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Office of the Auditor General

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Doug A. Ringler, CPA, CIA
Auditor General

August 2, 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 July 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 (Performance - per / Financial - fin / Follow-up - fol / Contracted - con / Single - sa / Review - rev / Investigative - inv)	Project Number
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.

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
Agriculture and Rural Development	Grain Dealers Program - (per)	791-0240-21

Approved Objectives:

1. To assess the effectiveness of GDP's efforts to administer the Grain Dealers Program.
2. To assess the effectiveness of GDP's efforts to license grain dealers.
3. To assess the effectiveness of GDP's efforts to validate producer loss claims.

Department	Audit Title and Type	Project Number
Health and Human Services	PATH SSI Deferrals - (per)	431-3302-21
Approved Objectives:		
<ol style="list-style-type: none"> 1. To assess the effectiveness of MDHHS's processes to defer SSI applicants from the PATH Program. 2. To assess the effectiveness of MDHHS's processes to defer non-SSI applicants from the PATH Program. 		

Department	Audit Title and Type	Project Number
Labor and Economic Opportunity	Single Audit of the Michigan State Housing Development Authority for the Fiscal Year Ended June 30, 2021 - (sa)	000-0800-22
Approved Objectives:		
<ol style="list-style-type: none"> 1. A single audit determines whether the financial statements are presented fairly and considers internal control over financial reporting and on compliance and other matters. 2. In addition, the single audit evaluates MSHDA's compliance with laws, regulations, and provisions of contracts or grant agreements that may have a direct and material effect on each of its major programs. 		

Department	Audit Title and Type	Project Number
Labor and Economic Opportunity	Michigan State Housing Development Authority - Financial Report for the Fiscal Year Ended June 30, 2021 – (con)	N/A
Approved Objectives:		
<ol style="list-style-type: none"> 1. To express an opinion on whether the entity's financial statements are fairly presented in conformity with accounting principles generally accepted in the United States of America. 2. To issue a report on internal control over financial reporting and on compliance and other matters in accordance with generally accepted government auditing standards. 		

Department	Audit Title and Type	Project Number
Labor and Economic Opportunity	Michigan Integrated Data Automated System (MIDAS) - (per)	186-0593-21
Approved Objectives:		
<ol style="list-style-type: none"> 1. To assess the effectiveness of UIA and DTMB's efforts to implement selected security and access controls over MiDAS and MiWAM. 2. To assess the effectiveness of UIA and DTMB's efforts to implement controls over MiDAS and MiWAM interfaces. 3. To assess the effectiveness of UIA and DTMB's efforts to implement change controls over the MiDAS and MiWAM application and data. 		

Department	Audit Title and Type	Project Number
State	Bureau of Elections - (per)	231-0235-21
Approved Objectives:		
<ol style="list-style-type: none"> 1. To assess the sufficiency of BOE's efforts to maintain the integrity of the QVF. 2. To assess the effectiveness of selected application access controls over the QVF System and the Electronic Poll Book. 3. To assess the sufficiency of selected BOE post-election review procedures to help ensure the integrity of elections. 4. To assess the sufficiency of BOE's efforts to establish and provide training to the county, city, and township officials who are responsible for conducting elections. 		

Department	Audit Title and Type	Project Number
State Budget Office	State of Michigan Annual Comprehensive Financial Report (SOMCAFR) - Financial Audit for the Fiscal Year Ended September 30, 2021 - (fin)	071-0010-22

Approved Objectives:

1. To express an opinion on whether the entity's financial statements are fairly presented in conformity with accounting principles generally accepted in the United States of America.
2. To issue a report on internal control over financial reporting and on compliance and other matters in accordance with generally accepted government auditing standards.

Department	Audit Title and Type	Project Number
Transportation	Aggregate Quality Process - (per)	591-0420-21

Approved Objectives:

1. To assess the sufficiency of MDOT's efforts to ensure aggregate quality.
2. To assess the effectiveness of MDOT's efforts to administer the Aggregate Supplier Program.

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
State Police	Michigan Justice Training Fund - (fin)	551-0101-21	August 2021
Technology, Management, and Budget	Michigan Public School Employees' Retirement System Schedules of Employer Pension and OPEB Allocations and Schedule of Collective Pension and OPEB Amounts - (rev)	071-0164-21	September 2021

Audits Released

Department	Audit Title and Type	Project Number	Date Released	Number of	
				Material Weaknesses	Reportable Conditions
State Budget Office	Statewide Single Audit - (sa)	000-0100-21	07/28/2021	17	50
State Budget Office	Flint Emergency Expenditures - (per)	000-2021-21	07/30/2021	0	4
Labor and Economic Opportunity	Unemployment Insurance Agency - Administration Fund, Single Audit Report for the Fiscal Year Ended September 30, 2020 - (con)	N/A	07/30/2021	1	0
Labor and Economic Opportunity	Unemployment Insurance Agency - Unemployment Compensation Fund Single Audit Report for the Fiscal Year Ended September 30, 2020 - (con)	N/A	07/30/2021	6	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