



Office of the Auditor General

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Doug A. Ringler, CPA, CIA
Auditor General

February 1, 2023

Dear Governor Whitmer, Senators, and Representatives:

This letter provides information regarding the status of our audit projects that either began or transitioned into a new audit phase during January 2023. 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.

- 1. 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)	
Transportation	Construction Claims and Dispute Resolutions - (per)	591-0422-23

- 2. 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		

- 3. 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. 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.

Department	Audit Title and Type	Project Number
Labor and Economic Opportunity	Self-Insurers' Security Fund - (fin)	186-0101-23

Approved Objectives:

- 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.
- 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	Unemployment Insurance Agency's Fraud and Investigation Activities - (per)	186-0320-22

Approved Objective:

1. To assess the sufficiency of UIA's efforts to identify and investigate potential claimant fraud.

4. **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
Technology, Management, and Budget	State Sponsored Group Insurance Fund, Opinion on Financial Statements and Internal Control Report, for the Fiscal Year Ended September 30, 2022 - (fin)	071-0143-23	February 2023
Licensing and Regulatory Affairs	Liquor Purchase Revolving Fund, Opinion on Financial Statements and Internal Control Report - (fin)	641-0161-22	March 2023
Technology, Management, and Budget	Michigan Judges' Retirement System, Opinion on Financial Statements and Internal Control Report, for the Fiscal Year Ended September 30, 2022 - (fin)	071-0153-23	March 2023
Technology, Management, and Budget	Michigan Military Retirement Provisions, Opinion on Financial Statements and Internal Control Report, for the Fiscal Year Ended September 30, 2022 - (fin)	071-0158-23	March 2023
Education	Criminal Conviction Monitoring of Public School Contracted Employees - (per)	313-0640-21	April 2023

5. Audits Released

Department	Audit Title and Type	Project Number	Date Released	Number of	
				Material Weaknesses	Reportable Conditions
Environment, Great Lakes, and Energy	Flint Water Service Line Replacement Expenditures - (per)	761-3017-22	01/06/2023	0	0
Labor and Economic Opportunity	Claims Processing During the COVID-19 Pandemic - (per)	186-0319-21	01/06/2023	10	4
Technology, Management, and Budget	Office of Children's Ombudsmen - (fol)	071-0176-17F	01/06/2023	0	0
Treasury	Michigan Finance Authority - Financial Report for the Fiscal Year Ended September 30, 2022 - (con)	N/A	01/09/2023	N/A	N/A
Transportation	Mackinac Bridge Authority - Financial Report for the Fiscal Year Ended September 30, 2022 - (con)	N/A	01/10/2023	1	0

Department	Audit Title and Type	Project Number	Date Released	Number of	
				Material Weaknesses	Reportable Conditions
Technology, Management, and Budget	State of Michigan 401K Plan, Opinion on Financial Statements and Internal Control Report, for the Fiscal Year Ended September 30, 2022 - (fin)	071-0156-23	01/13/2023	0	0
Technology, Management, and Budget	State of Michigan 457 Plan, Opinion on Financial Statements and Internal Control Report, for the Fiscal Year Ended September 30, 2022 - (fin)	071-0157-23	01/13/2023	0	0
Legislature	Michigan Legislative Retirement System, Independent Auditor's Opinion on Financial Statements, for the Fiscal Year Ended September 30, 2022 - (fin)	900-0140-23	01/20/2023	N/A	N/A
Technology, Management, and Budget	Employee Benefits Division's Postemployment Life Insurance Benefit Schedule of Employer Allocations, Independent Auditor's Opinion for the year ended September 30, 2021 - (fin)	071-0168-22	01/20/2023	N/A	N/A
Treasury	Michigan Education Savings Program - Financial Report for the Fiscal Year Ended September 30, 2022 - (con)	N/A	01/24/2023	N/A	N/A

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.

This communication is intended solely for the information and use of the Governor, the Legislature, and, if appropriate, management and is not intended to be, and should not be, used by anyone other than these specified parties.

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