



OAG

Office of the Auditor General

Report Summary

Performance Audit

Report Number:
000-2017-18

Flint Emergency Expenditures

Released:
January 2018

State of Michigan

On January 5, 2016, Governor Rick Snyder declared a state of emergency for Genesee County (referred to as the Flint declaration of emergency or "Flint declaration") 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 and 2017 budget and spending authorizations provided in the fiscal year 2017 and 2018 budgets. As of December 31, 2017, appropriations totaled \$344.2 million and 10 State departments had expended a total of \$182.8 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 fourth 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 December 31, 2017.		Appropriate	
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
None reported.	Not applicable.		
Observations Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
The Michigan Department of Health and Human Services (MDHHS) provided children with nutritional support benefits targeted to purchase healthy foods that could reduce the effects of high levels of lead in their drinking water. MDHHS identified six Flint zip codes in which children were deemed eligible for the nutritional support regardless of whether their residence was actually served by the City of Flint water system. However, all children who were potentially exposed to contaminated water were not provided with nutritional support benefits (Observation #1, Exhibit #3).	Not applicable for observations.		
Exhibits Related to This Audit Objective			
Exhibit #11 - Appropriation and Allocation Summary Exhibit #12 - Information Time Line Exhibit #13 - MDHHS Benefits Provided Schedule Exhibit #14 - City of Flint Map			

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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