



# OAG

Office of the Auditor General

## Report Summary

### *Performance Audit*

**Report Number:**  
**391-0645-18**

### *Aging and Adult Services Agency (AASA)*

### *Michigan Department of Health and Human Services (MDHHS)*

**Released:**  
**October 2019**

AASA is Michigan's designated State unit on aging as mandated by the federal Older Americans Act. AASA is responsible for addressing older adult issues; facilitating and funding programs and services for older adults; and supervising, monitoring, assessing, and evaluating the services provided to older adults by Michigan's 16 local area agencies on aging (local agencies). AASA provides direct guidance to the local agencies and monitors the local agencies' oversight activities related to more than 1,300 subcontracted service providers. For fiscal year 2017, AASA expended \$93.9 million, of which \$78.9 million (84%) was funding for local agencies.

Audit Objective			Conclusion
Objective #1: To assess the effectiveness of AASA's efforts to monitor agencies that provided select services to older adults in Michigan.			Moderately effective
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
Twenty percent of local agencies' subcontractor assessment documentation did not fully support the agencies' on-site review procedures or the conclusions. In addition, AASA often did not appropriately conduct and/or document its oversight activities related to the local agencies' subcontracted service providers ( <a href="#">Finding #1</a> ).	X		Agrees
AASA field representatives did not always adequately document review procedures to support their conclusions for annual on-site assessments of local agencies ( <a href="#">Finding #2</a> ).		X	Agrees
AASA could improve its criminal background check review process for local agencies. We noted instances of unverified contracted service provider background checks, insufficient local agency employee and volunteer background check reviews, and inconsistent background check review guidelines for local agencies ( <a href="#">Finding #3</a> ).		X	Partially agrees
AASA did not ensure that 33% of local agency employees, or any of the volunteers reviewed, received required annual in-service trainings ( <a href="#">Finding #4</a> ).		X	Agrees

Audit Objective			Conclusion
Objective #2: To assess the effectiveness of AASA's efforts in evaluating its performance.			Effective
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
None reported.		Not applicable.	

Audit Objective			Conclusion
Objective #3: To assess the effectiveness of selected MDHHS and Department of Technology, Management, and Budget security and access controls over the Aging Information System (AIS).			Moderately effective
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
AIS needs improved security controls to better protect system data against vulnerabilities and threats that could impact AIS security ( <u>Finding #5</u> ).		X	Agrees
Of the terminated or transferred AIS users that we reviewed, 33% still had active AIS accounts. Also, 55% of the users that we reviewed had AIS access rights in excess of those authorized and approved by AASA ( <u>Finding #6</u> ).		X	Agrees

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