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Office of the Auditor General

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Doug A. Ringler, CPA, CIA
Auditor General

April 3, 2017

Dear Governor Snyder, Senators, and Representatives:

This letter provides information regarding the status of our audit projects that either began or transitioned into new audit phases during March 2017. Please refer to our website's [Work in Process](#) for a complete listing of ongoing projects. Although you will no longer receive individual letters reporting the start of audits or approved audit objectives, we would be pleased to discuss with you any interests or areas of concern you have with any of our ongoing projects.

Planning Phase - These are new projects. Typical activities include conducting: the audit entrance meeting; a preliminary survey to identify the audited entity's core activities; assessments of risks and corresponding controls to identify potential program or process improvements or deficiencies; interviews with management and staff, development of detailed audit objectives, and many other tasks.

Department	Audit Title and Type (Performance - per / Financial - fin / Follow-up - fol / Contracted - con)	Project Number
Health and Human Services	Child Care Fund - (fol)	431-1400-13F
Military and Veterans Affairs	Michigan Youth Challenge Academy - (fol)	511-0300-14F
Talent and Economic Development - MSF and Department of Environmental Quality	Brownfield Redevelopment Financing Program - (per)	186-0420-17
Technology, Management, and Budget	Network Security - (per)	071-0518-17
Transportation	Office of Business Development - (fol)	591-0350-15F

Audits Terminated - For these projects, after completing the planning phase, we concluded that significant risk did not exist to warrant additional use of audit resources or that extenuating circumstances supported the termination of the project. We issued a Preliminary Survey Summary to reflect this conclusion, distributed copies to management and select legislative members, and posted the summaries on our website.

Department	Audit Title and Type	Project Number
None		

Audit Fieldwork - Typical activities include: additional management and staff interviews; detailed testing of financial transactions, case files, information systems, and other documentation which support the entity's operations; status updates with management and staff; and other tasks.

Department	Audit Title and Type	Project Number
Military and Veterans Affairs	Grand Rapids Home for Veterans - (fol)	511-0170-17F

Department	Audit Title and Type	Project Number
State Budget Office	State Public Universities' Reporting of Selected Higher Education Institutional Data Inventory (HEIDI) Data - (per)	331-0300-17

Approved Objective:

1. To assess whether the State's public universities reported selected HEIDI data in accordance with requirements.

Please note that some projects, particularly financial audits and follow-up reports, operate from pre-established audit objectives and, therefore, move directly to the audit fieldwork stage.

Report Preparation - Typical activities include: preparing the draft audit report, discussion of draft findings with the audited entity, receipt of the entity's preliminary responses to findings, and other tasks.

Department	Audit Title and Type	Project Number	Estimated Audit Release Date
Health and Human Services	Medicaid Ambulance, Dental, and Emergency Room Claims - (per)	391-0716-16	May 2017
Technology, Management, and Budget	Statewide Change Management Controls - (per)	071-0520-16	May 2017
Transportation	Measurement of State Highway Pavement Conditions - (per)	591-0300-16	May 2017

Audits Released

Department	Audit Title and Type	Project Number	Date Released	Number of	
				Material Weaknesses	Reportable Conditions
Environmental Quality	Clean Michigan Initiative Environmental Protection Programs - (per)	761-0217-16	3/16/2017	0	0
Technology, Management, and Budget	Report on Internal Control, Compliance, and Other Matters - Michigan Public School Employees' Retirement System (Fiscal Year Ended September 30, 2016) - (fin)	071-0152-17	3/24/2017	0	1

Audits Released Con't

Department	Audit Title and Type	Project Number	Date Released	Number of	
				Material Weaknesses	Reportable Conditions
Technology, Management, and Budget	Report on Internal Control, Compliance, and Other Matters - Michigan Military Retirement System (Fiscal Year Ended September 30, 2016) - (fin)	071-0158-17	3/24/2017	0	1
Talent and Economic Development	Michigan Strategic Fund - (fin)	271-0401-17	3/24/2017	0	0
Licensing and Regulatory Affairs	Self Insurers' Security Fund - (fin)	641-0101-17	3/28/2017	0	0
Technology, Management, and Budget	State of Michigan Comprehensive Annual Financial Report - Report on Internal Control, Compliance, and Other Matters, State of Michigan Comprehensive Annual Financial Report, State Budget Office, Fiscal Year Ended September 30, 2016 - (fin)	071-0010-17	3/30/2017	0	4

Although we report this information to you on a monthly basis, we immediately correspond with management and staff as our projects transition through the various stages referenced above.

Please contact me or Laura Hirst, Deputy Auditor General, at (517) 334-8050 if you have questions regarding this summary or wish to discuss specific audit projects.

Sincerely,



Doug Ringler
Auditor General

c: Agency Audit Liaisons
SBO-Office of Internal Audit Services