



Michigan
Office of the Auditor General
REPORT SUMMARY

*Single Audit Report
State of Michigan*

Fiscal Year Ended September 30, 2011

Report Number:
000-0100-12

Released:
June 2013

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 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 statements; and assesses compliance with direct and material requirements of the major federal programs.

Financial Statements:

Auditor's Report Issued

We issued unqualified opinions on the financial statements on the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Michigan.

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Internal Control Over Financial Reporting

We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, we did identify significant deficiencies. These findings are reported in the State of Michigan Comprehensive Annual Financial Report Management Letter (071-0010-12).

We did not report any findings related to the schedule of expenditures of federal awards.

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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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Federal Awards:

Auditor's Reports Issued on Compliance

We audited 20 programs as major programs and reported known questioned costs of \$6.4 million. The transitional agencies expended a total of \$7.6 billion in federal awards during the fiscal year ended September 30, 2011. We issued 10 unqualified opinions, 7 qualified opinions, and 3 adverse opinions. The opinions issued by major program are identified on the following pages.

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Internal Control Over Major Programs

We identified material weaknesses in internal control over federal program compliance. We also identified significant deficiencies in internal control over federal program compliance. The findings are identified by major program on the following pages.

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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. The findings are identified by major program on the following pages.

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Identification of Major Programs, Type of Auditor's Report Issued on Compliance, Questioned Costs, and Audit Finding Numbers:

CFDA Number(s)	Name of Federal Program or Cluster	Opinion	Questioned Costs	Audit Finding Number(s)
10.551 and 10.561	SNAP Cluster, including ARRA	Qualified	Undeterminable	<u>2011-001</u> <u>2011-002</u> <u>2011-005</u>
14.228 and 14.255	CDBG - State Administered CDBG Cluster, including ARRA	Qualified	\$0	<u>2011-006</u> <u>2011-007</u> <u>2011-008</u>
17.207, 17.801, and 17.804	Employment Service Cluster, including ARRA	Unqualified	\$0	Not Applicable
17.245	Trade Adjustment Assistance	Unqualified	\$0	Not Applicable
17.258, 17.259, 17.260, and 17.278	WIA Cluster, including ARRA	Unqualified	\$0	Not Applicable
20.106	Airport Improvement Program	Qualified	\$988,733	<u>2011-003</u> <u>2011-009</u> <u>2011-010</u> <u>2011-011</u>
20.205	Highway Planning and Construction Cluster, including ARRA	Qualified	\$0	<u>2011-003</u> <u>2011-012</u>
81.041	State Energy Program, including ARRA	Unqualified	\$0	<u>2011-013</u>
81.042	Weatherization Assistance for Low-Income Persons, including ARRA	Unqualified	\$0	Not Applicable
84.007, 84.032G, 84.032L, and 84.063	Student Financial Assistance Cluster	Unqualified	\$0	Not Applicable
84.126 and 84.390	Vocational Rehabilitation Cluster, including ARRA	Unqualified	\$0	Not Applicable
93.558 and 93.714	TANF Cluster, including ARRA	Adverse	\$5,064,502	<u>2011-001</u> <u>2011-002</u> <u>2011-004</u> <u>2011-014</u> <u>2011-015</u> <u>2011-016</u> <u>2011-017</u> <u>2011-018</u> <u>2011-019</u> <u>2011-020</u> <u>2011-021</u> <u>2011-022</u> <u>2011-023</u> <u>2011-024</u> <u>2011-025</u> <u>2011-026</u>

CFDA Number(s)	Name of Federal Program or Cluster	Opinion	Questioned Costs	Audit Finding Number(s)
93.575, 93.596, and 93.713	CCDF Cluster, including ARRA	Adverse	\$3,085	<u>2011-001</u> <u>2011-002</u> <u>2011-027</u> <u>2011-028</u> <u>2011-029</u>
93.775, 93.777 and 93.778	Medicaid Cluster, including ARRA	Unqualified	\$0	Not Applicable
93.563	Child Support Enforcement	Unqualified	\$0	<u>2011-004</u> <u>2011-030</u>
93.568	Low-Income Home Energy Assistance	Qualified	\$3,764	<u>2011-001</u> <u>2011-002</u> <u>2011-031</u> <u>2011-032</u> <u>2011-033</u>
93.658	Foster Care - Title IV-E, including ARRA	Qualified	\$76,996	<u>2011-034</u> <u>2011-035</u> <u>2011-036</u> <u>2011-037</u>
93.659	Adoption Assistance, including ARRA	Qualified	Undeterminable	<u>2011-038</u>
93.667	Social Services Block Grant	Unqualified	(\$99,086)	<u>2011-036</u> <u>2011-039</u> <u>2011-040</u>
93.674	Chafee Foster Care Independence Program	Adverse	\$340,476	<u>2011-004</u> <u>2011-041</u> <u>2011-042</u> <u>2011-043</u> <u>2011-044</u> <u>2011-045</u> <u>2011-046</u> <u>2011-047</u>

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>



Michigan Office of the Auditor General
201 N. Washington Square
Lansing, Michigan 48913

Thomas H. McTavish, C.P.A.
Auditor General

Scott M. Strong, C.P.A., C.I.A.
Deputy Auditor General