



# OAG

Office of the Auditor General

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**Doug A. Ringler, CPA, CIA**  
Auditor General

December 1, 2020

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 November 2020. 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.

<b>Department</b>	<b>Audit Title and Type</b> (Performance - per / Financial - fin / Follow-up - fol / Contracted - con / Single - sa / Review - rev / Investigative - inv)	<b>Project Number</b>
None		

**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.

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

<b>Department</b>	<b>Audit Title and Type</b>	<b>Project Number</b>
Education	Office of Educator Excellence - (per)	313-0140-18

**Approved Audit Objective Removal:**

We made a change regarding the objective to assess the effectiveness of selected MDE user access controls over the Michigan Online Educator Certification System (MOECS). To obtain sufficient support to conclude on this objective, we identified the need to test additional system users, including educators. However, due to the current pandemic and its impact on school personnel availability, this work has been delayed and will be incorporated into a future audit of the MOECS system.

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.

<b>Department</b>	<b>Audit Title and Type</b>	<b>Project Number</b>	<b>Estimated Audit Release Date</b>
Environment, Great Lakes, and Energy	Clean Michigan Initiative Environmental Protection Programs - (per)	761-0217-20	January 2021
Transportation	State Agencies' Use of Transportation Related Funding - (per)	591-0105-20	January 2021

**Audits Released**

<b>Department</b>	<b>Audit Title and Type</b>	<b>Project Number</b>	<b>Date Released</b>	<b>Number of</b>	
				<b>Material Weaknesses</b>	<b>Reportable Conditions</b>
Labor and Economic Opportunity	Michigan State Housing Development Authority, Financial Report for the Fiscal Year Ended June 30, 2020 - (con)	N/A	11/04/2020	N/A	N/A
Environment, Great Lakes, and Energy	Flint Water Service Line Replacement Expenditures - (per)	761-3017-20	11/06/2020	0	0
Technology, Management, and Budget	Michigan State Employees' Retirement System, Schedule of Employer Allocations and Schedules of Pension and Other Postemployment Benefit Amounts by Employer - (rev)	071-0165-20	11/24/2020	0	1

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