



OAG

Office of the Auditor General

201 N. Washington Square, Sixth Floor • Lansing, Michigan 48913 • Phone: (517) 334-8050 • audgen.michigan.gov

Doug A. Ringler, CPA, CIA
Auditor General

June 1, 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 May 2018. 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	Project Number
	(Performance - per / Financial - fin / Follow-up - fol / Contracted - con / Single - sa / Review - rev / Investigative - inv)	
State	Regulatory Monitoring Division - (per)	231-0220-18
State Police	Biometric and Identification Division - (per)	551-0133-18
Technology, Management, and Budget	MiLogin - (per)	071-0570-18

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
Licensing and Regulatory Affairs	Oversight of Health Professions Bureau of Health Care Services - (fol)	641-0430-14F

Approved Objectives:

- To determine whether LARA had taken appropriate corrective measures in response to the three material conditions noted in our February 2015 report.

Technology, Management, and Budget	Executive Order 2016-24 Enterprise Information Management - (per)	071-1595-18
------------------------------------	---	-------------

Approved Objectives:

- To assess the effectiveness of DTMB's efforts to comply with Executive Order 2016-24.
- To provide a status of the State's compliance with EO 2016-24.

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.

<u>Department</u>	<u>Audit Title and Type</u>	<u>Project Number</u>	<u>Estimated Audit Release Date</u>
Environmental Quality	Flint Water Line Replacement Expenditures - (per)	761-3017-17	June 2018
State Budget Office	State Public Universities' Reporting of Selected Higher Education Institutional Data Inventory (HEIDI) Data - (per)	331-0300-18	June 2018
State Budget Office	State of Michigan Single Audit Report - Fiscal Year Ended September 30, 2017 - (sa)	000-0100-18	June 2018
Corrections	Offender Management System - (per)	471-0593-17	July 2018

Audits Released

<u>Department</u>	<u>Audit Title and Type</u>	<u>Project Number</u>	<u>Date Released</u>	<u>Number of</u>	
				<u>Material Weaknesses</u>	<u>Reportable Conditions</u>
Agriculture and Rural Development	Pesticide Program, Pesticide and Plant Pest Management Division - (per)	791-0215-17	5/1/2018	0	2
Technology, Management, and Budget	Statewide Oracle Database Controls - (fol)	071-0565-14F	5/15/2018	0	1
Health and Human Services	Michigan Rehabilitation Services - (per)	431-0246-16	5/31/2018	0	6

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