



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

RICK SNYDER
GOVERNOR

KIRK T. STEUDLE
DIRECTOR

October 26, 2017

Street Administrators:

Thank you for your efforts in complying with our March 27, 2015 letter which requested performance audits to be conducted for each recipient of Act 51 funds as outlined in PA 298 of 2012. The letter indicated that an annual performance audit in accordance with GAGAS would be required, until further notice.

We are writing to inform you that the Michigan Department of Transportation (MDOT) has re-evaluated its decision regarding performance audits. Upon receiving numerous audits as well as concerns regarding the value of these audits, MDOT is no longer requesting that these audits be completed and submitted to the department. MDOT's intent was to baseline the metrics to provide analytical data to compare performance across all Act 51 agencies. From the results received to date, we have determined that the baselined metrics we hoped to collect will not be achievable in this format. Therefore, you are not required to begin or complete any scheduled Act 51 performance audits. Should you decide to have your performance audit completed, MDOT would still like to receive a copy of the auditor's report.

It has been further determined by the Department that costs incurred related to these performance audits can be submitted to MDOT for reimbursement. Invoices for fees paid for the performance audit and supporting documentation should be submitted to the attention of Patrick McCarthy by email at mccarthyp@michigan.gov.

Thank you for your continued cooperation with MDOT as we strive to fulfill the requirements of Act 51 and provide the best service to our customers and partners.

Sincerely,

Patrick McCarthy, Administrator
Financial Operations Division