



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

March 22, 2022

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 Plans B & C for fiscal year ended September 30, 2021.

1. Audit recommendations the agency complied with:

Finding **2021-001:**

General ledger account balances should be reconciled on a timely basis, at least monthly, for significant accounts. In addition, overall financial information should be reviewed and monitored by someone in management independent of the preparation process.

Agency Plan:

The Treasury agrees that the general ledger account balances should be reconciled on a timely basis, at least monthly for significant accounts. The Treasury also agrees that financial information should be reviewed and monitored by someone in management independent of the predation process. As of February 4, 2022, the Treasury has brought balances and reconciliation current and will continue to realign staff to maintain balances and reconciliation monthly, with management oversight to verify completion documentation.

Finding **2021-002:**

All audit reconciliations and supporting schedules should be stored and maintained in the appropriate location for an appropriate period of time.

Agency Plan:

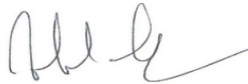
The Treasury agrees that all audit reconciliations and supporting schedules should be stored and maintained in the appropriate location for an appropriate period of time. As of November 1, 2021, Treasury has realigned staff and established a network location, accessible only to accounting staff, where program financial information is now stored electronically, pursuant to the TREA-OPFP retention schedule.

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

3. Audit recommendations the agency disagrees with: None

Should you have any questions regarding the corrective action plan, please contact Diane Brewer at (517) 899-7792 or at BrewerD1@michigan.gov.

Sincerely,



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
Kathryn Summers, Senate Fiscal Agency
Rachael Eubanks, Treasury
Ann Good, Treasury
Robin Lott, Treasury
Diane Brewer, Treasury
Megan Patino, Treasury
Bruce Hanses, Treasury
Mike Williams, Office of Internal Audit Services
Fran Thelen, Office of Internal Audit Services