



Michigan Office of the Auditor General REPORT SUMMARY

Financial Audit Including the Provisions of the Single Audit Act

Report Number: 231-0100-09

Department of State

October 1, 2006 through September 30, 2008

Released: June 2009

A Single Audit is designed to meet the needs of all financial report users, including an entity's federal grantor agencies. The audit determines if the financial schedules and/or financial statements are fairly presented; considers internal control over financial reporting and internal control over federal program compliance; determines compliance with requirements material to the financial schedules and/or financial statements; and assesses compliance with direct and material requirements of the major federal programs.

Financial Schedules:

Auditor's Report Issued

We issued an unqualified opinion on the Department of State's financial schedules.

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Internal Control Over Financial Reporting

We identified a significant deficiency in internal control over financial reporting (Finding 1). We do not consider this significant deficiency to be a material weakness.

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Noncompliance and Other Matters Material to the Financial Schedules

We did not identify any instances of noncompliance or other matters applicable to the financial schedules that are required to be reported under Government Auditing Standards. However, we did identify other noncompliance (Finding 2).

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Federal Awards:

Auditor's Reports Issued on Compliance

We audited 5 programs as major programs and issued 5 unqualified opinions. The Department of State expended a total of \$7.1 million in federal awards during the two-year period ended September 30, 2008. The federal programs audited as major programs are identified on the back of this summary.

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Internal Control Over Major Programs

We did not report any findings related to internal control over federal program compliance.

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Required Reporting of Noncompliance

We did not identify any instances of noncompliance that are required to be reported in accordance with U.S. Office of Management and Budget (OMB) Circular A-133.

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Systems of Accounting and Internal Control

We determined that the Department of State was in substantial compliance with Sections 18.1483 - 18.1487 of the *Michigan Compiled Laws*.

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We audited the following programs as major programs:

<u>CFDA Number</u>	<u>Program or Cluster Title</u>	<u>Compliance Opinion</u>
20.232	Commercial Driver License State Programs	Unqualified
20.605, 20.609, and 20.612	Highway Safety Cluster	Unqualified
39.011	Election Reform Payments	Unqualified
90.401	Help America Vote Act Requirements Payments	Unqualified
93.617	Voting Access for Individuals with Disabilities - Grants to States	Unqualified

A copy of the full report can be obtained by calling 517.334.8050 or by visiting our Web site at: <http://audgen.michigan.gov>



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