



OAG

Office of the Auditor General

Report Summary

Performance Audit

Flint Emergency Expenditures

State of Michigan

Report Number:
000-2018-18

Released:
July 2018

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, 2017, and 2018 budget and spending authorizations provided in the fiscal year 2017 and 2018 budgets. As of June 30, 2018, appropriations totaled \$353.2 million and 10 State departments had expended a total of \$198.1 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 fifth 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 June 30, 2018.			Appropriate
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
The Department of Environmental Quality (DEQ) reimbursed a contractor for travel expenditures specifically not allowed for under contract terms, resulting in \$33,151 in unallowed 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			
Exhibit #1 - Department of Licensing and Regulatory Affairs			
Exhibit #2 - Department of Environmental Quality			
Exhibit #3 - Michigan Department of Health and Human Services			
Exhibit #4 - Michigan Department of Education			
Exhibit #5 - Department of Military and Veterans Affairs			

Exhibits Related to This Audit Objective
(Continued)

Exhibit #6 - Michigan Department of State Police

Exhibit #7 - Department of Treasury

Exhibit #8 - Department of Attorney General

Exhibit #9 - Department of Natural Resources

Exhibit #10 - Department of Technology, Management, and Budget

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