



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

MARLON I. BROWN, DPA
DIRECTOR

January 16, 2025

Richard Lowe, Chief Internal Auditor
Office of Internal Audit Services
Michigan 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, I submit to you LARA's Corrective Action Plan (CAP) addressing the recommendations contained within the Office of the Auditor General's follow-up engagement performance audit report (# 641-0240-20F) involving LARA's Bureau of Construction Codes (BCC).

Please direct any questions you may have to me at (517) 599-9270.

Sincerely,

Jocelyn Krueger
Audit Liaison

Enclosure: BCC CAP

cc: JoAnne Huls, Chief of Staff, Executive Office
Maria Martinez, Deputy Chief of Staff, Executive Office
Trish Foster, Chief Operating Officer, Executive Office
Doug Ringler, Office of the Auditor General
Mary Ann Cleary, Director, House Fiscal Agency
Kathryn Summers, Director, Senate Fiscal Agency
Speaker Matt Hall, House of Representatives
Representative Ann Bollin, Chair, House Appropriations Committee
Senator Sarah Anthony, Chair, Senate Appropriations Committee
Senator Mary Cavanagh, Chair, Senate Appropriations Subcommittee
Senator Jeremy Moss, Chair, Senate Regulatory Affairs Committee
Marlon Brown, Director, LARA

Courtney Pendleton, Chief Operating Officer, LARA

Dan Horn, Director, Finance and Administrative Services, LARA

Andrew Brisbo, Director, BCC, LARA

Department of Licensing and Regulatory Affairs (LARA)
Bureau of Construction Codes (BCC)
Report Number 641-0240-20F
Office of the Auditor General
January 16, 2025
Corrective Action Plan

Summary Response Matrix

	Complied	Will Comply	Partially Complied	Will Not Comply
Agrees		1 & 2		
Partially Agrees				
Disagrees				

Corrective Action Plan (CAP)

Finding Number: 1

Material/Reportable: Material

Finding Title: Improvements needed to elevating device inspection processes.

Related IT system, if applicable: Accela

Follow-Up OAG Recommendation

We again recommend BCC improve the efficiency of its elevating device inspections.

Department Response

LARA agrees with this recommendation.

Milestone 1: Continue to recruit qualified elevator inspectors

Task(s):

- BCC is partnering with relevant stakeholders to assist with job posting reaching a wider audience.
- The Elevator Section is in regular contact with elevator union leaders and the Elevator Safety Board to discuss ongoing matters and recruitment efforts.
- In coordination with LARA leadership, BCC has participated in a statewide initiative to improve the recruitment and retention of employees in the skilled trades, known as the MI Trades Partnership. The group proposed an increase in the pay scales of high-demand positions (inclusive of elevator inspectors) that took effect in March 2023.
- The section manager created a new 10 level inspector classification to expand recruitment efforts.

- Section manager and bureau leadership meet monthly to monitor vacancies and ensure recruitment methods are effective and positions are filled as quickly as possible.

Anticipated Compliance Date: September 30, 2025

Responsible Individual: Craig LaLonde, Elevator Section Supervisor

Finding Number: 2

Material/Reportable: Material

Finding Title: Improvements needed to boiler inspection processes.

Related IT system, if applicable: Accela and Jurisdiction OnLine (JOL)

Follow-Up OAG Recommendation

We again recommend BCC improve the efficiency of its boiler inspections.

Department Response

LARA agrees with this recommendation.

Milestone 1: Complete an RFI to evaluate the market for IT systems that may provide better access to data analytics and improved scheduling efficiencies

Task(s):

- The RFI was issued on May 13, 2024.
- Demonstrations for the BCC project team, FAS team, and DTMB support team from 5 selected vendors were provided between September 3-9, 2024.
- The information gathered through the RFI process will be used to inform decisions on investment in technology solutions to better manage the program.

Compliance Date: September 17, 2024

Responsible Individual: Andrew Brisbo, Bureau Director

Milestone 2: Improved access to Jurisdiction Online's metrics and data analytics

Task(s):

- Worked with LARA's Finance and Administrative Services Bureau and the Department of Technology, Management, and Budget to manage the vendor contract for the inspection database to improve access to metrics and analytics.
- Established a routine database extraction to an FTP site to provide the agency with a consistent data set against which to run reports for monthly metrics and tracking of the data points cited in the audit findings.

Compliance Date: November 24, 2024

Responsible Individual: Andrew Brisbo, Bureau Director

Milestone 3: Continue to recruit qualified boiler inspectors

Task(s):

- BCC has partnered with relevant stakeholders to assist with job posting reaching a wider audience.
- BCC promoted boiler inspector vacancies during the meeting with the Southeast Michigan Power Plant Engineers Society (SEMPPEs).
- The Boiler Division meets with the National Boiler Board, boiler stakeholder groups, and boiler board members discussing ongoing matters including vacancies and ongoing recruiting efforts.
- In coordination with LARA leadership, BCC has participated in a statewide initiative to improve the recruitment and retention of employees in the skilled trades, known as the MI Trades Partnership. The group proposed an increase in the pay scales of high-demand positions (inclusive of boiler inspectors) that took effect in March 2023.
- Section manager and bureau leadership meet monthly to monitor vacancies and ensure recruitment methods are effective and positions are filled as quickly as possible.

Anticipated Compliance Date: September 30, 2025

Responsible Individual: Dave Stenrose, State Administrative Manager

Milestone 4: Explore Information Technology Investment Fund (ITIF) and other funding sources to improve existing systems

Task(s):

- BCC was appropriated \$3M in ITIF funds to be used in enhancing bureau IT systems by the close of FY 2027.
- Potential options on leveraging existing funding to improve IT systems, beginning with JOL replacement, are being outlined to gain approval from the LARA executive office on next steps. The final BCC draft was provided to FAS leadership on November 4, 2024.

Anticipated Compliance Date: September 30, 2028

Responsible Individual: Jon Marihugh, Departmental Manager