



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET
LANSING

MICHELLE LANGE
DIRECTOR

June 13, 2024

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

Dear Mr. Lowe,

In accordance with the State of Michigan, Financial Management Guide, Part VII, following is a summary table identifying our responses and corrective action plans to address recommendations contained within the Office of the Auditor General's audit report of the Department of Technology, Management and Budget, Michigan Public School Employees' Retirement System (MPERS) (071-0152-24).

Questions regarding the summary table or corrective action plans should be directed to me.

Sincerely,


Michelle Lange, Director

c: Representative Angela Witwer, Chair, House Appropriations
Senator Sarah Anthony, Chair, Senate Appropriations
Mary Ann Cleary, House Fiscal Agency
Kathryn R. Summers, Senate Fiscal Agency
Tracy Jelneck, Office of the Auditor General
Trish Foster, Executive Office JoAnne Huls, Executive Office
Shelia Marshall-Curtis, Executive Office Phillip Jeffery, DTMB
Anthony Estell, DTMB Sherri Irwin, DTMB
Mike Williams, SBO John Juarez, SBO

Department of Technology, Management and Budget
DTMB's preliminary agency response to the
Michigan Public School Employees' Retirement System
(MPERS) audit (071-0152-24)

Summary of Agency Responses to Recommendations

1. Audit recommendations DTMB agrees with and will comply: 1
2. Audit recommendations DTMB fully complied with: N/A
3. Audit recommendations DTMB disagrees with: N/A

Agency Response to Recommendation

Finding #1 – Improvements needed in internal control over accounting transactions.

DTMB Financial Services agrees and will comply with the recommendation by December 31, 2024. Upon notification by the Office of the Auditor General, Financial Services immediately corrected the identified errors and updated the Michigan Public School Employees' Retirement System (MPERS) Annual Comprehensive Financial Report. As a result, these errors did not result in misstatements in the MPERS Annual Comprehensive Financial Report. Financial Services is assessing current controls in place and will implement additional accounting transaction controls to prevent misstatements from occurring.

DTMB-Financial Services will enhance processes and procedures to provide more details and explanations to mitigate risks for misstatements of accounts receivables. DTMB-Financial Services will create a subsidiary ledger to better account for, detect and prevent misstatements of university unfunded actuarial accrued liability receivables.