

Azure AD configuration guide





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1. Introduction

Enforce accountability and enhance security across your Microsoft Azure Active Directory (AD) environment using ManageEngine's UBA-driven change auditing solution, ADAudit Plus. It helps keep track of the changes made to various AD objects, as well as authentication attempts, to ensure compliance with regulatory mandates such as PCI DSS, HIPAA, and the GDPR.

Highlights of auditing Azure AD using ADAudit Plus

- Gain complete visibility into your on-premises, cloud, or hybrid AD environment from a single console.
- Audit and record both failed and successful authentication attempts and analyze authentication patterns across both on-premises and cloud AD environments.
- Protect your organization from various IT security threats by analyzing high-risk activities, such as when a user logs in to a disabled application or tries to sign in using a disabled account.
- Track and report on all changes in a user account's life cycle, including creation, deletion, enabling, disabling, and restoration.
- Audit and alert on every time a user is added or removed from a device.
- Locate and analyze members who are added or removed from AD groups and prevent privilege misuse.
- Meet the required security standards across Azure tenants by keeping a close eye on recently added or removed OneAuth permissions.
- Track and analyze the usage of Azure applications and the failed requests.
- Trigger instant email or SMS notifications every time Azure AD multi-factor authentication (MFA) fails.

This guide takes you through the process of setting up ADAudit Plus to audit an Azure AD environment.



2. Comparing the methods for configuring Azure AD

ADAudit Plus offers two methods to audit your Azure environment. They are:

- Using an Azure AD Premium license.
- Using a Microsoft 365 license.

Category	Azure	Microsoft 365
Geolocation	Possible	Not possible
MFA details	Possible	Not possible
Group-based license change	Possible	Not possible
Application display name	Possible	Possible by using the Azure AD module
Modified properties, along with their new and old values	Possible	Not possible with basic edition of Microsoft 365 E1 licensing
Sign-in risk detection and reporting	Possible	Not possible

Table 1: A detailed comparison of how auditing Azure varies depending on whether you use a Microsoft 365 license or an Azure AD Premium license.

Note: ADAudit Plus strongly recommends the use of an Azure AD Premium license over a Microsoft 365 license to get more features.



3. Configuring Azure AD in ADAudit Plus

3.1. Configuring using Azure AD premium license

To audit your Azure AD environment using an Azure AD Premium license, ADAudit Plus uses the Microsoft Graph API to obtain events from Azure AD.

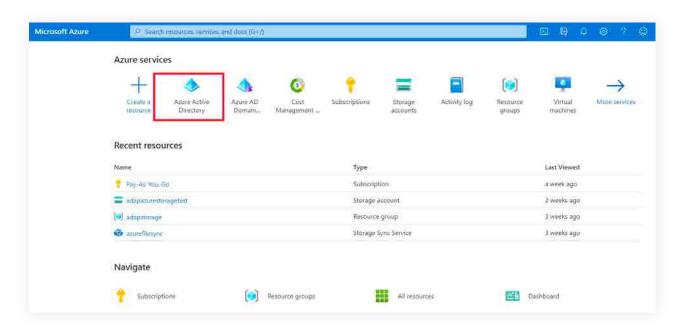
Privileges required while using Microsoft Graph API

- Application.Read.All
- AuditLog.Read.All
- Directory.Read.All
- IdentityRiskEvent.Read.All
- Group.Read.All
- User.Read.All

Register an application

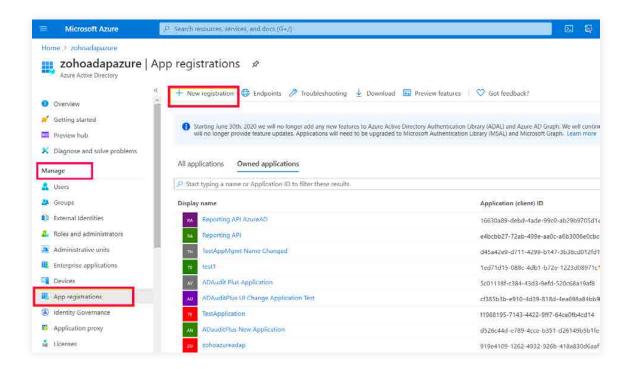
Register an application in the Azure portal, using these steps:

- 1. Go to the Azure portal, and sign in using your Microsoft account.
- 2. Select **Azure Active Directory** from the Azure services section.

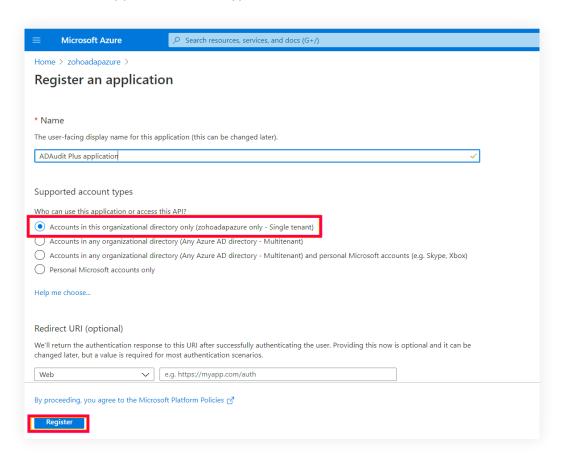


3. Go to Manage > App registrations > New registrations to open the Register an application window.





- 4. Enter the application name, for example, ADAudit Plus Application.
- 5. Ensure that Accounts in this organizational directory only (zohoadapazure only Single tenant) is selected under Supported account types.



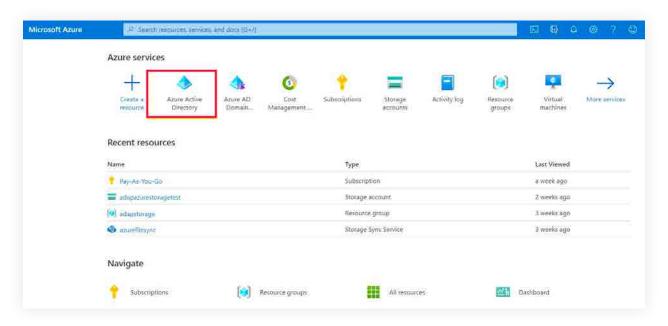
6. Click Register.



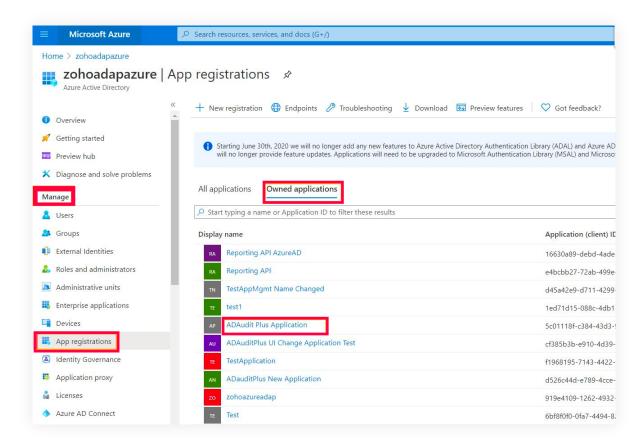
Grant minimum privileges required for Microsoft Graph API

To grant the necessary privileges using Microsoft Graph API:

- 1. Go to the Azure portal, and sign in using your Microsoft account.
- 2. Select **Azure Active Directory** from the Azure services section.

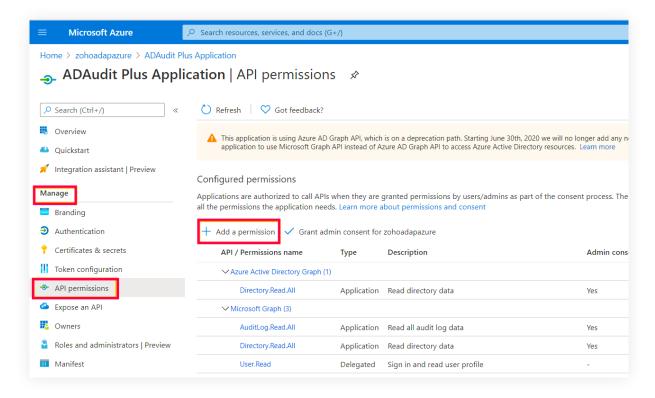


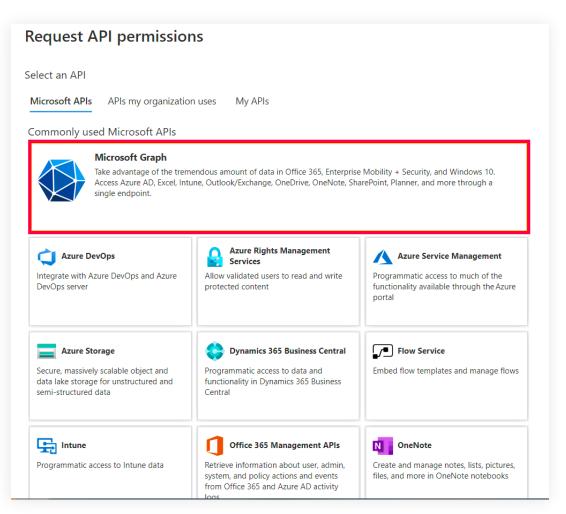
3. Go to Manage > App registrations. Select your application under Owned applications.





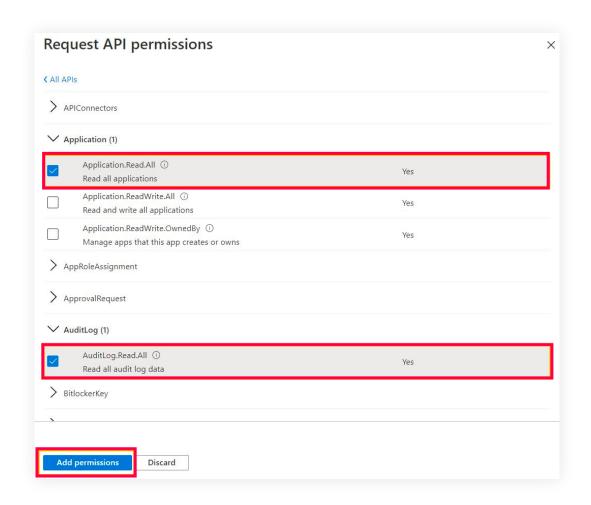
4. Go to Manage > API permissions and select + Add a permission.







- 5. Select Microsoft Graph. Click Application permissions as the type of permission required.
- 6. From the listing, select the following:
 - Application.Read.All
 - AuditLog.Read.All
 - Directory.Read.All
 - IdentityRiskEvent.Read.All
 - Group.Read.All
 - User.Read.All

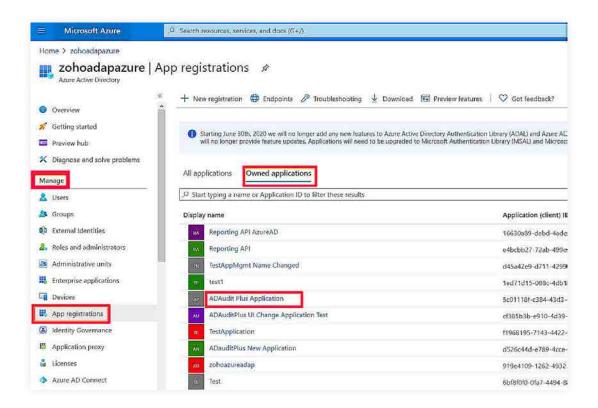


- 7. Click Add permissions.
- 8. Select Grant admin consent for <tenantname >
- 9. Click Yes.

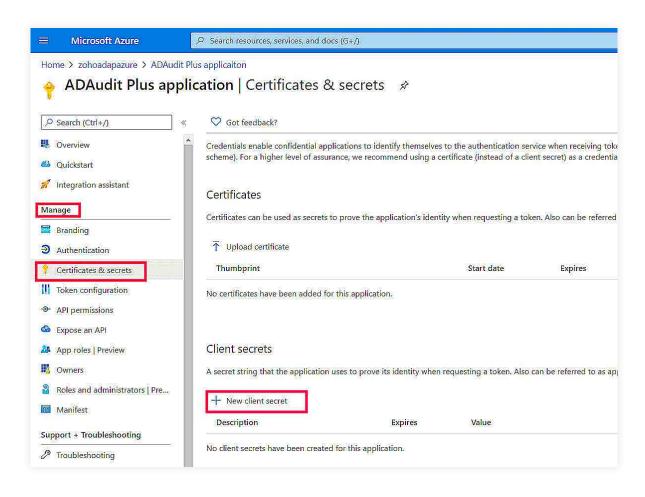


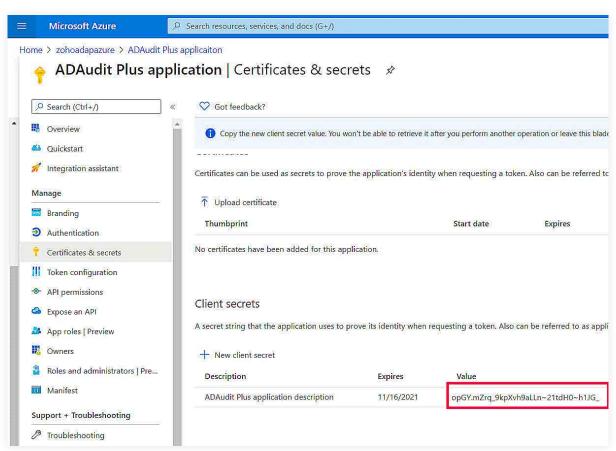
Obtain client ID and client secret

- 1. Go to the Azure portal, and sign in using your Microsoft account.
- 2. Select **Azure Active Directory** service from the Azure services section.
- 3. Go to Manage > App registrations. Select your application under Owned applications.



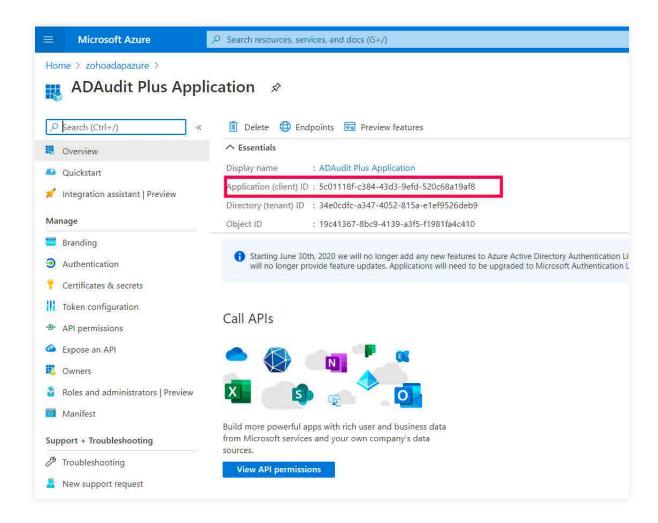
- 4. Go to Manage > Certificates & secrets.
 - Click + New client secret.
 - Enter the description.
 - Choose 24 Months as the expiration date; this is the maximum value that can be used.
 - Click Add.
 - Copy the client secret value (e.g., "14uCILxkHtlVGR3wkCq12341Nd5VtestkkWTylPrrE=")







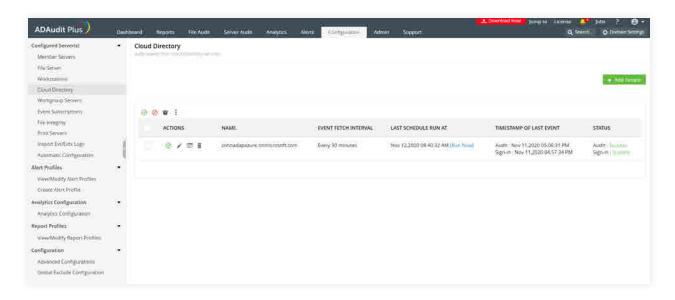
- 5. Go to Manage > App registrations. Select your application under Owned Applications.
- 6. Navigate to Application (Client ID) and click Copy to clipboard.





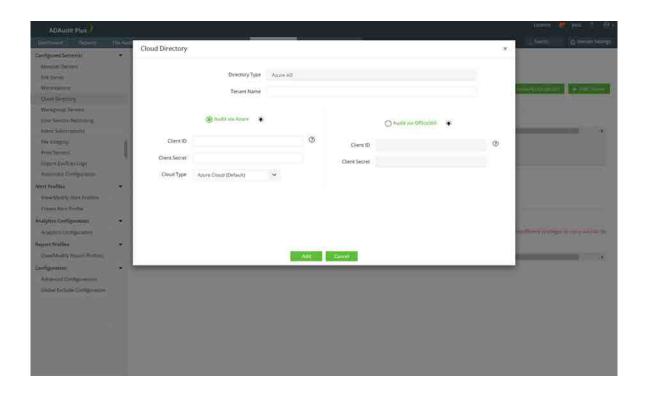
Setting up Azure AD in ADAudit Plus

- 1. Open the ADAudit Plus web console.
- 2. Go to Configuration > Configured Server(s) > Cloud Directory.
- 3. Select +Add Tenant in the top-right corner.



- 4. Select Audit via Azure.
- 5. In the Cloud Directory window, choose the **Cloud Type** based on the national cloud points from the list below:
 - Azure AD global service (Azure Cloud Default)
 - Azure AD for US Government L4 (Azure GCC High Cloud)
 - Azure AD for US Government L5 (Azure DOD Cloud)
 - Azure AD China operated by 21Vianet (Azure China Cloud)
 - Azure AD for Germany (Azure Germany Cloud)
- 6. Enter the Tenant Name, Client ID, and Client Secret.





7. Click Add.

Privileges required while using Azure AD Graph API

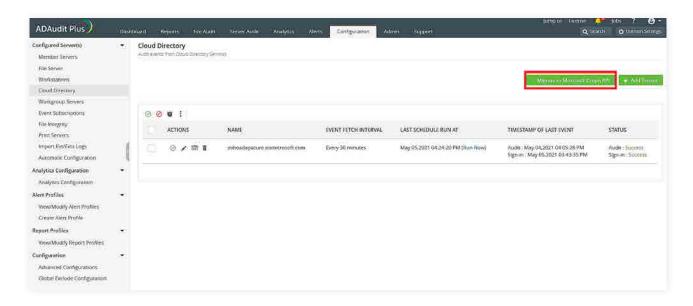
The use of Azure AD Graph API is deprecated. Instead, it's strongly recommended you use the Microsoft Graph API to audit your Azure AD.

For more details on why Azure AD graph API was deprecated, check the FAQ.

Check if you are using Azure AD Graph API and, if so, migrate using these steps:

- 1. Open the ADAudit Plus web console.
- 2. Go to Configuration > Configured Server(s) > Cloud Directory.
 - In the top-right corner, if the Migrate to Microsoft Graph API button is available, then Azure Active Directory Graph API is in use.
 - If the Back to Azure AD Graph API button is available, then Microsoft Graph API is in use.
- 3. Migrate to Microsoft Graph API from Azure AD Graph API by clicking **Migrate to Microsoft Graph API** at the top-right corner.
- 4. Click **Yes** in the confirmation prompt.





Note: Once you have migrated to Microsoft Graph API, add the necessary minimum privileges using the steps listed here.

If you still want to use Azure AD Graph API, you can find the privileges required below:

Directory.Read.All

3.2. Configuring using a Microsoft 365 license

To audit your Azure AD environment using a Microsoft 365 license, ADAudit Plus uses the Microsoft 365 Management API for all installations after ADAudit Plus build 7050.

Privileges required while using Microsoft 365 Management API

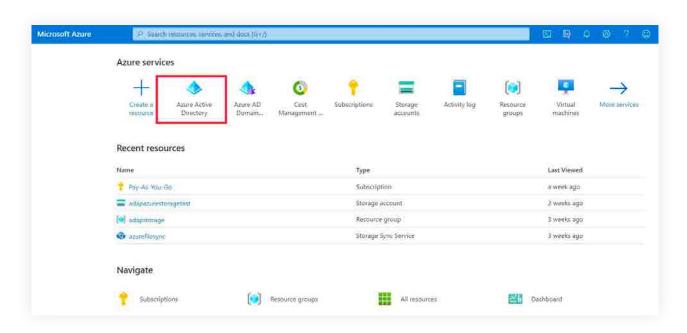
- Microsoft Graph API > Directory.Read.All
- Office 365 Management API > ActivityFeed.Read

Register an application

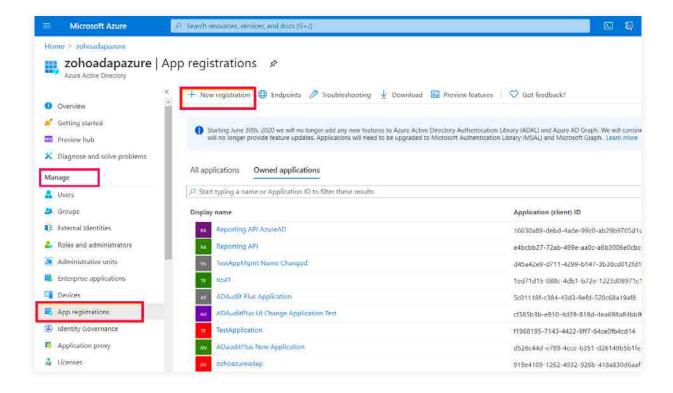
Register an application in the Azure portal, using these steps:

- 1. Go to the Azure portal, and sign in using your Microsoft account.
- 2. Select the **Azure Active Directory** service from the Azure services top pane.

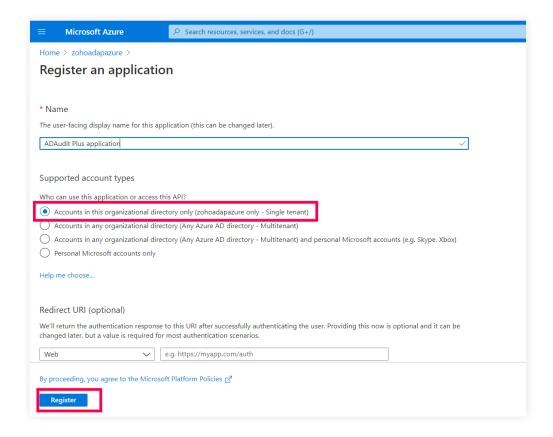




3. Go to Manage > App registrations > New registrations to open the Register an application window.



- 4. Enter the application name, for example, ADAudit Plus Application.
- 5. Ensure that Accounts in this organizational directory only (zohoadapazure only Single tenant) is selected under Supported account types.

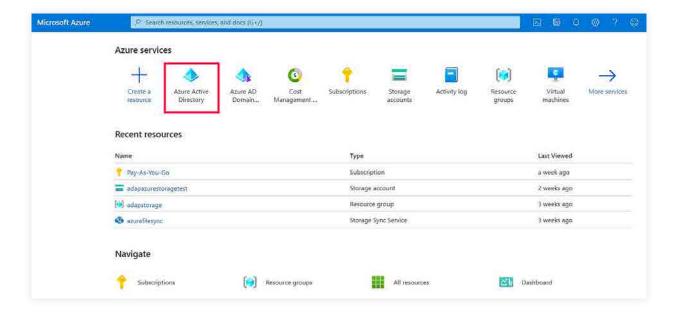


6. Click Register.

Grant minimum privileges required for Microsoft 365 Management API

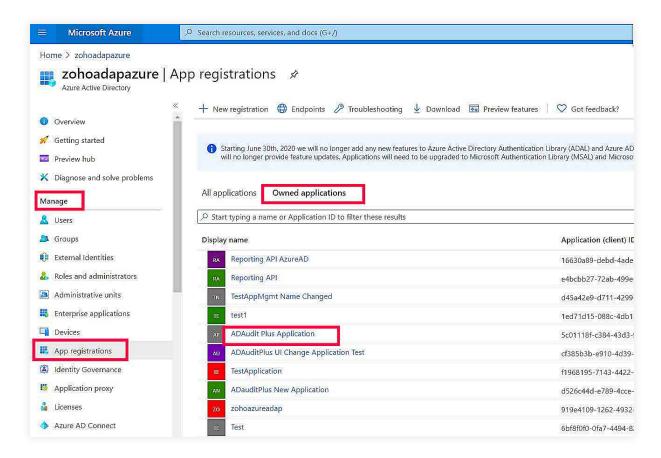
Grant the necessary privileges using Microsoft 365 Management API, using these steps:

- 1. Go to the Azure portal, and sign in using your Microsoft account.
- 2. Select Azure Active Directory service from the Azure services section.

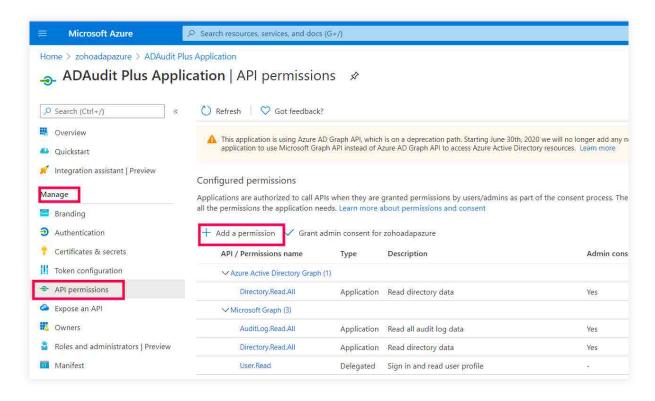




3. Go to Manage > App registrations. Select your application under Owned applications.

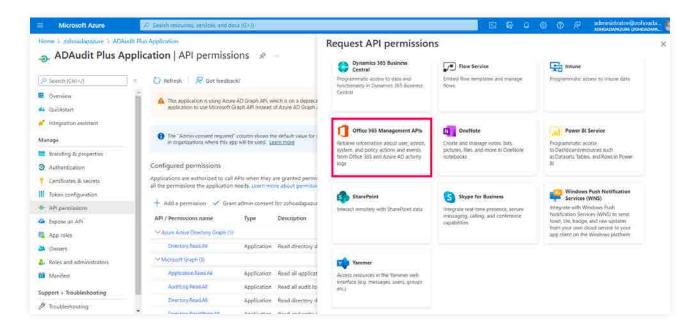


4. Go to **Manage > API permissions** and select **+ Add a permission** to open the Request API permissions window.

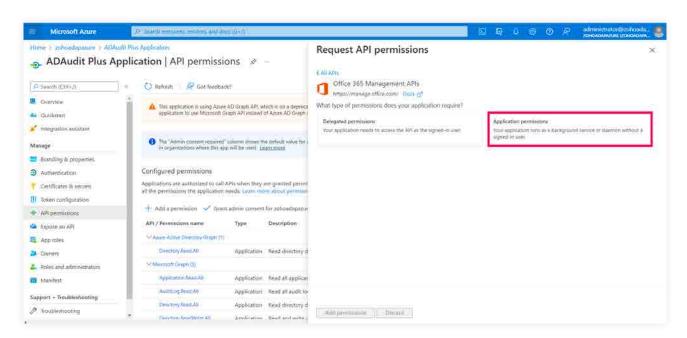




5. Select Office 365 Management APIs.

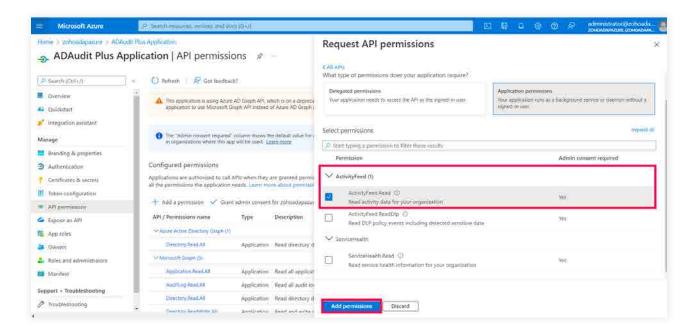


6. Choose Application permissions.

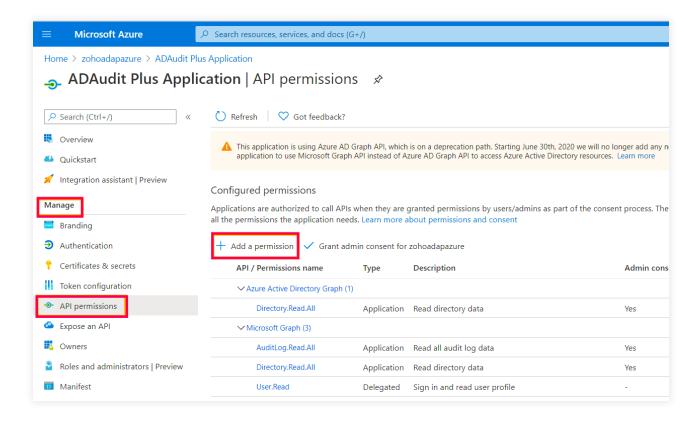


7. In the Request API permissions window, select **Application permissions**, then check the **ActivityFeed.Read** box under ActivityFeed. Select **Add permissions**.

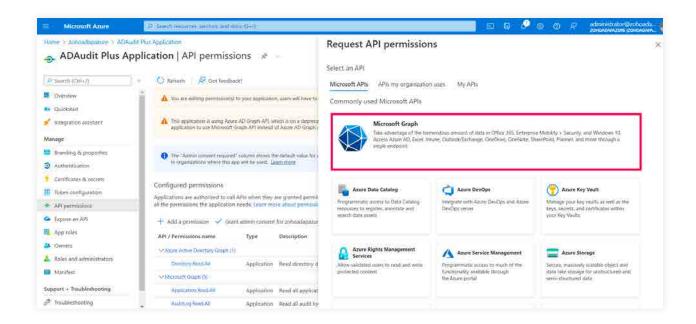




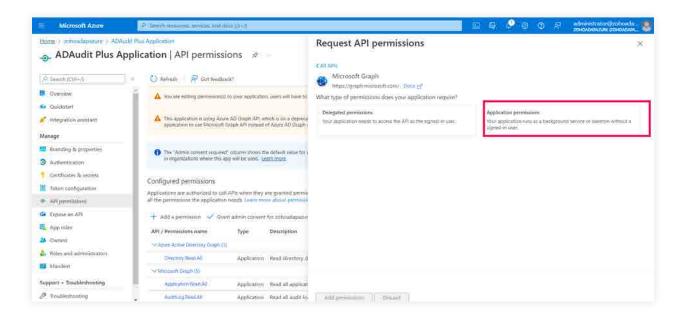
8. Once again, go to Manage > API permissions > + Add a permission.



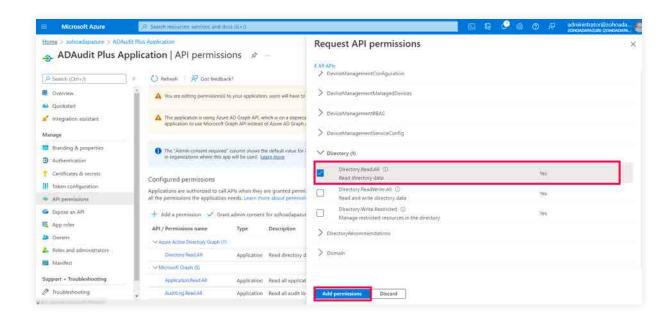
9. Select Microsoft Graph in the Request API permissions window.



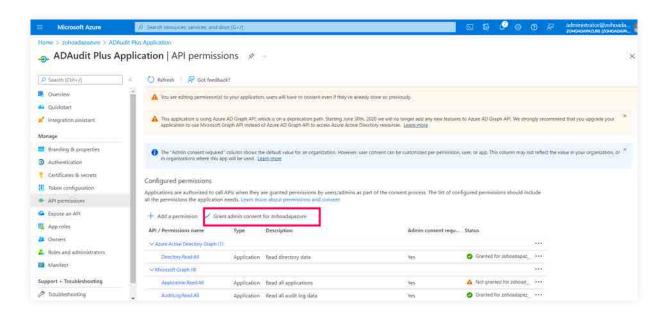
10. Select Application permissions.



11. Check the Directory.Read.All box under Directory. Select Add permissions.



12. Select Grant admin consent for <tenant name>.

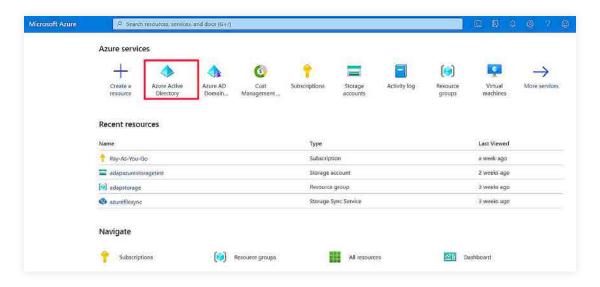


13. Click Yes.

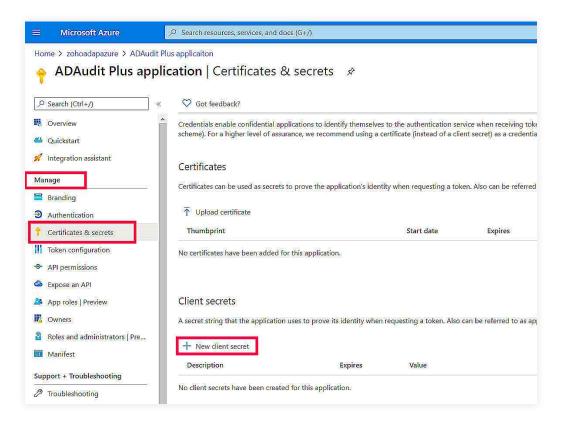


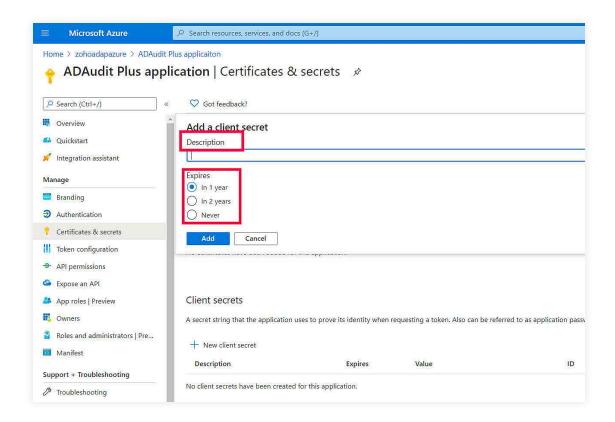
Obtain client ID and client secret

- 1. Go to the Azure portal, and sign in using your Microsoft account.
- 2. Select Azure Active Directory service from the Azure services section.

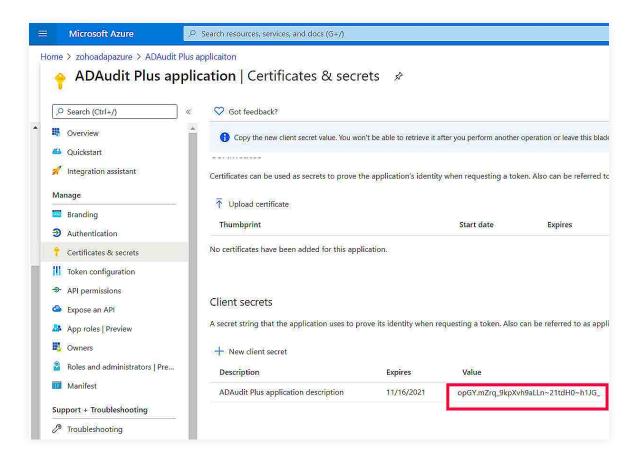


- 3. Go to Manage > Certificates & secrets.
 - Click + New client secret.
 - Type in the description and the expiration date.
 - Click Add.



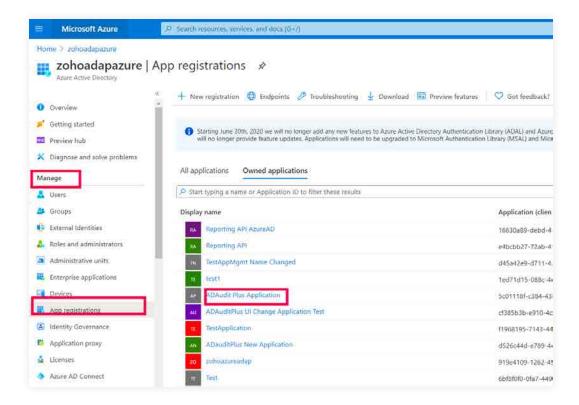


4. Copy the client secret value (e.g., 14uClLxkHtlVGR3wkCq12341Nd5VtestkkWTylPrrE=).

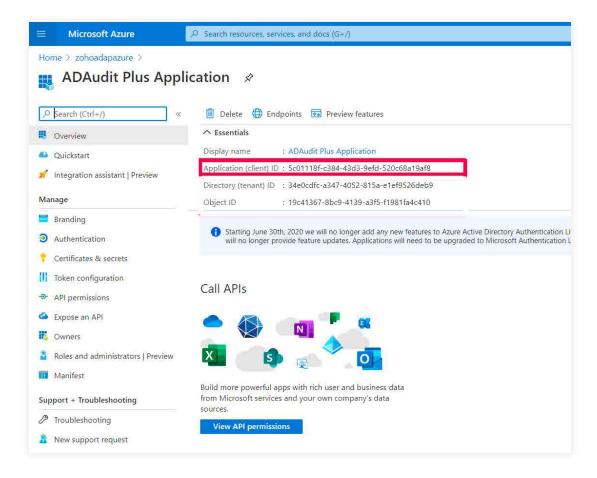




5. Go to Manage > App registrations. Select your application under Owned applications.



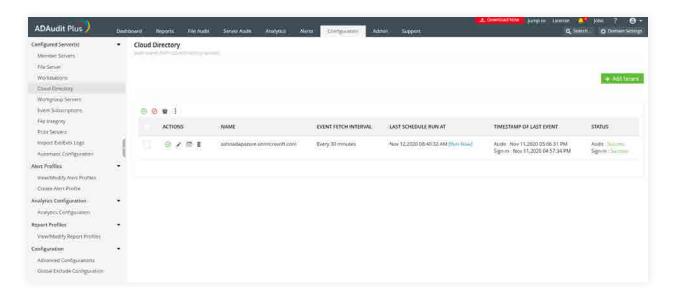
6. Navigate to Application (client ID) and click Copy to clipboard.



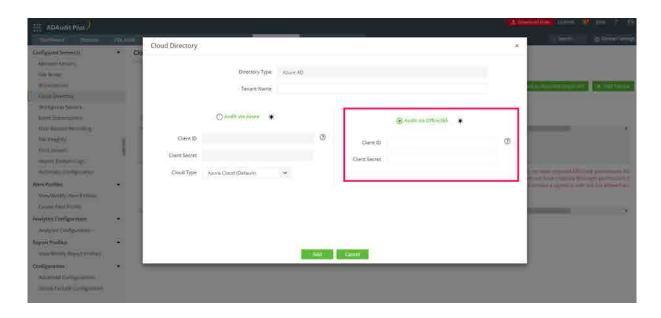


Setting up Azure AD in ADAudit Plus

- 1. Open the ADAudit Plus web console.
- 2. Go to Configuration > Configured Server(s) > Cloud Directory.



- 3. Select + Add Tenant.
- 4. Select Audit via Office 365.
- 5. In the Cloud Directory window, enter the Client ID and Client Secret.



6. Click Add.



Privileges required for Office 365 cmdlet configuration

ADAudit Plus uses the below-listed APIs to audit Azure AD.

- Office 365 Management API for all installations after ADAudit Plus build 7050.
- PowerShell cmdlets (unified audit log) for tenants who configured Azure AD via Office 365 before ADAudit Plus build 7050.

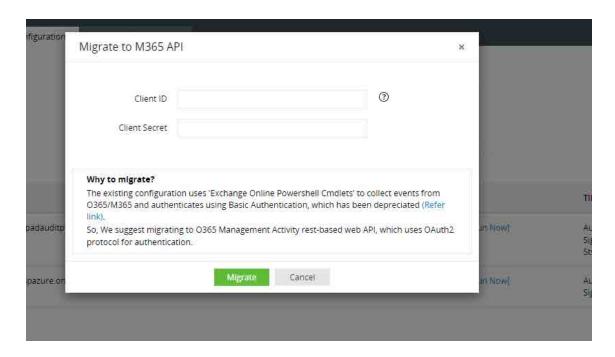
Note: ADAudit Plus strongly recommends using Office 365 Management API to obtain Azure AD events. For tenants still using PowerShell cmdlets, you can update your configuration by migrating O365 cmdlet configuration to Office 365 Management API configuration. You can find the steps to do it here.

Check and migrate O365 cmdlet configuration to M365 API configuration

- 1. Open the ADAudit Plus web console.
- 2. Go to Configuration > Configured Server(s) > Cloud Directory.
- 3. Under the Actions column in the report, select the Migrate icon.

Note: This is only necessary for tenants who configured Azure AD via O365 before build 7050. This feature will be available once the users upgrade to build 7050 or above.

4. In the Migrate to M365 API window that opens, enter the **Client ID** and **Client Secret** generated previously.





5. Click Migrate.

If you still want to use O365 cmdlet configuration and you are using an ADAudit Plus build lower than 7050, you can find the privileges required below:

Required role	Permission
Global administrator	Compliance Management (Audit Logs)
	Organization Management (View-Only Audit Logs)

Listed below are the system specifications required:

i. Microsoft .NET Framework 4.0

- To check whether .NET Framework 4.0 is installed:
- Go to Start > Command Prompt.

Type in the following query: reg query

"HKEY_LOCAL_MACHINE\SOFTWARE\Microsoft\NET Framework Setup\NDP\v4\full" /v version.

Ensure that the version number is 4.0.
 If not, download NET Framework 4.0 from here and install it.

ii. PowerShell version 3

To check whether PowerShell is installed:

- Go to Start > Run.
- Type in PowerShell.
- If PowerShell is installed, check for its version number by typing in the following query in the command prompt: \$PSVersionTable.
- If PowerShell is not installed or if the existing PowerShell version is below 3, you can install or upgrade to version 3 from here.

iii. Azure AD module for Windows PowerShell

To check whether the Azure AD module is installed:

- Go to Start > Run
- Type in PowerShell.
- Type in the query get-module -Name AzureAD. This will list the module if it's already installed.
 In case it's not, install the module by running the PowerShell cmdlet Install-Module Azure AD.



Notes:

- Gain a correlated view of your hybrid AD environments by configuring both Azure AD and on-premises AD domain details in ADAudit Plus.
- This Azure AD module is available only in the 64-bit version of Windows.

4. Reporting capabilities of ADAudit Plus

4.1. ADAudit Plus vs. Azure portal

ADAudit Plus	Azure portal			
On-premises domain details				
Displays both on-premises and cloud details, such as SID, GUID, and user distinguished name	Only displays details available in the cloud, such as user name and display name			
Activity origin				
Generates details on where the activity began, e.g., in the cloud or synced from Windows servers	Does not include details on where the activity began			
Retention				
Retains historical data based on the retention period configured by the user	Amount of data stored depends on the license level in Azure (maximum retention duration is 30 days)			
Reports				
Analyzes user login details across both on-premises and cloud environments from a single console	Generates only cloud login details in reports			

Table 2: A detailed comparison of how auditing via ADAudit Plus differs from auditing via the Azure portal over multiple categories.



4.2. ADAudit Plus vs. Microsoft 365 (using PowerShell cmdlets)

ADAudit Plus	Microsoft 365			
On-premises domain details				
Displays both on-premises and cloud details, such as SID, GUID, and user distinguished name	Only displays details available in the cloud, such as user name and display name			
Activity origin				
Generates details on where the activity began, e.g., in the cloud or synced from Windows servers	Does not include details on where the activity began			
Retention				
Retains historical data based on the retention period configured by the user	Amount of data stored is based on the license level in Microsoft 365 (maximum retention duration is 90 days)			
Reports				
Lists user login details across both on-premises and cloud environments from a single console	Generates only cloud login details in reports			

Table 3: A detailed comparison of how auditing via ADAudit Plus differs from auditing via Microsoft 365 over multiple categories.

5. Event categories tracked by ADAudit Plus

5.1. Event details

Listed below are the event categories that are monitored by ADAudit Plus.

Azure Active Directory — Application

Azure Active Directory — Device

Azure Active Directory — Directory

Azure Active Directory — Group

Azure Active Directory — Policy

Azure Active Directory — Role

Azure Active Directory — Sign-in

Azure Active Directory — User

Azure Active Directory



6. Log retention settings in Azure AD

It is imperative to retain an adequate amount of historical audit data to meet any compliance or forensic requirements that might arise. The retention period for both Microsoft 365 and Azure AD is based on the user's license level and allows for only a maximum of 90 days. ADAudit Plus, however, provides admins with the option to configure any custom retention period, ensuring a foolproof audit trail.

7. Troubleshooting

Errors and solutions

- 1. Failed to add tenants. Check your client secret.
- 2. Unable to add tenants due to invalid client ID.
- 3. Invalid tenant name.
- 4. Insufficient privileges to audit Azure AD.
- 5. The Azure AD server is taking too long to respond. Check your network connectivity.
- 6. Unable to connect with the Azure AD server due to connection reset.
- 7. Unable to connect with the Azure AD server due to trust failure.
- 8. Certificate update in progress. Restart the ADAudit Plus service.
- 9. The sign-in logons require an Azure AD premium license.
- 10. Insufficient privileges when auditing via Office 365.
- 11. The configured proxy server is unreachable.
- 12. Network unreachable.
- 13. Unauthenticated proxy server configured.
- 14. Spike in Azure AD event requests.
- 15. The event collection is taking too long.
- 16. Insufficient privileges to carry out risk detection.
- 17. No data available.



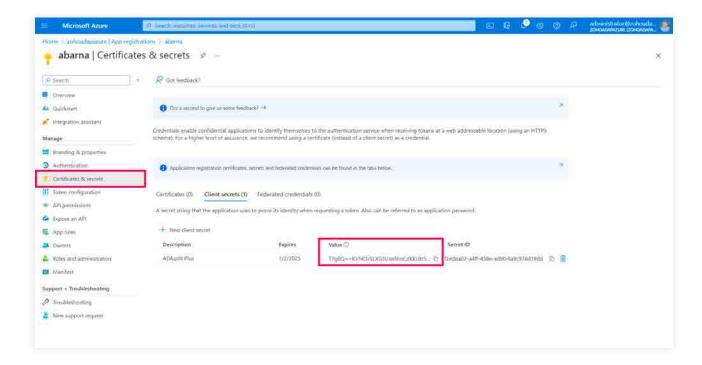
1. Failed to add tenants. Check your client secret.

Issue: Unable to add tenants to configure Azure AD due to invalid client secret.

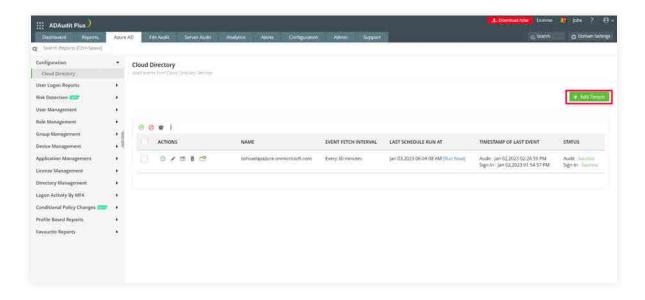
Solution: Client secret values will be available only while it is generated. So, if you have a copy of your current client secret copied elsewhere, you can use it to compare to the value configured in ADAudit Plus. If not, you will have to create a new client secret.

Generate a new client secret by following the steps listed below:

- i. Go to the Azure portal.
- ii. Select the Azure Active Directory service from the Azure services top pane.
- iii. Go to Manage > App Registrations. Select your application under Owned application.
- iv. Go to Manage > Certificates & secrets.
- v. Click + New client secret.
- vi. Type in the description. Click Add.
- vii. Copy the client secret value (e.g., "14uCILxkHtlVGR3wkCq12341Nd5VtestkkWTylPrrE=")



- viii. Now open the ADAudit Plus console.
- ix. Navigate to Azure AD > Configuration > Cloud Directory.



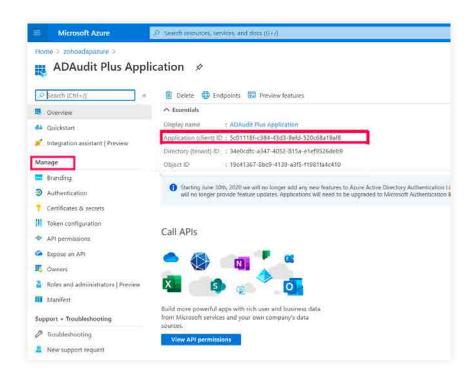
- x. Click + Add Tenant icon at the top-right corner.
- xi. Input the tenant name, client ID, and client secret value.
- xiii. Click Save.

2. Unable to add tenants due to invalid client ID

Issue: Unable to add tenants to configure Azure AD due to invalid client ID.

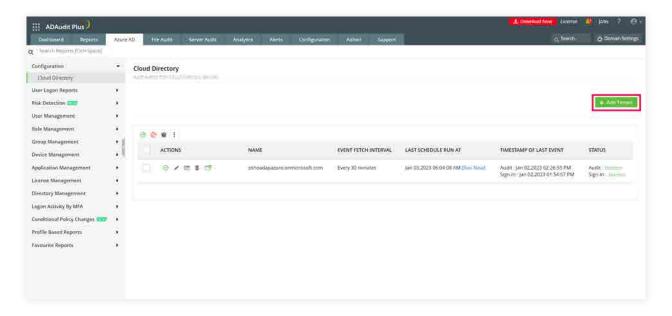
Solution: Check if you have entered the correct client ID by following the steps listed below:

- i. Go to the Azure portal.
- ii. Select the Azure Active Directory service from the Azure services top pane.
- iii. Go to Manage > App registrations. Select your application under Owned applications.
- iv. Navigate to Application (client ID) and click Copy to clipboard.





- v. Now open the ADAudit Plus console.
- vi. Navigate to Azure AD > Configuration > Cloud Directory.

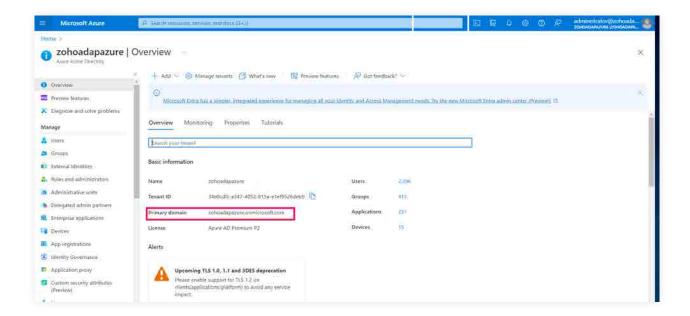


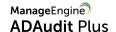
- vii. Click + Add Tenant icon at the top-right corner.
- viii. Input the tenant name, client ID, and client secret values.
- ix. Click Save.

3. Invalid tenant name

Issue: Unable to add tenant due to invalid tenant name.

Solution: Check if you have entered the correct tenant name by following the steps listed below:





- i. Go to the Azure portal.
- ii. Select the Azure Active Directory service from the Azure services top pane.
- iii. Go to **Overview** in the left pane. Copy the tenant name.
- iv. Now open the ADAudit Plus console.
- v. Navigate to **Azure AD > Configuration > Cloud Directory.**
- vi. Click +Add Tenant at the top-right corner.
- vii. Type in the correct tenant name, client ID, and client secret values.
- viii. Click Save.

4. Insufficient privileges to audit Azure AD

Issue: The application does not have the necessary privileges required to audit the cloud directory.

Solution: Grant the minimum required permissions for application created to audit Azure AD using the steps listed on this page.

5. The Azure AD server is taking too long to respond. Check your network connectivity

Issue: There is a connectivity issue between the ADAudit Plus server and Azure AD server.

Solution: Check if there is a stable and reliable internet connection with a speed of 20Mbps or over.

If there is proxy configured in the machine where ADAudit Plus is installed, then configure proxy setting in ADAudit Plus too, using these steps:

- In ADAudit Plus web console, go to Admin > Connection > Proxy.
- Check the Proxy Server Settings checkbox.
- Type in the proxy server details.
- Click Save.

6. Unable to connect with the Azure AD server due to connection reset.

Issue: A firewall could be restricting ADAudit Plus from connecting with the Azure AD server.

Solution: If you are using a firewall to secure your network, kindly ensure that the domains listed below are added to the exemption list.

https://login.microsoftonline.com

https://outlook.office365.com

https://graph.windows.net

https://graph.microsoft.com

https://manage.office.com

If you do not use a firewall, or if the issue persists even after upgrading to the latest build, contact support.



7. Unable to connect with the Azure AD server due to trust failure.

Issue: A firewall could be restricting ADAudit Plus from connecting with the Azure AD server.

Solution: If you are using a firewall to secure your network, kindly ensure that the domains listed below are added to the exemption list.

https://login.microsoftonline.com

https://outlook.office365.com

https://graph.windows.net

https://graph.microsoft.com

https://manage.office.com

If you do not use a firewall or if the issue persists even after upgrading to the latest build, contact support.

8. Certificate update in progress. Restart ADAudit Plus service

Issue: The updated Azure certificate is missing from the ADAudit Plus trust store.

Solution: Restart the ADAudit Plus service to reflect the already updated certificate in the ADAudit Plus trust store.

Note: The required certificate will be automatically updated to the ADAudit Plus trust store.

9. The sign-in logons require Azure AD premium license

Issue: Details of sign-ins can be obtained only if the tenant has an Azure Active Directory P1 or P2 license.

Solution: Upgrade your Azure license. For more details here.

10. Insufficient privileges when auditing via Office 365

Issue: The application configured for O365 API does not have the necessary privileges required to audit the cloud directory.

Solution: Grant the minimum required permissions for application created to audit Azure AD using the steps listed on this page.



11. The configured proxy server is unreachable

Issue: The configured proxy server is not running.

Solution: Check the proxy server's running status. If it's running, configure it in ADAudit Plus' proxy setting.

If the issue persists contact support.

12. Network unreachable

Issue: The server that ADAudit Plus is installed on can't connect to the internet.

Solution: Check the server's internet connection and provide internet connectivity if you haven't done so already.

Note: The required certificate will be automatically updated to the ADAudit Plus trust store.

13. Unauthenticated proxy server configured

Issue: Although an authenticated proxy server is available, an unauthenticated setup is configured in the ADAudit Plus console.

Solution: Configure the right username and password on the ADAudit Plus proxy setting page, using these steps:

- In ADAudit Plus web console, go to Admin > Connection > Proxy.
- Check the **Proxy Server Settings** checkbox.
- Type in the proxy server details.
- Click Save.

14. Spike in Azure AD event requests

Issue: There is a sudden spike in the number of requests to Azure AD.

Solution: The issue will be fixed automatically when you upgrade to build 7080 or above.

Find the service pack to upgrade to build 7080 on this page.

15. The event collection is taking too long

Issue: The event fetch has been running for a long time.

Solution: Click run-now. If it keeps throwing the same error, contact support.



16. Insufficient privileges to carry out risk detection

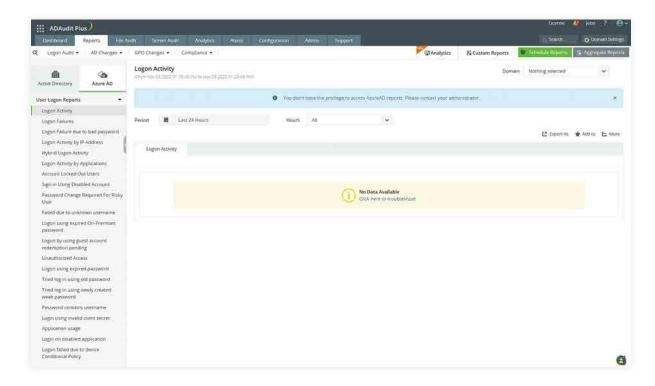
Issue: The Azure AD premium license does not have the required privileges to analyze risky sign-in activities.

Solution: Find the minimum required permissions for application created to populate information about risky sign-in action in Azure AD using the steps listed on this page.

17. No data available

Issue: Data unavailable for the reports under Azure AD

Solution: This issue could stem from multiple factors. One of which is insufficient privileges, i.e., the account used to logon to ADAudit Plus does not have necessary privileges to audit Azure. In such cases, there will be an in-product notification as shown in the screenshot below.

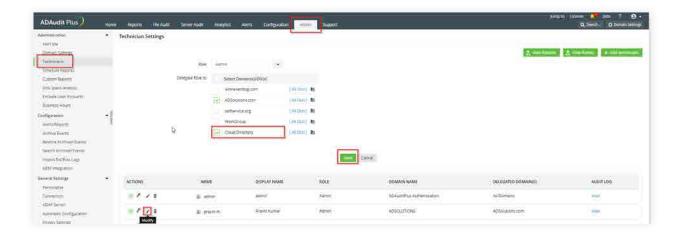


To resolve this, check if the account you have used to logon has privileges to view Cloud Directory reports using the steps below:

- Open ADAudit Plus web console.
- Go to Admin > Technicians.
- Click the Modify icon under the Action column next to the name of the user account you
 have used to logon.
- Check Cloud Directory under Delegate Role to list.



Now verify if you can view the Azure AD reports by logging on using that user account.



If you have the necessary privileges and are still not able to populate any reports under the Cloud Directory, contact support.

About ADAudit Plus

ManageEngine ADAudit Plus is an IT security and compliance solution. With over 200 event-specific reports and real-time email alerts, it provides in-depth knowledge about changes effected to both the content and configuration of Active Directory, Azure AD and Windows servers. Additionally it also provides thorough access intelligence for workstations and file servers (including NetApp and EMC).

To learn more about how ADAudit Plus can help you with all your Active Directory auditing needs, please visit: https://www.manageengine.com/products/active-directory-audit/

