



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

June 28, 2019

Mr. Rick Lowe, Director
Office of Internal Audit Services
Office of the State Budget
George W. Romney Building
111 South Capitol, 6th Floor
Lansing, MI 48913

Dear Mr. Lowe,

In accordance with the State of Michigan, Financial Management Guide, Part VII, the following is our corrective action plan to address recommendations contained within the Office of the Auditor General's Performance Audit of the Children of Veterans Tuition Grant Program (CVTG), Report Number 271-0311-18, from October 1, 2015 – August 17, 2018.

1. Audit recommendations the agency complied with:

Controls over eligibility determinations could be improved:

We recommend that SSG strengthen its controls over CVTG eligibility determinations.

Agency Plan: As of August 2018, SSG has updated its college program review processes to include a student's driver's license and, if necessary, tax information to verify legal residency. The Program Coordinator currently verifies the address using the Michigan Department of State's system (Multi-Bridge) and reverifies parent residency every two years thereafter while student is receiving CVTG. Before approving a student's application, SSG accesses the Michigan Department of Corrections' incarceration records for criminal history verification. SSG has added a check box to the application where the student must indicate previous enrollment. If the student was previously enrolled, a transcript must be provided to SSG before eligibility can be determined.

Program review documentation should be maintained:

We recommend that SSG maintain supporting documentation of its program reviews.

Agency Plan: Since August 2018, SSG has kept supporting documentation in locked storage cabinets until the next review cycle (typically every three years).

2. Audit recommendations the agency agrees with and will comply: None
3. Audit recommendations the agency disagrees with: None

Should you have any questions regarding the corrective action plan, please contact Carla Foltyn at (517) 335-1790 or at foltync@michigan.gov.

Sincerely,

Signature Redacted

Anne Wohlfert, Acting Deputy State Treasurer
Student Financial Services Bureau

- c:
- JoAnne Huls, Executive Office
 - Jay Rising, Executive Office
 - Doug Ringler, Office of the Auditor General
 - Mark Huizenga, House Appropriations Sub-committee
 - Jim Stamas, Senate Appropriations Sub-committee
 - Jason Sheppard, House Standing Committee
 - Mike Shirkey, Senate Standing Committee
 - Mary Ann Cleary, House Fiscal Agency
 - Christopher Harkins, Senate Fiscal Agency
 - Rachael Eubanks, Treasury
 - Ann Good, Treasury
 - Bruce Hanses, Treasury
 - Mike Williams, Office of Internal Audit Services
 - Fran Thelen, Office of Internal Audit Services
 - Carla Foltyn, Treasury
 - Janice Hursey-Anderson, Treasury