



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF AGRICULTURE
AND RURAL DEVELOPMENT

JAMIE CLOVER ADAMS
DIRECTOR

July 30, 2015

Mr. Jeffrey S. Bankowski, Chief Internal Auditor
Office of Internal Audit Services
State Budget Office
George W. Romney Building, 6th Floor
111 South Capitol
Lansing, Michigan 48913

Dear Mr. Bankowski:

In accordance with the State of Michigan, Financial Management Guide, Part VII, enclosed is a summary table identifying our responses and corrective action plans to address recommendations contained within the Office of the Auditor General's audit report of the Performance Audit of the Environmental Stewardship Division, Michigan Department of Agriculture and Rural Development (MDARD), for the time period October 1, 2011, through June 30, 2014.

Questions regarding the summary table or corrective action plans should be directed to David Bruce, Chief Financial Officer, bruced9@michigan.gov or (517) 284-5743.

Sincerely Yours,

Signature Redacted

David M. Bruce, Director
Operational Services and Central Licensing

DMB/lra

Enclosure

cc: Bryan Weiler, Michigan Department of Technology, Management, and Budget
Jim Johnson, Environmental Stewardship Division Director
Mark Swartz, Environmental Stewardship Division Deputy Director
Jen Eyde, Environmental Stewardship Division Executive Secretary
Jennifer Holton, Director of Communications - MDARD
Matt Blakely, Legislative Liaison, MDARD
Jamie Clover Adams, Director, MDARD
Gordon Wenk, Deputy Director, MDARD
Dennis Muchmore, Executive Office, Office of Chief of Staff
Doug Ringler, Office of the Auditor General
Mary Ann Cleary, House Fiscal Agency
Ellen Jeffries, Senate Fiscal Agency
Cathy Petroskey, Clerk, House Agriculture Committee
Angie Lake, Clerk, House Appropriations Committee
Joe Hune, Chair, Senate Agriculture Committee
Dave Hildenbrand, Chair, Senate Appropriations Committee



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**Performance Audit of the Environmental Stewardship Division
Michigan Department of Agriculture & Rural Development
Summary of Agency Responses to Recommendations
10/1/2011 thru 6/30/2014**

- 1. Audit recommendations the agency complied with:**
 - **Finding 1**
 - **Finding 2**

- 2. Audit recommendations the agency agrees with and will comply:**
 - **NONE**

- 3. Audit recommendations the agency disagrees with:**
 - **NONE**

OAG Audits\ESD 60 Day Summary Response to OAG 062015 Exhibit B.doc

**Performance Audit of the Environmental Stewardship Division
Michigan Department of Agriculture & Rural Development
10/1/2011 thru 6/30/2014
CORRECTIVE ACTION PLAN**

FINDING #1:

We agree and have complied.

ESD concurs with part a. and has implemented procedures to document when a housing provider has withdrawn an application. This happens when weather or market conditions reduce a housing provider's need for migrant labor.

ESD concurs with parts b., c., and d. but notes that these 16 errors were associated with 2,779 inspection records for the 845 camps. Both training and database controls have been added to reduce this error rate of one-half of one percent of inspection records.

FINDING #2:

We agree and have complied.

ESD concurs with the finding and has implemented new controls. The method used to track violations has been changed, making it easier to compare inspection results from year to year. Inspectors are now explicitly referencing violations that were not resolved from the previous year and when observed, not recommending a license. Inspectors have also been directed to use ESD's authority to issue short temporary licenses to ensure that corrective action plans are implemented by the housing owner.