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Office of the Auditor General

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Doug A. Ringler, CPA, CIA
Auditor General

July 1, 2019

Dear Governor Whitmer, Senators, and Representatives:

This letter provides information regarding the status of our audit projects that either began or transitioned into new audit phases during June 2019. Please refer to our website's [Work in Progress](#) for a complete listing of ongoing projects. 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)	
Corrections	Special Alternative Incarceration Program - (per)	471-0202-19
Education	Section 31a Program for At-Risk Pupils - (per)	313-0160-19
Environment, Great Lakes, and Energy	Sustainability Section, Materials Management Division - (per)	761-0335-19

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
Agriculture and Rural Development	Food and Dairy Division - (fol)	791-0220-12F

Approved Updated Objective:

- To determine whether the Michigan Department of Agriculture and Rural development had taken appropriate corrective measures in response to our audit report issued May 2013.

Transportation	Bridge Inspections Program and MiBridge System - (per)	591-0169-19
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Approved Updated Objective:

- To assess the effectiveness of MDOT's efforts to administer its quality control and quality assurance program over bridge inspections and load ratings.

2. To assess MDOT's compliance with selected federal and State requirements for its bridge inspection program.
3. To assess the effectiveness of selected MiBridge access, backup, and application controls.

Talent and Economic Development Claimant Services, Unemployment Insurance, Talent Investment Agency - (fol) 641-0318-14F

Approved Updated Objective:

1. To determine whether the Department of Talent and Economic Development had taken appropriate corrective measures in response to our audit report issued April 2016.

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
State Budget Office	Single Audit Report, State of Michigan (Fiscal Year Ended September 30, 2018) - (sa)	000-0100-19	July 2019
Technology, Management, and Budget	Michigan Cyber Civilian Corp - (per)	071-0519-19	August 2019
Environment, Great Lakes, and Energy	Office of the Great Lakes - (per)	751-0321-18	August 2019

Audits Released

Department	Audit Title and Type	Project Number	Date Released	Number of	
				Material Weaknesses	Reportable Conditions
Military and Veterans Affairs	Grand Rapids Home for Veterans - (per)	511-0170-18	06/14/2019	2	4
Licensing and Regulatory Affairs and State Police	Michigan Public Service Commission - (fol)	641-0170-13F	06/18/2019	0	0
State Budget Office	Independent Accountant's Review Report, Revenue Subject to Constitutional Limitation - (rev)	071-0030-19	06/26/2019	0	0
State Budget Office	Independent Accountant's Review Report, Proportion of Total State Spending from State Sources - (rev)	071-0031-19	06/26/2019	0	0
State Budget Office	Report on Internal Control, Compliance, and Other Matters - State of Michigan Comprehensive Annual Financial Report - Fiscal Year Ended September 30, 2018 - (fin)	071-0010-19	06/28/2019	1	10

We report this information to you on a monthly basis, and we correspond with auditee management and staff regularly 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