

# EXECUTIVE DIGEST

## DEPARTMENT OF ATTORNEY GENERAL

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### INTRODUCTION

This report contains the results of our financial audit\*, including the provisions of the Single Audit Act, of the Department of Attorney General for the period October 1, 1995 through September 30, 1996.

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### AUDIT PURPOSE

This financial audit of the Department was conducted as part of the constitutional responsibility of the Office of the Auditor General and is required on a biennial basis by Act 251, P.A. 1986, to satisfy the requirements of the Single Audit Act of 1984 and federal Office of Management and Budget Circular A-128, *Audits of State and Local Governments*.

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### BACKGROUND

The Department of Attorney General is responsible for providing legal services to all State departments, agencies, boards, commissions, officers, and employees. Also, the Department is authorized to intervene in any litigation when the public interest is involved. Responsibilities related to federal grant management are performed by the Administrative Division.

For fiscal year 1995-96, the Department's expenditures totaled approximately \$43 million. As of September 30, 1996, the Department had 532 full-time equated employees within 40 divisions.

**AUDIT OBJECTIVES  
AND CONCLUSIONS**

**Audit Objective:** To assess the adequacy of the Department's internal control structure\*, including applicable administrative controls related to the management of federal financial assistance programs.

**Conclusion:** Our assessment of the Department's internal control structure did not disclose any material weaknesses\*. However, we noted reportable conditions\* related to the reconciliation and documentation of expenditures and the compatibility of Personnel-Payroll Information System for Michigan (PPRISM) user classes (Findings 1 and 2).

Also, our assessment indicated that the Department was in substantial compliance with the requirements set forth in Sections 18.1483 - 18.1488 of the *Michigan Compiled Laws* pertaining to its systems of internal accounting and administrative control.

**Audit Objective:** To assess the Department's compliance with both State and federal laws and regulations that could have a material effect on either the Department's financial schedules or its major federal financial assistance program.

**Conclusion:** Our assessment of compliance with laws and regulations did not disclose any instances of noncompliance that could have a material effect on the Department's financial schedules or its major federal financial assistance program.

**Audit Objective:** To audit the Department's financial schedules for the fiscal year ended September 30, 1996.

**Conclusion:** We expressed an unqualified opinion on the Department's financial schedules for the fiscal year ended September 30, 1996.

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**AUDIT SCOPE**

Our audit scope was to examine the financial and other records of the Department of Attorney General for the period October 1, 1995 through September 30, 1996. Our prior audit report, issued October 31, 1996, covered the period October 1, 1993 through September 30, 1995. Our audit was conducted in accordance with generally accepted auditing standards and *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.

Our audit objective for the assessment of the internal control structure included an evaluation of the Department's implementation of the requirements for establishing and maintaining systems of internal accounting and administrative control, as set forth in Sections 18.1483 - 18.1488 of the *Michigan Compiled Laws*.

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**AGENCY RESPONSES**

Our audit report includes 2 findings and 3 corresponding recommendations. The agency's preliminary response indicates concurrence and that it has complied with the recommendations.