



Michigan
Office of the Auditor General
REPORT SUMMARY

Management Letter

State Building Authority

(A Blended Component Unit of the State of Michigan)

October 1, 2008 through September 30, 2009

Report Number:
071-0182-10M

Released:
January 2010

The management letter is used to report significant deficiencies in internal control over financial reporting and other matters that come to the auditor's attention during the completion of the financial audit conducted in accordance with generally accepted government auditing standards. This management letter is being issued in conjunction with our financial audit of the State Building Authority, a blended component unit of the State of Michigan.

Financial Statements:

Auditor's Report Issued

We have audited the financial statements of the State Building Authority as of and for the fiscal year ended September 30, 2009 and have issued a separate report thereon dated December 29, 2009. We issued unqualified opinions on the financial statements of the governmental activities and each major fund of the Authority.

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Internal Control Over Financial Reporting

We identified a significant deficiency in internal control over financial reporting (Finding 1). We do not consider this significant deficiency to be a material weakness.

The State Building Authority needs to improve its internal control over financial reporting to ensure the accurate calculation and reporting of leases receivable (Finding 1).

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Noncompliance and Other Matters Material to the Financial Statements

We did not identify any instances of noncompliance or other matters applicable to the financial statements that are required to be reported under *Government Auditing Standards*.

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Agency Response:

Our management letter includes 1 finding and 1 corresponding recommendation. The Authority's preliminary response indicates that it agrees with the recommendation and will comply with it.

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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