

REPORT TO THE LEGISLATURE
Pursuant to P.A. 63 of 2011
Section 240
Recovery of Improper Payments

Sec. 240. On or before March 1, 2012, the department shall solicit and evaluate proposals for services related to the audit of vendor and contract payments and the recovery of improper payments. The period covered by the proposed audit shall be not less than 3 prior fiscal years. On or before September 1, 2012, the department shall provide to the house and senate committees on appropriations and the house and senate fiscal agencies a complete report on the results of the proposal solicitation and findings and amounts recovered from subsequent recovery audits.

On March 1, 2012, the Michigan Department of Corrections entered into a contract with ACLR, a Michigan based company, to review its payments to utility vendors and pharmacy service provider, identify improper and/or duplicate payments and to secure efforts to recover identified amounts determined to be improper or duplicate.

ACLR has concluded its review of essential documentation and sent notification letters to those they consider may possibly require further study. ACLR will be scheduling meetings with vendor(s) to discuss their potential findings. To date, no amount has been recovered.