



OAG

Office of the Auditor General

Report Summary

Performance Audit

Clean Michigan Initiative (CMI)

Environmental Protection Programs

Department of Environmental Quality (DEQ)

Report Number:
761-0217-16

Released:
March 2017

DEQ administers environmental protection programs funded with CMI bond proceeds. These programs include response activities at contaminated sites, redevelopment of waterfronts, remediation of contaminated lakes and rivers, nonpoint source pollution prevention and control, water quality monitoring, and pollution prevention efforts. DEQ's environmental protection programs account for \$570 million (84%) of the total \$675 million of CMI bonds. This performance audit was required by Section 324.19615 of the *Michigan Compiled Laws*.

Audit Objective			Conclusion
Objective #1: To assess the effectiveness of DEQ's efforts to ensure that the use of CMI funds complies with laws, regulations, and contract requirements.			Effective
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
None reported.	Not applicable.		

Audit Objective			Conclusion
Objective #2: To compile and report data for programs eligible for CMI funding.			Compiled and reported
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
None reported.	Not applicable.		
Observations Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
DEQ should work with the Legislature to obtain the necessary funding to continue or begin cleanup of the remaining CMI-eligible contaminated sites. After fiscal year 2017, adequate CMI funds will not exist to remediate the 7,300 remaining contaminated sites (<u>Observation #1</u>).	Not applicable for observations.		

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