

UNIFORM SYSTEM OF ACCOUNTING (EXCERPT)
Act 71 of 1919

21.44b Nonpension investments in derivative instruments or products; failure to report; determination and report by auditor general or department of treasury; expenses.

Sec. 4b.

(1) If a department, institution, or office of state government fails to report nonpension investments in derivative instruments or products or pension investments as required by section 4a, the auditor general may determine that the department, institution, or office cannot report the investments without assistance, advice, or instruction from the auditor general. The auditor general shall submit a written statement of the findings and recommendations to the department, institution, or office. Within 90 days after receipt of this statement, the department, institution, or office shall retain the auditor general to report the investments or shall retain a certified public accountant to report the investments and notify the auditor general of the action. Upon failure of the department, institution, or office to respond within the 90-day period, the auditor general shall report the investments.

(2) The auditor general shall charge reasonable and necessary expenses, including per diem and travel expenses, to the department, institution, or office of state government for services performed pursuant to subsection (1) and the department, institution, or office shall pay the auditor general for these expenses. For payment of the expenses, the auditor general shall either execute a contract with the department, institution, or office for payment of the expenses or bill the department, institution, or office on a monthly basis.

(3) If a county fails to report nonpension or pension investments in derivative instruments or products as required by section 4a, the department of treasury may determine that the county cannot report the investments without assistance, advice, or instruction from the department of treasury. The department of treasury shall submit a written statement of the findings and recommendations to the county. Within 90 days after receipt of this statement, the county shall retain the department of treasury to report the investments or shall retain a certified public accountant to report the investments and notify the department of treasury of the action. Upon failure of the county to respond within the 90-day period, the department of treasury shall report the investments.

(4) The department of treasury shall charge reasonable and necessary expenses, including per diem and travel expenses, to the county for services performed pursuant to subsection (3) and the county shall pay the department of treasury for these expenses. For payment of the expenses, the department of treasury shall either execute a contract with the county for payment of the expenses or bill the county on a monthly basis.

History: Add. 1996, Act 426, Imd. Eff. Nov. 25, 1996