



OAG

Office of the Auditor General

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Doug A. Ringler, CPA, CIA
Auditor General

October 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 September 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
Health and Human Services	Michigan State Disbursement Unit - (per)	431-0142-21

Approved Objectives:

1. To assess the effectiveness of OCS's efforts to ensure the accurate receipt and timely disbursement of child support remittances by the MiSDU vendor.
2. To assess the effectiveness of OCS's efforts in monitoring the accuracy and completeness of the bank accounts used to record child support financial activities.

Department	Audit Title and Type	Project Number
Health and Human Services	Select Licensing and Monitoring Activities of Child Placing Agencies - (per)	431-2780-16
Approved Objective:		
1. To determine the effectiveness of selected MDHHS activities to license and monitor child placing agencies and services.		
We combined the objectives previously reported to better reflect the focus of our audit work.		

Department	Audit Title and Type	Project Number
Labor and Economic Opportunity	Michigan Strategic Fund - (fin)	186-0401-22
	Michigan Economic Development Corporation - (fin)	186-0406-22
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	Contractor Performance Evaluation Process - (per)	591-0421-21
Approved Objective:		
1. To assess the effectiveness of MDOT's efforts to evaluate contractor performance.		

Department	Audit Title and Type	Project Number
Labor and Economic Opportunity	Unemployment Insurance Agency - Administration Fund - Financial Report for the Fiscal Year Ended September 30, 2021 - (con)	NA
	Unemployment Insurance Agency - Unemployment Compensation Fund - Financial Report for the Fiscal Year Ended September 30, 2021 - (con)	NA
	Unemployment Insurance Agency - Contingent Fund - Financial Report for the Fiscal Year Ended September 30, 2021 - (con)	NA
	Unemployment Insurance Agency - Obligation Trust Fund - Financial Report for the Fiscal Year Ended September 30, 2021 - (con)	NA
Transportation	Mackinac Bridge Authority - Financial Report for the Fiscal Year Ended September 30, 2021 - (con)	NA
Treasury	Bureau of State Lottery - Financial Report for the Fiscal Year Ended September 30, 2021 - (con)	NA
	Michigan Education Savings Program - Financial Report for the Fiscal Year Ended September 30, 2021 - (con)	NA
	Michigan Achieving a Better Life Experience - Financial Report for the Fiscal Year Ended September 30, 2021 - (con)	NA
	Michigan Education Trust, Plan D - Financial Report for the Fiscal Year Ended September 30, 2021 - (con)	NA
	Michigan Education Trust, Plans B & C - Financial Report for the Fiscal Year Ended September 30, 2021 - (con)	NA

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.

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
Health and Human Services	Aging and Adult Services Agency - (fol)	391-0645-18F	October 2021
State Budget Office	COVID-19 Expenditures - Report 5 - (per)	000-2000-20E	October 2021
Technology, Management, and Budget	Michigan State Employees' Retirement System Schedules of Employer Pension and OPEB Allocations and Schedule of Collective Pension and OPEB Amounts - (rev)	071-0165-21	October 2021
Treasury and State Police	Emergency 9-1-1 Fund - (fin)	271-0265-20	October 2021

Audits Released

Department	Audit Title and Type	Project Number	Date Released	Number of	
				Material Weaknesses	Reportable Conditions
Education	Virtual Learning in Cyber Schools - (per)	313-0225-18	09/24/2021	2	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