



# OAG

Office of the Auditor General

201 N. Washington Square, Sixth Floor • Lansing, Michigan 48913 • Phone: (517) 334-8050 • audgen.michigan.gov

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

July 1, 2021

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 June 2021. 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.

Department	Audit Title and Type	Project Number
	(Performance - per / Financial - fin / Follow-up - fol / Contracted - con / Single - sa / Review - rev / Investigative - inv)	
Natural Resources	The Michigan History Center - (per)	751-2600-21

**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.

Department	Audit Title and Type	Project Number
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.

Department	Audit Title and Type	Project Number
Environment, Great Lakes, and Energy	Flint Water Service Line Replacement Expenditures - (per)	761-3017-21

**Approved Objectives:**

1. To determine the appropriateness of EGLE's administrative process to issue payments or reimbursements for the Flint water service line replacements.
2. To determine the appropriateness of EGLE's expenditure of the Flint water service line replacement appropriations as of July 31, 2021.
3. To report EGLE's expenditures of the Flint water service line replacement appropriations.

Department	Audit Title and Type	Project Number
Health and Human Services	Michigan Long Term Care Ombudsman Program - (per)	391-0571-21
<b>Approved Objectives:</b>		
<ol style="list-style-type: none"> <li>To assess the sufficiency of AASA's oversight of the Michigan Long Term Care Ombudsman program.</li> <li>To assess the effectiveness of select security and access controls over OmbudsManager.</li> </ol>		

Department	Audit Title and Type	Project Number
Licensing and Regulatory Affairs	Aboveground and Underground Storage Tank Programs - (per)	641-0436-21
<b>Approved Objectives:</b>		
<ol style="list-style-type: none"> <li>To assess the sufficiency of the Storage Tank Division's efforts to conduct storage tank inspections.</li> <li>To assess the effectiveness of select LARA security and access controls over Accela.</li> <li>To assess the Storage Tank Division's compliance with statutory reporting requirements.</li> </ol>		

Department	Audit Title and Type	Project Number
Natural Resources	State Parks' Concessions, Leases, and Operating Agreements - (per)	751-0135-21
<b>Approved Objectives:</b>		
<ol style="list-style-type: none"> <li>To assess the effectiveness of the Division's efforts to award State Park concession, lease, and operating agreement contracts in accordance with applicable requirements.</li> <li>To assess the sufficiency of the Division's efforts to monitor State Park concessions, leases, and operating agreements.</li> <li>To assess the sufficiency of the Division's efforts to maximize revenue or obtain valuable consideration from concessions, leases, and operating agreements.</li> </ol>		

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.

Department	Audit Title and Type	Project Number	Estimated Audit Release Date
Education	Virtual Learning in Cyber Schools - (per)	313-0225-18	August 2021
State Budget Office	State of Michigan Single Audit - (sa)	000-0100-21	July 2021

### Audits Released

Department	Audit Title and Type	Project Number	Date Released	Number of	
				Material Weaknesses	Reportable Conditions
State Budget Office	COVID-19 Expenditures Report 4 - (per)	000-2000-20D	06/04/2021	0	0
Health and Human Services	Monitoring of Selected Child Welfare Caseloads - (per)	431-2785-18	06/16/2021	3	1
State Budget Office	Independent Accountant's Review Report, Revenue Subject to Constitutional Limitation (FY 2019-2020) - (rev)	071-0030-21	06/25/2021	0	0

**Audits Released, *continued***

Department	Audit Title and Type	Project Number	Date Released	Number of	
				Material Weaknesses	Reportable Conditions
State Budget Office	Independent Accountant's Review Report, Proportion of Total State Spending from State Sources (FY 2019-2020) - (rev)	071-0031-21	06/25/2021	0	0

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