



Performance Audit

Bureau of Services for Blind Persons (BSBP)

Department of Licensing and Regulatory Affairs

Report Number:
641-0230-16

Released:
February 2017

BSBP is responsible for implementing programs to provide opportunities to individuals who are blind or visually impaired to achieve employment and/or achieve maximum meaningful independence in life through comprehensive rehabilitative services. BSBP, which annually assists more than 14,000 blind and visually impaired individuals, incurred expenditures totaling \$24.6 million for fiscal year 2015.

Audit Objective			Conclusion
Objective #1: To assess the effectiveness of BSBP's efforts to provide services to eligible clients.			Moderately effective
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
Case file documentation was missing or not prepared in a timely manner; therefore, it did not support clients' eligibility and agreement with services provided totaling \$680,000 and may have delayed clients' access to necessary services (<u>Finding #1</u>).	X		Agrees

Audit Objective			Conclusion
Objective #2: To assess the effectiveness of BSBP's efforts to monitor and assist Business Enterprise Program (BEP) operators in running profitable and well-managed vending facilities.			Moderately effective
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
Better monitoring of BEP vending facility operations could improve business management and help maximize service delivery and profitability. BSBP conducted 37.7% of site visits late, did not properly document 97.6% of site visits, and did not monitor equipment repair status and operator complaints (<u>Finding #2</u>).	X		Agrees

Audit Objective			Conclusion
Objective #3: To assess the effectiveness of BSBP's efforts to ensure that BEP equipment inventory is properly accounted for and safeguarded.			Effective
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
BSBP should continue to correct its BEP vending facility inventory records to ensure that all relevant information is documented, including purchase price, purchase date, description, and condition (<u>Finding #3</u>).		X	Agrees

Audit Objective			Conclusion
Objective #4: To assess the sufficiency of BSBP's oversight of BEP operators' financial reporting.			Sufficient
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
None reported.	Not applicable	Not applicable	Not applicable

A copy of the full report can be obtained by calling 517.334.8050 or by visiting our Web site at: www.audgen.michigan.gov

Office of the Auditor General
201 N. Washington Square, Sixth Floor
Lansing, Michigan 48913

Doug A. Ringler, CPA, CIA
Auditor General

Laura J. Hirst, CPA
Deputy Auditor General