



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

June 29, 2021

Rick Lowe, Director
Office of Internal Audit Services
Office of the State Budget
George W. Romney Building
111 South Capitol, 6th Floor
Lansing, MI 48913

Dear Mr. Lowe,

In accordance with the State of Michigan, Financial Management Guide, Part VII, the following is our corrective action plan to address recommendations contained within the Office of the Auditor General's Financial Audit of the Michigan Education Trust Plan D, Report Number 271-0283-21, for fiscal year ended September 30, 2020.

1. Audit recommendations the agency complied with: None
2. Audit recommendations the agency agrees with and will comply:

Financial Reporting Processes Should be Improved:

We recommend that MET improve its financial reporting processes.

Agency Plan:

Since the finding, MET staff has started to modify the financial reporting process as well as established an Accounting Analyst 12 position. The Accounting Analyst will be the resource person to work with the Accounting Manager to review, evaluate and update written procedures for the Year-End financial reporting processes. MET anticipates implementation by September 30, 2021.

Additionally, staff is seeking approval from the MET Board of Directors to increase the FTE count to establish an additional Accountant 9-11 position. This position would distribute workflow more efficiently and further ensure separation of duties. Action is expected at the May 13, 2021, Board of Director's meeting.

3. Audit recommendations the agency disagrees with: None

Should you have any questions regarding the corrective action plan, please contact Diane Brewer at BrewerD1@michigan.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey Guilfoyle". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Jeffrey Guilfoyle
Chief Deputy State Treasurer

Cc: JoAnne Huls, Executive Office
Doug Ringler, Office of the Auditor General
Greg VanWoerkom, House Appropriations Sub-committee
Roger Victory, Senate Appropriations Sub-committee
Mike Mueller, House Standing Committee
Mike Shirkey, Senate Standing Committee
Mary Ann Cleary, House Fiscal Agency
Christopher Harkins, Senate Fiscal Agency
Rachael Eubanks, Treasury
Ann Good, Treasury
Robin Lott, Treasury
Diane Brewer, Treasury
Bruce Hanses, Treasury
Mike Williams, Office of Internal Audit Services
Fran Thelen, Office of Internal Audit Services