examined was January 1, 2012 through December 31, 2012. Based on concerns identified at the beginning of the audit regarding possible searches performed, we reviewed searches performed in both 2011 and 2012.

Management is responsible for compliance and internal controls related to the MOU. Our objective of this attestation was to determine whether internal controls are adequate to protect the personal data obtained from the DAVE database from unauthorized access, distribution, use, modification, or disclosure. Our examination does not provide a legal determination on the Property Appraiser's Office compliance with MOU requirements.

In our opinion, controls to protect the personal data obtained from the DAVE database from unauthorized access, distribution, use, modification, or disclosure are adequate. However, from our testing we did find a limited number of instances where the DAVE database was used for purposes not specifically authorized in the MOU. Specifically, we noted the following:

Twelve different search criteria, performed 43 times, where the DAVE database was used for a purpose not specifically authorized by the MOU. The searches were performed by three different users.

The Property Appraiser's Office had not been conducting quarterly quality reviews to ensure all current users are appropriately authorized.

The Property Appraiser's Office had not been maintaining confidentiality and criminal acknowledgments in a current status.

Management concurred with all of the Recommendations for Improvement and steps to implement the recommendations are underway or have been completed. Responses to each of the Recommendations for Improvement are included herein.

ACTION PLAN

**ATTESTATION OF THE PROPERTY APPRAISER'S OFFICE USE OF THE FLORIDA
DHSMV'S DAVE DATABASE ACTION PLAN**

NO.	RECOMMENDATIONS	MANAGEMENT RESPONSE			IMPLEMENTATION STATUS	
		CONCUR	PARTIALLY CONCUR	DO NOT CONCUR	UNDERWAY	PLANNED
1.	We Recommend the Property Appraiser's Office:					
A)	Periodically reminds authorized users that the DAVE database is only to be used for purposes specifically authorized by the MOU;	✓			Completed	
B)	Reviews Section VI, Part B of the MOU and evaluates whether the DHSMV and/or the affected individuals need to be notified of the unauthorized use of the DAVE database; and	✓			Completed	
C)	Determines whether the log of DAVE searches is a useful tool to control DAVE access. If it is determined to be a useful tool, additional training should be provided on the proper use of the log.	✓			✓	
2.	We recommend the Property Appraiser's Office performs the quarterly quality reviews as required by the MOU to ensure only authorized users have access to the DAVE database.	✓			✓	
3.	We recommend the Property Appraiser's Office requires authorized users of the DAVE database to sign confidentiality and criminal acknowledgements on an annual basis.	✓			Completed	

INTRODUCTION



Background

The Customer Service and Homestead Exemption Department of the Orange County Property Appraiser's Office uses the Florida Department of Highway Safety and Motor Vehicles' (DHSMV) Driver and Vehicle Express (DAVE) database to verify information submitted for Homestead Exemption. DAVE is used as a tool to verify residency for new homestead exemption applications and as a part of investigations that are performed on existing exemptions.

When a new homestead application is submitted an interface with DHSMV is used to electronically validate the information submitted on name, address, social security number, and driver's license number. If any of the information does not match, the incomplete applications must be verified manually through DAVE and various other resources.

The DAVE database contains driver license (driver history, driver information, insurance); motor vehicle; (vehicle owner, co-owner, title information, lien holders, make/model, previous vehicles), and traffic crash information. Government Agencies must have a Memorandum of Understanding (MOU) with the DHSMV to gain access to the information contained in DAVE. The MOU establishes the purposes for and conditions of electronic access to the DAVE database. Section V of the MOU, entitled Safeguarding Information, states, "Any person who willfully and knowingly violates any of the provisions of this section is guilty of a misdemeanor of the first degree punishable as provided in sections 119.10 and 775.083, Florida Statutes. In addition, any person who knowingly discloses any information in violation of DPPA [Driver's Privacy Protection Act] may be subject to criminal sanctions and civil liability."

The Property Appraiser's Office entered into an MOU with DHSMV on June 25, 2012 for an additional three years of access to the DAVE database. At the time of the audit, the Property Appraiser's Office had six employees within Customer Service and Homestead Exemption Department that had performed searches of the DAVE database.

INTRODUCTION



Attestation of the Orange County Property Appraiser's
Office Use of the Florida DHSMV's DAVE Database

In November 2012, the Property Appraiser's Office was notified that they were randomly selected to submit an attestation to DHSMV. According to Section VI, Part A of the MOU, the attestation must indicate the internal controls over personal data have been evaluated and are adequate to protect personal data from unauthorized access, distribution, use, modification, or disclosure. The guidance provided with the attestation notification indicates the conditions outlined in Section IV, Part B and Section V of the MOU should be evaluated. The guidance also indicates the review for misuse should include running an audit report for a randomly selected week for 10 users (or all users if you have less than 10). Our scope and methodology exceeded this guidance as noted below.

Scope, Objectives, and Methodology

The scope of the attestation was limited to the requirements specified in the Memorandum of Understanding (MOU) with the DHSMV for safeguarding personal information obtained from the DAVE database. The period examined was January 1, 2012 through December 31, 2012.

Management is responsible for compliance and internal controls related to the MOU. Our objective of this attestation was to determine whether internal controls are adequate to protect the personal data obtained from the DAVE database from unauthorized access, distribution, use, modification, or disclosure. Our examination does not provide a legal determination on the Property Appraiser's Office compliance with MOU requirements.

To achieve our objective, we performed the following:

We obtained lists of authorized users for the Property Appraiser's Office from the DHSMV as well as from the Customer Service and Exemptions department. We reviewed the lists to verify only employees with a current business need were authorized to access the DAVE database. We reviewed policies and practices for periodically reviewing DAVE access and requested copies of

INTRODUCTION



Attestation of the Orange County Property Appraiser's
Office Use of the Florida DHSMV's DAVE Database

the quarterly quality reviews performed during the audit period.

We interviewed authorized users to assess their understanding of the confidential nature of the data obtained from the DAVE database as well as the criminal sanctions that are specified in state law for unauthorized use of the data. We obtained copies of signed confidentiality and criminal acknowledgements for authorized users and verified whether they are maintained in a current status.

Through interviews and review of applicable documentation we verified whether data obtained from the DAVE database is not distributed or disclosed to anyone other than personnel with business need to use the data.

Through interviews, review of system access, and direct observation, we verified whether information exchanged by electronic means is stored in a physically secure location and access to the information exchanged is protected from unauthorized persons accessing the information. This included verifying user access permissions are updated upon termination or reassignment and access to internal databases that store data obtained from DAVE is restricted to authorized personnel. We also confirmed through interview and observation that printed material resulting from searches in the DAVE database are disposed of appropriately.

We obtained a report from DHSMV of all searches performed with the DAVE database by the authorized users during the 2011 and 2012 calendar years. We also obtained a report of new homestead exemption applications filed where information could not be verified electronically with DHSMV during those years. We also obtained a listing of all homestead exemption investigations performed during the period from the Computer Assisted Mass Appraisal (C.A.M.A.) system. To verify the DAVE searches were for a business purpose we compared the data searched in the DAVE database to the reports provided from the C.A.M.A. system. For a sample of the searches not found in the

INTRODUCTION



Attestation of the Orange County Property Appraiser's
Office Use of the Florida DHSMV's DAVE Database

C.A.M.A. system, additional research was conducted to determine whether the searches were conducted for a business purpose.

Overall Evaluation

In our opinion, controls to protect the personal data obtained from the DAVE database from unauthorized access, distribution, use, modification, or disclosure are adequate. However, from our testing we did find a limited number of instances where the DAVE database was used for purposes not specifically authorized by the MOU with the DHSMV.

Opportunities for improvement are described herein.

RECOMMENDATIONS FOR IMPROVEMENT

**1. Information Obtained from the DAVE Database
Should Only Be Used for Purposes Specifically
Authorized by the MOU**

During our review of the Property Appraiser's Office use of the DAVE database, we noted twelve different search criteria, performed 43 times, where the DAVE database was used for a purpose not specifically authorized by the MOU. The searches were performed by three different users. All three users performed searches of their own driver's license. Two of the users performed searches on the driver's licenses of various family members. In addition to the items noted above, one of the users performed two additional searches that were confirmed by management to be for nonbusiness purposes.

According to Section V, Part A. of the MOU, unauthorized use includes, but is not limited to, queries not related to a legitimate business purpose, personal use, and the dissemination, sharing, copying or passing of information to unauthorized persons. Based on concerns identified at the beginning of the audit, regarding possible searches performed, we reviewed searches performed in both 2011 and 2012.

As noted in the Scope, Objectives and Methodology section, we compared the data searched in the DAVE database with data contained in the C.A.M.A. System for new applications filed for Homestead Exemption and Investigations performed. For the period reviewed, a total of 18,954 different searches were conducted in the DAVE database. As a result of the data comparison we were able to reconcile 12,558 (66%) of the DAVE searches to the C.A.M.A. data.

RECOMMENDATIONS FOR IMPROVEMENT



Attestation of the Orange County Property Appraiser's
Office Use of the Florida DHSMV's DAVE Database

The following table shows the number of searches performed by each user:

User	Total Searches	Reconciled Searches	Remaining Searches	Percent Reconciled
User 1	1,777	1,631	146	92%
User 2	841	272	569	32%
User 3	4,175	1,395	2,780	33%
User 4	6,121	5,700	421	93%
User 5	4,489	3,000	1,489	67%
User 6	1,551	560	991	36%
Totals	18,954	12,558	6,396	66%

We selected a judgmental sample of 375 of 6,396 DAVE searches that were not found in the C.A.M.A system. The items in our sample were researched using a public records inquiry tool. Based on our research, we were able to reconcile an additional 229 DAVE searches. The remaining 146 searches were analyzed for possible improper use of the DAVE database. Based on our analysis we found twelve of the 146 searches were for non-business purposes. For the remaining 134 searches, we did not find any apparent personal or other non-business purpose; however, we could not conclude the searches were related to the purposes authorized by the MOU.

The MOU establishes the purposes for and conditions of electronic access to DAVE database. One of the conditions is the database is only to be used for purposes specifically authorized in the agreement.

The Customer Service and Exemptions Department started using a log to track DAVE searches in August 2011. We reviewed the log to try and identify the purpose of the search. Many of the searches did not identify a reason for the search or were not included on the log. Although the log is not required by the MOU, it could provide an additional control if DAVE searches are documented adequately.

RECOMMENDATIONS FOR IMPROVEMENT



Attestation of the Orange County Property Appraiser's
Office Use of the Florida DHSMV's DAVE Database

We Recommend the Property Appraiser's Office:

- A) Periodically reminds authorized users that the DAVE database is only to be used for purposes specifically authorized by the MOU;
- B) Reviews Section VI, Part B of the MOU and evaluates whether the DHSMV and/or the affected individuals need to be notified of the unauthorized use of the DAVE database; and
- C) Determines whether the log of DAVE searches is a useful tool to control DAVE access. If it is determined to be a useful tool, additional training should be provided on the proper use of the log.

Management's Response:

Concur. It should be noted that in November 2012, a new Property Appraiser was elected to office and after taking office January 8, 2013, the New Administration was made known of the DAVE Audit. During the initial discussion with then-current OCPA staff of the upcoming DAVE Audit, the New Administration was informed of instances in which the DAVE database may have been utilized for non-business purposes. The New Administration then brought this matter to the attention of the County Audit Division of the Orange County Comptroller's Office, who was conducting the DAVE Audit.

- A) Completed. The New Administration, upon initial review of the DAVE system and on its own initiative, implemented a policy in which every OCPA DAVE user was required to annually sign an acknowledgment of the confidential nature of the data obtained through DAVE searches and the criminal sanctions specified in State law for unauthorized use of the data.
- B) Completed. Given the nature of the searches made known to the New Administration by staff, this Report

RECOMMENDATIONS FOR IMPROVEMENT



Attestation of the Orange County Property Appraiser's
Office Use of the Florida DHSMV's DAVE Database

will be used to aid the OCPA internal investigation and make this determination. OCPA is currently reviewing those affected individuals for purpose of notification. Two of those individuals affected, have already been notified.

- C) Underway. A log was implemented prior to the New Administration but this report has determined that such a log by itself cannot prevent misuse. The New Administration is currently evaluating the log policy to determine a more effective process to maintain quality control and security of the database.

2. Quarterly Quality Reviews of User Access Should Be Performed as Specified in the MOU

The Property Appraiser's Office had not been conducting quarterly quality reviews to ensure all current users are appropriately authorized. Section IV, Part B. 9. of the MOU requires the Requesting Party (Property Appraiser's Office) to conduct quarterly quality control reviews to ensure all users are appropriately authorized. The quarterly review involves obtaining a list of authorized users from the DHSMV and verifying that access is appropriate based on current employees and job duties performed. The primary purpose is to ensure access to the DAVE database is removed for terminated employees.

As part of our review we obtained a list of authorized users for the Property Appraiser's Office from the DHSMV. The list obtained from DHSMV did not contain any terminated or otherwise unauthorized individuals. It should also be noted that policies have been developed for quarterly reviews during the course of our audit.

We Recommend the Property Appraiser's Office performs the quarterly quality reviews as required by the MOU to ensure only authorized users have access to the DAVE database.

Management's Response:

Underway. OCPA has requested its quarterly quality review be conducted. The review has not yet been completed.

3. Acknowledgements Should Be Maintained in a Current Status as Specified in the MOU

The Property Appraiser's Office had not been maintaining confidentiality and criminal acknowledgments in a current status. Section V, Part D, and E, of the MOU requires the Parties (DHSMV and Property Appraiser's Office) mutually agree that all personnel with access to the information exchanged under the terms of the MOU will be instructed of, and acknowledge their understanding of, the confidential nature of the information and of the criminal sanctions specified in state law for unauthorized use of the data. These acknowledgements must be maintained in a current status by the Requesting Party (Property Appraiser's Office).

As part of our review, we interviewed authorized users in the Homestead Exemption Department and found that they were aware of the confidential nature of the information and of the criminal sanctions specified in state law for unauthorized use of the data. We observed that a disclaimer is displayed to authorized users each time they login to the DAVE system informing them of the confidentiality of data. However, prior to January, 2013, the authorized users had not been required to formally acknowledge their understanding in writing.

We Recommend the Property Appraiser's Office requires authorized users of the DAVE database to sign confidentiality and criminal acknowledgements on an annual basis.

RECOMMENDATIONS FOR IMPROVEMENT



Attestation of the Orange County Property Appraiser's
Office Use of the Florida DHSMV's DAVE Database

Management's Response:

Completed. The New Administration, upon initial review of the DAVE system and on its own initiative, implemented a policy in which every OCPA DAVE user was required to sign an acknowledgment of the confidential nature of the data obtained through DAVE searches and the criminal sanctions specified in State law for unauthorized use of the data.