



Michigan  
Office of the Auditor General  
**REPORT SUMMARY**

*Financial Audit*

*Michigan Justice Training Fund  
Michigan Commission on Law Enforcement Standards  
Michigan Department of State Police  
Fiscal Years Ended September 30, 2013 and  
September 30, 2012*

**Report Number:  
551-0101-14**

**Released:  
June 2014**

*A financial audit determines if the financial schedules are fairly presented, considers internal control over financial reporting, and determines compliance with requirements material to the financial schedules. This financial audit of the Michigan Justice Training Fund (MJTF) was required by Section 18.429 of the Michigan Compiled Laws.*

**Financial Schedules:**

**Auditor's Report Issued**

We have audited the financial schedules of MJTF, Michigan Commission on Law Enforcement Standards (MCOLES), Michigan Department of State Police, for the fiscal years ended September 30, 2013 and September 30, 2012 and the related notes to the financial schedules. We issued an unmodified opinion on MJTF's financial schedules.

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**Internal Control Over Financial Reporting**

We considered MCOLES's internal control over financial reporting (internal control) for the purpose of expressing our opinion on MJTF's financial schedules. Our consideration of internal control was not designed to identify all deficiencies that might be material weaknesses or significant deficiencies. However, we identified a deficiency in internal control that we consider to be a material weakness (Finding 1).

Unobligated Funds

MCOLES did not have a control to ensure that it identified all unobligated MJTF funds eligible for competitive grant awards on an annual basis. As a result, MCOLES did not obligate approximately \$1.0 million of MJTF restricted revenues - not authorized or used balances during either fiscal year 2011-12 or fiscal year 2012-13 (Finding 1).

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**Compliance and Other Matters**

We performed tests of MCOLES's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of MJTF's financial schedule amounts. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* (Finding 1).

Unobligated Funds

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**Agency Response:**

Our audit report contains 1 finding and 1 corresponding recommendation. MCOLES's preliminary response indicates that it agrees with the recommendation and that it will comply.

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**Description of Reporting Entity:**

MJTF is a restricted subfund within the State of Michigan's General Fund that receives a percentage of court fines, fees, and assessments collected by the courts as outlined in Section 600.181 of the *Michigan Compiled Laws*. MCOLES distributes the funds from MJTF to law enforcement agencies for in-service criminal justice training of their law enforcement officers on a per capita basis and to State and local agencies providing in-service criminal justice training programs for employees of criminal justice entities on a competitive grant basis.

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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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