



OAG

Office of the Auditor General

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Doug A. Ringler, CPA, CIA
Auditor General

January 2, 2018

Dear Governor Snyder, Senators, and Representatives:

This letter provides information regarding the status of our audit projects that either began or transitioned into new audit phases during December 2017. Please refer to our website's [Work in Progress](#) for a complete listing of ongoing projects. Although you will no longer receive individual letters reporting the start of audits or approved audit objectives, we would be pleased to discuss with you any interests or areas of concern you have with any of our ongoing projects.

Planning Phase - These are new projects. Typical activities include conducting: the audit entrance meeting; a preliminary survey to identify the audited entity's core activities; assessments of risks and corresponding controls to identify potential program or process improvements or deficiencies; interviews with management and staff, development of detailed audit objectives, and many other tasks.

Department	Audit Title and Type (Performance - per / Financial - fin / Follow-up - fol / Contracted - con) / Single - sa	Project Number
None		

Audits Terminated - For these projects, after completing the planning phase, we concluded that significant risk did not exist to warrant additional use of audit resources or that extenuating circumstances supported the termination of the project. When appropriate, we issued a Preliminary Survey Summary to reflect this conclusion, distributed copies to management and select legislative members, and posted the summaries on our website.

Department	Audit Title and Type	Project Number
None		

Audit Fieldwork - Typical activities include: additional management and staff interviews; detailed testing of financial transactions, case files, information systems, and other documentation which support the entity's operations; status updates with management and staff; and other tasks.

Department	Audit Title and Type	Project Number
None		

Please note that some projects, particularly financial audits and follow-up reports, operate from pre-established audit objectives and, therefore, move directly to the audit fieldwork stage.

Report Preparation - Typical activities include: preparing the draft audit report, discussion of draft findings with the audited entity, receipt of the entity's preliminary responses to findings, and other tasks.

Department	Audit Title and Type	Project Number	Estimated Audit Release Date
Legislature	Michigan Legislative Retirement System, Opinion on Financial Statements and Internal Control Report, for the Fiscal Year Ended September 30, 2017 - (fin)	900-0140-18	February 2018
Natural Resources	Fisheries Division - (per)	751-0150-17	February 2018
Talent and Economic Development	Michigan Strategic Fund, Opinion on Financial Statements and Internal Control Report, for the Fiscal Year Ended September 30, 2017 - (fin)	186-0401-18	February 2018
Talent and Economic Development	Michigan Economic Development Corporation, Opinion on Financial Statements and Internal Control Report, for the Fiscal Year Ended September 30, 2017 - (fin)	186-0406-18	February 2018
Technology, Management, and Budget	Michigan State Employees' Retirement System, Opinion on Financial Statements and Internal Control Report, for the Fiscal Year Ended September 30, 2017 - (fin)	071-0151-18	February 2018
Technology, Management, and Budget	Michigan Public School Employees' Retirement System, Opinion on Financial Statements and Internal Control Report, for the Fiscal Year Ended September 30, 2017 - (fin)	071-0152-18	February 2018
Technology, Management, and Budget	Michigan Judges' Retirement System, Opinion on Financial Statements and Internal Control Report, for the Fiscal Year Ended September 30, 2017 - (fin)	071-0153-18	February 2018
Technology, Management, and Budget	Michigan State Police Retirement System, Opinion on Financial Statements and Internal Control Report, for the Fiscal Year Ended September 30, 2017 - (fin)	071-0154-18	February 2018
Technology, Management, and Budget	State of Michigan 401K Plan, Opinion on Financial Statements and Internal Control Report, for the Fiscal Year Ended September 30, 2017 - (fin)	071-0156-18	February 2018
Technology, Management, and Budget	State of Michigan 457 Plan, Opinion on Financial Statements and Internal Control Report, for the Fiscal Year Ended September 30, 2017 - (fin)	071-0157-18	February 2018

Audits Released

Department	Audit Title and Type	Project Number	Date Released	Number of	
				Material Weaknesses	Reportable Conditions
Talent and Economic Development	Pure Michigan - (Legislative Request)	186-0411-17	11/28/2017	NA	NA
Licensing and Regulatory Affairs	Health Facility Licensing, Permits, and Support Division - (fol)	641-0450-14F	12/5/2017	0	0
Transportation	Funding for Department Services Provided to Local Units of Government - (fol)	591-0174-12F	12/8/2017	0	0
Transportation	Real Estate Services Section, Development Services Division - (per)	591-0172-17	12/12/2017	1	4
Transportation and Technology, Management, and Budget	MDOT Grant System - (per)	591-0593-17	12/12/2017	0	3
Health and Human Services	Interstate Compact Programs: Interstate Compact on the Placement of Children and Interstate Compact for Juveniles - (per)	431-0273-15	12/20/2017	6	0
Technology, Management, and Budget	State Sponsored Group Insurance Fund - Financial Report for the Fiscal Year Ended September 30, 2017 - (con)	NA	12/4/2017	NA	NA
Technology, Management, and Budget	State Building Authority - Financial Report for the Fiscal Year Ended September 30, 2017 - (con)	NA	12/4/2017	NA	NA
Transportation	Mackinac Bridge Authority - Financial Report for the Fiscal Year Ended September 30, 2017 - (con)	NA	12/4/2017	NA	NA
Treasury	Michigan Education Savings Program - Financial Report for the Fiscal Year Ended September 30, 2017 - (con)	NA	12/4/2017	NA	NA
Treasury	Michigan Education Trust Fund - Plans B & C - Annual Report for the Fiscal Year Ended September 30, 2017 - (con)	NA	12/7/2017	NA	NA
Treasury	Michigan Education Trust Fund - Plan D - Annual Report for the Fiscal Year Ended September 30, 2017 - (con)	NA	12/7/2017	NA	NA

Audits Released Con't

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				Material Weaknesses	Reportable Conditions
Talent and Economic Development	Unemployment Insurance Agency - Administration Fund - Financial Report for the Fiscal Year Ended September 30, 2017 - (con)	NA	12/8/2017	NA	NA
Talent and Economic Development	Unemployment Insurance Agency - Contingent Fund - Financial Report for the Fiscal Year Ended September 30, 2017 - (con)	NA	12/8/2017	NA	NA
Talent and Economic Development	Unemployment Insurance Agency - Obligation Trust Fund - Financial Report for the Fiscal Year Ended September 30, 2017 - (con)	NA	12/8/2017	NA	NA
Talent and Economic Development	Unemployment Insurance Agency - Unemployment Compensation Fund - Financial Report for the Fiscal Year Ended September 30, 2017 - (con)	NA	12/8/2017	NA	NA
Treasury	Michigan Finance Authority - Comprehensive Annual Financial Report for the Fiscal Year Ended September 30, 2017 - (con)	NA	12/13/2017	NA	NA

Although we report this information to you on a monthly basis, we immediately correspond with management and staff as our projects transition through the various stages referenced above.

Please contact me or Laura Hirst, Deputy Auditor General, at (517) 334-8050 if you have questions regarding this summary or wish to discuss specific audit projects.

Sincerely,



Doug Ringler
Auditor General

c: Agency Audit Liaisons
SBO-Office of Internal Audit Services