Michigan

Office of the Auditor General

REPORT SUMMARY

Financial Audit

Including the Provisions of the Single Audit Act

Report Number:
471-0100-08

Department of Corrections

October 1, 2005 through September 30, 2007

Released:
June 2008

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 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 identified significant deficiencies in internal control over financial reporting (Findings 1 and 2). We do not consider these significant deficiencies to be material weaknesses.

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Noncompliance and 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 other noncompliance (Finding 2).

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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 identified significant deficiencies in internal control over federal program compliance (Finding 3). We do not consider these significant deficiencies to be material weaknesses.

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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 (Finding 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:

CFDA Number	***Program or Cluster Title***	***Compliance Opinion***
10.553 and 10.555	Child Nutrition Cluster	Unqualified
16.606	State Criminal Alien Assistance Program	Unqualified
16.735	Protecting Inmates and Safeguarding Communities Discretionary Grant Program	Unqualified
16.738	Edward Byrne Memorial Justice Assistance Grant Program	Unqualified
84.013	Title I Program for Neglected and Delinquent Children	Unqualified
84.048	Vocational Education - Basic Grants to States	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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