



Michigan
Office of the Auditor General
REPORT SUMMARY

Financial Audit

*State Sponsored Group Insurance Fund
 Department of Technology, Management &
 Budget, Civil Service Commission, and
 Office of the State Employer*

October 1, 2009 through September 30, 2010

Report Number:
 071-0143-11

Released:
 January 2011

A financial audit determines if the financial statements are fairly presented; considers internal control over financial reporting; and determines compliance with requirements material to the financial statements. This financial audit of the State Sponsored Group Insurance Fund was conducted as part of the constitutional responsibility of the Office of the Auditor General.

Financial Statements:

Auditor's Report Issued

We issued an unqualified opinion on the State Sponsored Group Insurance Fund's financial statements.

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Internal Control Over Financial Reporting and on Compliance and Other Matters

In accordance with *Government Auditing Standards*, we will issue a report on our consideration of the State Sponsored Group Insurance Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters.

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Background:

The State Sponsored Group Insurance Fund, a proprietary fund of the State of Michigan, was administratively established to account for employee insurance benefits programs, which are largely self-funded. Five group insurance programs are offered to State employees: health, dental, vision, long-term disability, and life.

The Fund utilizes the State Treasurer's Common Cash pool as its primary cash account for the insurance programs it administers. Premiums collected are deposited and claim payments and administrative expenses are paid from this account.

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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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