



OAG

Office of the Auditor General

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Doug A. Ringler, CPA, CIA
Auditor General

November 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 October 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.

<u>Department</u>	<u>Audit Title and Type</u> (Performance - per / Financial - fin / Follow-up - fol / Contracted - con / Single - sa / Review - rev / Investigative - inv)	<u>Project Number</u>
Education	Criminal History of Educators and Other School Employees - (per)	313-0640-20

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.

<u>Department</u>	<u>Audit Title and Type</u>	<u>Project Number</u>
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.

<u>Department</u>	<u>Audit Title and Type</u>	<u>Project Number</u>
Health and Human Services	Walter P. Reuther Psychiatric Hospital - (fol)	391-0230-16F

Approved Objective:

- To determine whether the Department of Health and Human Services had taken appropriate corrective measures in response to our audit report issued November 2017.

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>
Labor and Economic Opportunity	Michigan State Housing Development Authority Cash and Investment Balances - (fin)	186-0201-19	December 2019
State	Bureau of Elections - (per)	231-0235-19	December 2019
Technology, Management, and Budget	MiLogin - (per)	071-0570-18	December 2019
State	Office of Hearings and Administrative Oversight - (per)	231-0233-19	January 2020

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>
Technology, Management, and Budget	Employee Benefits Division's Postemployment Life Insurance Benefit Schedule of Employer Allocations for the year ended September 30, 2018 - (rev)	071-0168-19	10/7/2019	0	0
Environment, Great Lakes, and Energy	Flint Water Service Line Replacement Expenditures - (per)	761-3017-19	10/16/2019	0	0
Health and Human Services	Aging and Adult Services Agency - (per)	391-0645-18	10/29/2019	1	5

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