OAG
Office of the Auditor General
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Auditor General
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September 1, 2026

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 August 2026. 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 (Performance - per / Financial - fin / Follow-up - fol / Contracted - con / Single – sa / Review – rev / Investigative – inv)	Project Number
Transportation	Bus and Limousine Transportation - (per)	591-0181-27

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
Health and Human Services	Overpayments, Collections, and Psychiatric Hospital Reimbursement Division - (per)	491-0212-24

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
Corrections	Special Alternative Incarceration Program for Men - (fol)	472-0202-19F

Approved Objective:

1. To determine whether the Department of Corrections had taken appropriate corrective measures in response to our audit report issued September 2020.

Department	Audit Title and Type	Project Number
Labor and Economic Opportunity	Michigan Strategic Fund - Financial Report for the Fiscal Year Ended September 30, 2026 - (fin)	185-0401-27
	Michigan Economic Development Corporation - Financial Report for the Fiscal Year Ended September 30, 2026 - (fin)	815-0406-27

Approved Objectives:

1. 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.
2. 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
Lifelong Education, Advancement, and Potential	Selected Program Integrity Activities of the Child Development and Care Program - (per)	321-0291-26

Approved Objectives:

1. To assess the sufficiency of MiLEAP’s efforts to select childcare providers for time and attendance reviews designed to identify fraud and other program violations.
2. To assess the effectiveness of MiLEAP’s efforts to disqualify childcare providers it found to have committed an intentional program violation.

Department	Audit Title and Type	Project Number
State Budget Office	Statewide Single Audit - (sa)	000-0100-27

Approved Objectives:

1. To express an opinion on the State's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on the State's major federal programs.
2. To issue a report on internal control over compliance in accordance with the Uniform Guidance.
3. To express an opinion on the schedule of expenditures of federal awards in relation to the basic financial statements as a whole.

Department	Audit Title and Type	Project Number
Technology, Management, and Budget	Vehicle and Travel Services - (per)	171-0136-26

Approved Objectives:

1. To assess the effectiveness of VTS’s efforts to administer and ensure the efficient utilization of the State’s vehicle fleet.
2. To assess the effectiveness of selected user access controls over VTS systems.

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
Transportation	Small Business and Disadvantaged Business Enterprise Programs, Office of Business Development - (per)	591-0352-25	September 2026
Health and Human Services	Medicaid Non-Emergency Medical Transportation Services - (fol)	391-0715-20F	October 2026
Labor and Economic Opportunity	Michigan Employment Relations Commission - (per)	186-0209-26	October 2026
Transportation	Office of Rail - (per)	591-0195-26	October 2026
Education	Pupil Membership - Pupil Audit Process - (per)	313-0400-25	November 2026

5. **Audits Released**

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Department	**Audit Title and Type**	**Project Number**	**Date Released**	**Material Weaknesses**	**Reportable Conditions**
Technology, Management and Budget	Michigan State Employees' Retirement System - Schedule of Employer Allocations and Schedules of Pension and Other Postemployment Benefit Amounts by Employer - (fin)	171-0165-26	08/03/2026	None Reported	None Reported

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

Doug Ringler
Auditor General

c: Agency Audit Liaisons
SBO-Office of Internal Audit Services