



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF STATE POLICE
EAST LANSING



COL. PETER C. MUNOZ
DIRECTOR

June 11, 2007

Mr. Michael Moody, Director
Office of Financial Management
Office of the State Budget
P.O. Box 30026
Lansing, Michigan 48909

Subject: Performance Audit of the Use of Transportation Funding
Final Performance Plan

Dear Mr. Moody:

Administrative Guide procedure 1280.02 requires each department to submit a plan addressing audit citations and recommendations made by the Office of the Auditor General.

Attached is the Michigan State Police's final plan for the performance audit of the Use of Transportation Funding for the period October 1, 2003 through September 30, 2005.

Sincerely,

Jacqueline Reese
Internal Auditor

Attachment

cc Director, DMB
Office of the State Budget
Office of the Auditor General
House Fiscal Agency
Senate Fiscal Agency
Executive Office
House Appropriations Committee
Senate Appropriations Committee
Lt. Col. Kriste Kibbey Etue
Shawn Sible
Sherri Irwin

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FINAL PLAN
Performance Audit
Of the
Use of Transportation Related Funding
Of the
Michigan Department of State Police
October 1, 2003 through September 30, 2005

Audit Finding:

1. Cost Allocation Methodologies

- A. OAG Recommendation:** We recommend that the Department of Treasury and MSP implement cost allocation methodologies that accurately identify and equitably allocate costs for transportation-related activities that are charged to transportation funds.

- B. Agency Response:** MSP has reviewed and updated the cost allocation methodologies for transportation-related activities that are charged to transportation funds. MSP has submitted these methodologies to MDOT for approval.