



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

R. KEVIN CLINTON
STATE TREASURER

September 8, 2014

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

Dear Director,

In accordance with the State of Michigan, Financial Management Guide, Part VII, the following is a summary table identifying our response and corrective action plan to address recommendations contained within the Office of the Auditor General's Performance Audit of the Brownfield Redevelopment Financing Program, Report Number 271-0420-14, from January 1, 2011 – December 31, 2013.

1. Audit recommendations the agency complied with:

Brownfield Redevelopment Authorities' Performance Data

Although the findings identified in parts a. through c. relate to the Department of Treasury's noncompliance and acknowledging that DEQ and MSF have substantially initiated actions to comply with the new statutory requirements and that the time line for DEQ's and MSF's fulfillment of their newly mandated responsibilities has not yet arrived, we recommend that DEQ and MSF annually collect and compile the brownfield redevelopment authorities' financial status reports and submit an annual summary report to the Legislature.

Agency Plan: Upon issuance of the June 2011 audit, the Department of Treasury implemented corrective action by working with DEQ and MSF to pursue amendatory language to transfer statutory reporting requirements to DEQ and MSF. This action was successfully completed with the passing of Act 502, P.A. 2012.

2. Audit recommendations the agency agrees with and will comply: None
3. Audit recommendations the agency disagrees with: None

Should you have any questions regarding the summary table or corrective action plan, please contact Suzanne Schafer at 517-373-3227 or at schafers7@michigan.gov.

Sincerely,

Signature Redacted

Wayne Workman, Deputy State Treasurer
Local Government Services

Cc: Dennis Muchmore, Executive Office
Wendy Wisniewski, Executive Office
Doug Ringler, Office of the Auditor General
Mary Ann Cleary, House Fiscal Agency
Ellen Jeffries, Senate Fiscal Agency
Earl Poleski, House Appropriations Sub-committee
John Pappageorge, Senate Appropriations Sub-committee
Jeff Farrington, House Standing Committee
Jack Brandenburg, Senate Standing Committee
Tom Saxton, Treasury
Joe Fielek, Treasury
Ed Koryzno, Treasury
Bruce Hanes, Treasury
Rick Lowe, Office of Internal Audit Services
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