



# OAG

Office of the Auditor General

201 N. Washington Square, Sixth Floor • Lansing, Michigan 48913 • Phone: (517) 334-8050 • [www.audgen.michigan.gov](http://www.audgen.michigan.gov)

**Doug A. Ringler, CPA, CIA**  
Auditor General

November 1, 2016

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 October 2016. 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.

<b>Department</b>	<b>Audit Title and Type</b> (Performance - per / Financial - fin / Follow-up - fol / Contracted - con)	<b>Project Number</b>
Technology, Management, and Budget	Design and Construction Division - (per)	071-0125-16

**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.

<b>Department</b>	<b>Audit Title and Type</b>	<b>Project Number</b>
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
Treasury	Unclaimed Property - (per)	271-0130-16

**Approved Objectives:**

1. To assess the sufficiency of the Unclaimed Property's efforts to validate the accuracy of information received.
2. To assess the sufficiency of Unclaimed Property's efforts to monitor contractors that provide auditing and financial services.

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
Military and Veterans Affairs	Grand Rapids Home for Veterans - (fol)	511-0170-15F	December 2016
Treasury	Gaming Control Board - (per)	271-0900-15	December 2016

**Audits Released**

Department	Audit Title and Type	Project Number	Date Released	Number of	
				Material Weaknesses	Reportable Conditions
Talent and Economic Development	Renaissance Zone Program - (fol)	271-0425-11F	10/6/2016	0	1
Health and Human Services	Michigan State Disbursement Unit, Office of Child Support - (per)	431-0142-16	10/12/2016	0	0
Talent and Economic Development	Michigan State Housing Development Authority - Financial Report for the Fiscal Year Ended June 30, 2016 - (con)	NA	10/19/2016	0	0
Environmental Quality	Septage Waste, Campground, Public Swimming Pool, and On-Site Wastewater Programs, Office of Drinking Water and Municipal Assistance - (per)	761-0321-16	10/26/2016	0	2
Treasury and State Police	Emergency 9-1-1 Fund - (fin)	271-0265-16	10/26/2016	0	1

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