



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

December 26, 2017

**Request for Improvement
of Deficiencies -
Corrective Action Plan**

Fiscal Year: 2017

MuniCode: 502030

Report ID Number: 75552

Sent Via Email

City of Fraser

wayneo@micityoffraser.com

Dear Governing Body:

The Community Engagement and Finance Division has received the audit report for the fiscal year referenced above. It is the responsibility of this division to administer certain State statutes. Consequently, your audit has been reviewed to determine compliance with budgeting, accounting, auditing, and statutory compliance related activities. This review has identified issues that we believe need your attention.

Your certified public accountant has noted the following issues corresponding to questions on the auditing procedures report (APR):

- Actual expenditures exceeded the amounts authorized in the budget. Please describe actions being taken to prevent budget variances.

The matters described above are either violations of State statute or are deficiencies of the local unit that may impede the local unit's ability to comply with State statute. Therefore, please submit to us, within **30 days** from the date of this letter, a detailed corrective action plan (CAP) to resolve the above-mentioned matters including other deficiencies noted in your audit report. Additional deficiencies in your report are usually found in the form of comments and recommendations located toward the end of the report. The plan should identify each APR question listed above, each additional deficiency, the corrective action to be taken, the supporting documentation requested, if any, and the date in which the action is to be implemented.

Please submit your CAP by:

1. Logging into the department's online filing site:

Treasury Website (<https://treas-secure.state.mi.us/LAFDeform/TL41W71.aspx>)

You must request local unit user access if one does not already exist.

2. Select your county, municipality type, municipality, "Corrective Action Plan for Audit" under Form, the applicable fiscal year, and "Create Form."
3. Select the browse button to find the file on your computer (note the CAP must be a portable document file type, PDF).
4. Continue, certify the information, and submit.

Failure to respond within 30 days or an inability to demonstrate that corrective action has been implemented may result in one or more of the following:

- Denial of subsequent year qualified status under Public Act 34 of 2001, the Revised Municipal Finance Act (possibly preventing your municipality the ability to borrow money);
- Reporting the failure to file to the county prosecuting attorney or attorney general pursuant to Public Act 2 of 1968, the Uniform Budgeting and Accounting Act, as amended;
- Subject the local unit to an audit and/or review performed by Department of Treasury auditors at the expense of the local unit.

Thank you for your attention to this matter. If you have any questions, please contact our audit review staff at 517-373-3227.

Sincerely,



Cary Jay Vaughn, CPA, CGFM
Audit Manager
Community Engagement and Finance Division