



STATE OF MICHIGAN

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET
LANSING

RICK SNYDER
GOVERNOR

JOHN E. NIXON, CPA
DIRECTOR

June 1, 2012

✓ Doug Ringler, Director
Office of Internal Audit Services
Office of the State Budget
George W. Romney Building
111 South Capitol, 6th Floor
Lansing, Michigan 48913

Dear Mr. Ringler:

In accordance with the State of Michigan, Financial Management Guide, Part VII, attached is a summary of our corrective action plans to address recommendations contained within the Office of the Auditor General's audit report for the Michigan Public School Employees' Retirement System, DTMB - Office of Retirement Services and DTMB - Financial Services.

Questions regarding the attached corrective action plans should be directed to me at (517) 335-1557.

Sincerely,

Signature Redacted

Michael R. Gilliland, Director
Financial Services

Attachment

c: Ron Foss, DTMB
Mark Freeman, Office of the Auditor General
House Fiscal Agency
Phillip Jeffery, DTMB
Senator Rodger Kahn, Chair, Senate Appropriations
Rick Lowe, DTMB
Rep. Chuck Moss, Chair, House Appropriations
Dennis Muchmore, Executive Office
Dick Posthumus, Executive Office
Senate Fiscal Agency
Matt Sweeney, DTMB
Phil Stoddard, DTMB
Kurt Weiss, DTMB

Michigan Public School Employees' Retirement System
DTMB – Office of Retirement Services
DTMB – Financial Services
Summary of Agency Responses to Recommendations
Audit Period: 10/1/09 – 9/30/10

Recommendation No. 1 – Controls Over State Financial Reporting:

We recommend that the Office of Retirement Services (ORS) and Financial Services implement sufficient controls to ensure that they properly classify MPSERS's financial activity.

Agency Response:

The published financial statements were corrected prior to issuance, and accurately reflect the financial activity of the plan. DTMB Financial Services reviewed the financial statement preparation process and updated procedures accordingly.