



Michigan  
*Office of the Auditor General*  
**REPORT SUMMARY**

*Financial Audit*  
*Including the Provisions of the Single Audit Act*  
*Department of Corrections*

Report Number:  
 47-100-06

*October 1, 2003 through September 30, 2005*

Released:  
 June 2006

*A Single Audit is designed to meet the needs of all financial report users, including an entity's federal grantor agencies. The audit determines if the financial schedules and/or financial statements are fairly presented; considers internal control over financial reporting and internal control over federal program compliance; determines compliance with State compliance requirements material to the financial schedules and/or financial statements; and assesses compliance with direct and material requirements of the major federal programs.*

**Financial Schedules:**

**Auditor's Report Issued**

We issued an unqualified opinion on the Department of Corrections' (DOC's) financial schedules.

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**Internal Control Over Financial Reporting**

We did not report any findings related to internal control over financial reporting.

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**Noncompliance or Other Matters Material to the Financial Schedules**

We did not identify any instances of noncompliance or other matters applicable to the financial schedules that are required to be reported under *Government Auditing Standards*. However, we did identify a reportable condition (Finding 1).

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**Federal Awards:**

**Auditor's Reports Issued on Compliance**

We audited 6 programs as major programs and issued 6 unqualified opinions. The federal programs audited as major programs are identified on the back of this summary.

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**Internal Control Over Major Programs**

We did not report any findings related to internal control over major programs.

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**Required Reporting of Noncompliance**

We identified instances of noncompliance that are required to be reported in accordance with U.S. Office of Management and Budget (OMB) Circular A-133 (Findings 2 and 3).

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**Systems of Accounting and Internal Control:**

We determined that DOC was in substantial compliance with Sections 18.1483 - 18.1487 of the *Michigan Compiled Laws*.

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We audited the following programs as major programs:

| <u>CFDA Number</u> | <u>Program or Cluster Title</u>                                         | <u>Compliance Opinion</u> |
|--------------------|-------------------------------------------------------------------------|---------------------------|
| 10.553 and 10.555  | Child Nutrition Cluster                                                 | Unqualified               |
| 16.586             | Violent Offender Incarceration and Truth in Sentencing Incentive Grants | Unqualified               |
| 16.593             | Residential Substance Abuse Treatment for State Prisoners               | Unqualified               |
| 16.606             | State Criminal Alien Assistance Program                                 | Unqualified               |
| 84.002             | Adult Education - State Grant Program                                   | Unqualified               |
| 84.331             | Grants to States for Incarcerated Youth Offenders                       | Unqualified               |

A copy of the full report can be obtained by calling 517.334.8050 or by visiting our Web site at: <http://audgen.michigan.gov>



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