



OAG

Office of the Auditor General

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Doug A. Ringler, CPA, CIA
Auditor General

February 1, 2024

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 2024. 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.

Audit Title and Type

(Performance - per / Financial - fin / Follow-up - fol /

Contracted - con / Single - sa / Review - rev / Investigative - inv)

Department	Audit Title and Type	Project Number
None		

- 2. Audits Terminated** - For these projects, after completing the planning phase, we concluded significant risk did not exist to warrant additional use of audit resources or 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 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)	186-0101-24

Approved Objectives:

- To express an opinion on whether the entity's financial statements are fairly presented in accordance 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
State Budget Office	State of Michigan Annual Comprehensive Financial Report (SOMACFR) - Financial Audit for the Fiscal Year Ended September 30, 2023 - (fin)	071-0010-24

Status Update:

We will include an emphasis of a matter in our opinion referring to note 4 which informs readers of the adoption of Governmental Accounting Standards Board Statement No. 96, Subscription-based Information Technology Arrangements, and the restatement of beginning net position to correct prior period errors in discretely presented component units and a fiduciary fund.

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
Legislature	Michigan Legislative Retirement System, Report on Internal Control, for the Fiscal Year Ended September 30, 2023 - (fin)	900-0140-23	February 2024
Military and Veterans Affairs	Michigan Veterans' Facility Authority, Opinion on Financial Statements and Report on Internal Control, for the Fiscal Year Ended September 30, 2023 - (fin)	512-0101-24	March 2024
Technology, Management, and Budget	Michigan State Employees' Retirement System, Opinion on Financial Statements and Report on Internal Control, for the Fiscal Year Ended September 30, 2023 - (fin)	071-0151-24	March 2024

5. Audits Released

Department	Audit Title and Type	Project Number	Date Released	Number of	
				Material Weaknesses	Reportable Conditions
Technology, Management, and Budget	State of Michigan 457 Plan, Opinion on Financial Statements, for the Fiscal Year Ended September 30, 2023 - (fin)	071-0157-24	01/04/2024	N/A	N/A
Legislature	Michigan Legislative Retirement System, Independent Auditor's Opinion on Financial Statements, for the Fiscal Year Ended September 30, 2023 - (fin)	900-0140-24	01/08/2024	N/A	N/A
Technology, Management, and Budget	State of Michigan 401K Plan, Opinion on Financial Statements, for the Fiscal Year Ended September 30, 2023 - (fin)	071-0156-24	01/08/2024	N/A	N/A
Transportation	AASHTOWare Project Construction and Materials - (per)	591-0591-23	01/12/2024	2	1

5. Audits Released Con't

Department	Audit Title and Type	Project Number	Date Released	Number of	
				Material Weaknesses	Reportable Conditions
Treasury	State Building Authority - Financial Report for the Fiscal Year Ended September 30, 2023 - (con)	N/A	01/16/2024	1	None Reported
Agriculture and Rural Development	Livestock Markets Program - (per)	791-0211-23	01/17/2024	0	4
Technology, Management, and Budget	State Sponsored Group Insurance Fund, Opinion on Financial Statements and Internal Control Report, for the Fiscal Year Ended September 30, 2023 - (fin)	171-0143-24	01/29/2024	None Reported	None Reported
Treasury	Michigan Education Trust - Annual Comprehensive Financial Report for the Fiscal Year Ended September 30, 2023 - (con)	N/A	01/31/2024	None Reported	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.

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