



OAG

Office of the Auditor General

Report Summary

Performance Audit

Flint Emergency Expenditures

State of Michigan

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On January 5, 2016, Governor Rick Snyder declared a State of Emergency for Genesee County (referred to as the Flint declaration of emergency) due to the ongoing health and safety issues caused by elevated lead levels in the City of Flint's drinking water. The Legislature enacted numerous appropriations to address this situation, both as supplemental appropriations to and transfers within the fiscal year 2016 budget and spending authorization provided in the fiscal year 2017 budget. As of May 31, 2017, appropriations totaled \$255.0 million and nine State departments had expended a total of \$145.0 million. Public Act 3 of 2016 requires the Office of the Auditor General to audit the use of the funds appropriated for this emergency and report at a minimum of every six months until the funds are expended. This is our third report on the expenditure of these funds.

Audit Objective			Conclusion
Objective #1: To determine the appropriateness of State agencies' expenditure of the Flint declaration of emergency appropriations as of May 31, 2017.			Appropriate
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
The Michigan Department of Agriculture and Rural Development (MDARD) did not provide sufficient oversight of the food and water lead safety inspections, resulting in \$3,875 in unsupported expenditures (Finding #1).		X	Agrees

Audit Objective			Conclusion
Objective #2: To report State agencies' expenditures of the Flint declaration of emergency appropriations.			Information provided
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
None reported.		Not applicable	
Exhibits Related to This Audit Objective			
<u>Exhibit #1</u> - Department of Licensing and Regulatory Affairs <u>Exhibit #2</u> - Department of Environmental Quality <u>Exhibit #3</u> - Michigan Department of Health and Human Services <u>Exhibit #4</u> - Michigan Department of Education <u>Exhibit #5</u> - Department of Military and Veterans Affairs <u>Exhibit #6</u> - Michigan Department of State Police <u>Exhibit #7</u> - Department of Treasury <u>Exhibit #8</u> - Department of Attorney General <u>Exhibit #9</u> - Department of Natural Resources <u>Exhibit #10</u> - Department of Technology, Management, and Budget			

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Phone: (517) 334-8050

Office of the Auditor General
201 N. Washington Square, Sixth Floor
Lansing, Michigan 48913

Doug A. Ringler, CPA, CIA
Auditor General

Laura J. Hirst, CPA
Deputy Auditor General