

## EXECUTIVE DIGEST

### BUREAU OF HISTORY

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#### **INTRODUCTION**

This report contains the results of our performance and financial related audit of the Bureau of History, Department of State, for the period October 1, 1991 through July 31, 1994.

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#### **AUDIT PURPOSE**

This performance and financial related audit was conducted as part of the constitutional responsibility of the Office of the Auditor General. Performance audits are conducted on a priority basis related to the potential for improving effectiveness and efficiency. Financial related audits are conducted at various intervals to permit the Auditor General to express an opinion on the State's financial statements. Also, this audit complements the departmentwide financial audit.

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#### **BACKGROUND**

The Bureau of History's mission is to preserve and interpret Michigan's past and to help people discover, enjoy, and find inspiration in their heritage. The bureau accomplishes its mission through the activities of its five organizational units: State Historic Preservation Office, Museum Section, Publications Section, Archives Section, and Archaeology

Section. The bureau had 66 employees as of July 31, 1994 and expenditures of \$3.9 million for the fiscal year ended September 30, 1993.

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**AUDIT  
OBJECTIVES  
AND  
CONCLUSIONS**

**Audit Objective:** To assess the effectiveness of selected activities administered by the bureau. Our assessment focused on the activities performed by the State Historic Preservation Office, Museum Section, and Publications Section.

**Conclusion:** Overall, the State Historic Preservation Office, Museum Section, and Publications Section were effective in performing their assigned responsibilities. However, we noted one reportable condition relating to museum accreditation that the department needs to address to improve its effectiveness (Finding 1).

**Audit Objective:** To assess the effectiveness of selected aspects of the department's internal control structure over the activities administered by the bureau. Our assessment focused on the bureau's activities in terms of its effectiveness in monitoring costs and staff performance.

**Conclusion:** Our assessment of the department's internal control structure over activities administered by the bureau disclosed no material weaknesses. However, we noted three reportable conditions relating to the historical collection, publications inventory, and established time frames that the department needs to address (Findings 2 through 4).

**Audit Objective:** To assess the department's compliance with material provisions of both State and federal laws and regulations related to the activities and federal programs administered by the bureau.

**Conclusion:** We concluded that the bureau substantially complied with material provisions of applicable laws and regulations. We noted one instance of noncompliance related to established time frames (Finding 4) that was also an internal control structure weakness and is reported under the internal control structure objective.

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**AUDIT SCOPE  
AND  
METHODOLOGY**

Our audit scope was to examine the program and financial records of the Bureau of History for the period October 1, 1991 through July 31, 1994. Our audit was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included such tests of the records and such other auditing procedures as we considered necessary in the circumstances.

The methodology that we used included interviews of management and other department personnel, analysis of selected functions, review and evaluation of procedures and practices, and tests of data.

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**AGENCY  
RESPONSES  
AND PRIOR AUDIT  
FOLLOW-UP**

Our audit report contains 4 findings and 4 corresponding recommendations. The department fully agreed with the 4 recommendations and intends to comply with them.

The department complied with 6 of 9 prior audit recommendations. The remaining 3 recommendations are repeated in this audit report.