



MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

300 N. WASHINGTON SQ.
LANSING, MI 48913

CUSTOMER
ASSISTANCE CENTER
517 373 9808

WWW.THEMEDC.ORG

October 29, 2009

Mr. Doug Ringler, Director
Office of Internal Audit Services
Office of the State Budget
George W. Romney Building
111 South Capitol, 6th Floor
Lansing, MI 48913

Dear Mr. Ringler:

In accordance with the State of Michigan, Financial Management Guide, Part VII, the following identify our response and corrective action plan to address recommendations contained within the Office of the Auditor General's audit report of the Michigan Economic Development Corporation (October 1, 2006 through September 30, 2008):

Finding (2710901): the Michigan Economic Development Corporation's (MEDC's) internal control did not ensure that the supervisors approved employee timesheets. Lack of appropriate approval could result in unauthorized payroll expenditures.

MEDC's Response: MEDC agrees with the finding and recommendation.

Corrective Action: MEDC has instituted training and a policy requiring all managers to approve time in the Data Collection and Distribution System (DCDS) on a bi-weekly basis.

Questions regarding the summary table or corrective action plans should be directed to Juzer Modi at 517-241-0524; or modij1@michigan.org.

Sincerely,

Signature Redacted

Minesh Mody
Chief Financial Officer

cc: Executive Office
Office of the Auditor General
House Fiscal Agency
Senate Fiscal Agency

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Versa Development, LLC

Michigan Economic Development Corporation
Summary of Agency Responses to Recommendations
October 2, 2006 through September 30, 2008

1. Audit recommendations the agency complied with:

OAG Finding # 2710901

2. Audit recommendations the agency agrees with and will comply:

Not Applicable

3. Audit recommendations the agency disagrees with: Not Applicable