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Office of the Auditor General

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Doug A. Ringler, CPA, CIA
Auditor General

December 1, 2015

Dear Governor Snyder, Senators, and Representatives:

This letter provides information regarding the status of our audit projects that either began or transitioned into new audit phases during November 2015. Please refer to our website's [Work in Process](#) for a complete listing of ongoing projects. Although you will no longer receive individual letters reporting the start of audits or approved audit objectives, we would be pleased to discuss with you any interests or areas of concern you have with any of our ongoing projects.

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)	Project Number
Environmental Quality	Great Lakes Water Quality Bond Fund Expenditures - (per)	761-0400-16

Audits Terminated – For these projects, after completing the planning phase, we concluded that significant risk did not exist to warrant additional use of audit resources or that extenuating circumstances supported the termination of the project. 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		

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.

Department	Audit Title and Type	Project Number
Technology, Management, and Budget	Disaster Recovery and Business Continuity of Information Technology Systems - (per)	071-0511-15
Approved Objectives:		
1. To assess the effectiveness of the State's efforts to develop and maintain disaster recovery plans for information technology systems.		
2. To assess the effectiveness of the State's efforts to develop and maintain business continuity plans for business functions supported by IT systems.		

Department	Audit Title and Type	Project Number
Transportation	Sault Ste. Marie Bridge Authority - FY 2015 - (con)	NA
Approved Objectives:		
1. To express an opinion on whether the entity's financial statements are fairly presented in conformity 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.		

Please note that some projects, particularly financial audits and follow-up reports, operate from pre-established audit objectives and, therefore, move directly to the audit fieldwork stage.

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
Corrections	Substance Abuse Services - (per)	471-0360-15	January 2016
Licensing and Regulatory Affairs	Michigan Occupational Safety and Health Administration (MIOSHA) - (per)	641-0440-15	January 2016
Military and Veterans Affairs	Grand Rapids Home for Veterans - (per)	511-0170-15	January 2016

Audits Released

Department	Audit Title and Type	Project Number	Date Released	Number of	
				Material Weaknesses	Reportable Conditions
Military and Veterans Affairs	Construction and Facilities Management Office - (per)	511-0200-15	11/23/2015	0	3
Technology, Management, and Budget	Workers' Compensation and Long Term Disability Programs for State of Michigan Employees, Office of the State Employer - (per)	071-0141-14	11/25/2015	0	2

Although we report this information to you on a monthly basis, we immediately correspond with management and staff as our projects transition through the various stages referenced above.

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