



OAG

Office of the Auditor General

Report Summary

*Performance Audit
Office of Hearings and
Administrative Oversight (OHAO)
Department of State*

**Report Number:
231-0233-19**

**Released:
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OHAO appoints hearing officers to conduct appeals from individuals who disagree with licensing decisions, such as license denial, suspension, or revocation. At the conclusion of an appeal, the hearing officer renders a decision to uphold the original decision, grant a restricted license, or set aside the original decision. In addition, OHAO monitors the Ignition Interlock Program that oversees individuals with a restricted license requiring a breath alcohol ignition interlock device (BAIID) granted by a hearing officer. In fiscal year 2018, OHAO expended \$3.9 million. As of June 3, 2019, OHAO had 29 employees.

Audit Objective			Conclusion
Objective #1: To assess the sufficiency of OHAO's oversight of BAIID manufacturers and service centers.			Sufficient, with exceptions
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
BAIID manufacturers and service centers did not meet all compliance requirements of the <i>Michigan Compiled Laws</i> to be approved for operating. We noted: <ul style="list-style-type: none"> Missing applications for manufacturers and service centers. Underserved areas within the State for BAIID servicing (Finding #1). 		X	Agrees

Audit Objective			Conclusion
Objective #2: To assess the effectiveness and efficiency of OHAO's oversight of the Ignition Interlock Program.			Moderately effective and moderately efficient
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
Forty percent of sampled potential BAIID violations exceeded 45 business days for review (Finding #2).		X	Agrees
Access remained for 27 Ignition Interlock System user accounts after the user no longer required access to the system or after the account was inactive for more than 60 days (Finding #3).		X	Agrees

Audit Objective		Conclusion	
Objective #3: To assess the sufficiency of OHAO's appeals hearing processes.		Sufficient	
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
None reported.		Not applicable.	

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