
Michigan Legislature

**Combined Statement of Sources and Disposition of General Fund Authorizations with
Supplemental Schedules for the Years Ended September 30, 2020 and 2019**

Independent Auditor's Report	1-2
Financial Statements	
Combined Statement of Sources and Disposition of General Fund Authorizations - Year Ended September 30, 2020	3
Combined Statement of Sources and Disposition of General Fund Authorizations - Year Ended September 30, 2019	4
Notes to Statements of Sources and Disposition of General Fund Authorizations	5-6
Supplemental Information	7
Combining Schedule of Sources and Disposition of General Fund Authorizations - Year Ended September 30, 2020	8
Combining Schedule of Sources and Disposition of General Fund Authorizations - Year Ended September 30, 2019	9
Combining Schedule of Expenditures - Year Ended September 30, 2020	10
Combining Schedule of Expenditures - Year Ended September 30, 2019	11
Schedule of Sources and Disposition of General Fund Authorizations - Michigan House of Representatives	12
Schedule of Expenditures - Michigan House of Representatives	13
Schedule of Sources and Disposition of General Fund Authorizations - Michigan Senate	14
Schedule of Expenditures - Michigan Senate	15
Schedule of Sources and Disposition of General Fund Authorizations - Legislative Council	16
Schedule of Expenditures - Legislative Council	17
Schedule of Sources and Disposition of General Fund Authorizations - State Capitol Historic Site	18
Schedule of Expenditures - State Capitol Historic Site	19
Schedule of Sources and Disposition of General Fund Authorizations - Office of the Auditor General	20
Schedule of Expenditures - Office of the Auditor General	21
Schedule of Sources and Disposition of General Fund Authorizations - Senate Fiscal Agency	22
Schedule of Expenditures - Senate Fiscal Agency	23
Schedule of Sources and Disposition of General Fund Authorizations - House Fiscal Agency	24
Schedule of Expenditures - House Fiscal Agency	25
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	26-28

Independent Auditor's Report

To the Michigan Legislature and
Mr. Doug Ringler, CPA, CIA, Auditor General
Office of the Auditor General

Report on the Combined Financial Statement

We have audited the accompanying combined statement of sources and disposition of General Fund authorizations of the Michigan Legislature for the years ended September 30, 2020 and 2019 and the related notes (the "financial statement").

Management's Responsibility for the Combined Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statement referred to above presents fairly, in all material respects, the combined statement of sources and disposition of General Fund authorizations of the Michigan Legislature for the years ended September 30, 2020 and 2019, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 1 to the financial statement, which describes that the accompanying financial statement of the Michigan Legislature was prepared for the purpose of presenting the combined statement of sources and disposition of the agencies within the State of Michigan's General Fund that comprise the Michigan Legislature, excluding the Legislative Retirement System. This financial statement is intended to present only the sources and disposition of General Fund authorizations for the Michigan Legislature and does not present, nor is it intended to present, the entire activity of the State of Michigan or its General Fund. Our opinion is not modified with respect to this matter.

To the Michigan Legislature and
Mr. Doug Ringler, CPA, CIA, Auditor General
Office of the Auditor General

Other Matter

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statement that collectively comprises the Michigan Legislature's combined statement of sources and disposition of General Fund authorizations. The accompanying supplemental schedules, as listed in the table of contents, are presented for the purpose of additional analysis and are not a required part of the combined statement of sources and disposition of General Fund authorizations of the Michigan Legislature.

The accompanying supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplemental schedules are fairly stated in all material respects in relation to the financial statement as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2021 on our consideration of the Michigan Legislature's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Michigan Legislature's internal control over financial reporting and compliance.



March 5, 2021

Michigan Legislature

Combined Statement of Sources and Dispositions

Of General Fund Authorizations

Year Ended September 30, 2020

Sources of Authorization

Legislative appropriations:		
General purpose appropriations	\$	152,477,500
Legislative automated data processing appropriation		7,238,700
Property management appropriation		20,801,400
One time appropriations		765,000
State restricted revenue appropriations		3,228,123
Adjustments to appropriations:		
General purpose and other appropriations		-
Transfers		-
Authorizations carried forward from prior year		49,011,181
Miscellaneous revenue:		
Restricted		8,426,329
Intrafund reimbursement		(3,735,967)
Unrestricted		965,496
Total sources of authorizations	\$	239,177,762

Disposition of Authorizations

Expenditures	\$	176,439,085
Intrafund expenditure reimbursements		(3,735,967)
Net expenditures		172,703,118
Unexpended authorizations carried forward		
to next budget year:		
Encumbrances		583,290
Capital outlay		3,050,070
Work projects		52,171,977
Restricted revenue		486,495
Lapsed authorizations		
COVID-19 related budget reduction (5%)		9,281,700
Lapses		901,112
Total disposition of authorizations	\$	239,177,762

Michigan Legislature

Combined Statement of Sources and Dispositions Of General Fund Authorizations Year Ended September 30, 2019

Sources of Authorization

Legislative appropriations:	
General purpose appropriations	\$ 138,582,900
Legislative automated data processing appropriation	7,096,700
Property management appropriation	20,393,500
One time appropriations	750,000
State restricted revenue appropriations	3,186,696
Adjustments to appropriations:	
General purpose and other appropriations	28,400,000
Transfers	-
Authorizations carried forward from prior year*	34,931,546
Miscellaneous revenue:	
Restricted	8,691,712
Intrafund reimbursement	(3,874,166)
Unrestricted	836,085
Total sources of authorizations	<u><u>\$ 238,994,973</u></u>

Disposition of Authorizations

Expenditures	\$ 193,046,726
Intrafund expenditure reimbursements	<u>(3,874,166)</u>
Net expenditures	189,172,560
Unexpended authorizations carried forward to next budget year:	
Encumbrances	1,857,421
Capital outlay	3,104,138
Work projects	43,601,734
Restricted revenue	447,888
Lapsed authorizations	
COVID-19 related budget reduction (5%)	-
Lapses	<u>811,232</u>
Total disposition of authorizations	<u><u>\$ 238,994,973</u></u>

*Includes an additional \$150,015 approved from fiscal year ended September 30, 2018.

Notes to Statements of Sources and Dispositions

Of General Fund Authorizations

September 30, 2020 and 2019

Note 1 - Summary of Significant Accounting Policies

The Michigan Legislature follows accounting policies generally accepted in the United States of America (GAAP) as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board (GASB).

Reporting Entity - The accompanying statements of sources and disposition of General Fund authorizations have been prepared for the purpose of presenting the combined statement of sources and disposition of the agencies within the State of Michigan's General Fund that comprise the Michigan Legislature. These financial statements are intended to present only the sources and disposition of General Fund authorizations for the Michigan Legislature and do not present, nor are they intended to present, the entire activity of the State of Michigan or its General Fund. For the purpose of these statements, the Michigan Legislature includes the following agencies: the House of Representatives, the House Fiscal Agency, the Legislative Council, the State Capitol Historic Site, the Senate, the Senate Fiscal Agency, and the Office of the Auditor General. The statements do not include the activity of the Legislative Retirement System.

The accompanying statements of sources and disposition of General Fund authorizations report the total funds (general and work/capital project appropriations) available to the Michigan Legislature and the related disposition of such funds for the years ended September 30, 2020 and 2019.

Total funds available as reflected in the accompanying statements of sources and disposition of General Fund authorizations consist of legislative appropriations to these specific agencies, balances carried forward from prior year, adjustments to appropriations, and restricted and unrestricted miscellaneous revenue. The legislative appropriations include funding from other funds within the State. Each year, the Senate and House of Representatives appropriate funds for the various agencies, bureaus, commissions, departments, boards, and institutions of state government. This General Government Appropriations Act includes the general appropriations for the Michigan Legislature. Total expenditures, as reflected in the accompanying financial statements, represent the purchase of goods and services, including payroll expenses of the Michigan Legislature, for which an obligation for payment was incurred by the Michigan Legislature during the period presented. The financial transactions of the Michigan Legislature are accounted for in the State of Michigan's General Fund and are reported in the State of Michigan's comprehensive annual financial report (SOMCAFR).

The notes accompanying these financial statements include only those disclosures that relate directly to the sources and dispositions of General Fund authorizations related to the Michigan Legislature. The SOMCAFR provides more extensive disclosures regarding the State's significant accounting policies and budgetary control.

The SOMCAFR also provides more extensive disclosures regarding the State's litigation, which may impact the Michigan Legislature.

Measurement Focus, Basis of Accounting, and Presentation - The financial statements presented herein have been prepared on the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the Michigan Legislature has spent its resources.

Expenditures are reported when the goods are received or the services are rendered. Capital outlays are reported as expenditures because they reduce the ability to spend resources in the future. In addition, claims and judgments are recorded only when payment is due.

Revenue and appropriations are recognized when collected.

Notes to Statements of Sources and Dispositions

Of General Fund Authorizations

September 30, 2020 and 2019

Note 1 - Summary of Significant Accounting Policies (Continued)

Adjustments to Appropriations - Adjustments to appropriations represent any adjustments to the original appropriation bill and transfers among agencies.

Intrafund Reimbursement - Intrafund reimbursements represent monies that are transferred to agencies within the Michigan Legislature from other State of Michigan agencies external to the Michigan Legislature, but included in the General Fund of the State of Michigan. These transactions are presented as such to avoid overstating expenditures and revenue on the SOMCAFR.

Unexpended Authorizations

Encumbrances - Encumbrances represent written commitments entered into with vendors and suppliers by September 15 that are carried forward to increase the spending authorizations of the subsequent year.

Work Project - Work project represents a one-time recurring project undertaken for the purpose of accomplishing a specific objective contained in a budget appropriation designated as a "work project." The Senate and House Appropriation Committees must be notified of appropriations designated as work projects. The appropriation committees have 30 days to disapprove such projects. Unused spending authority in these accounts may carry forward if the requirements of Act 431, Section 451 of 1984, as amended, are met.

Capital Outlay - Capital outlay represents a project or facility financed either in whole or in part with state funds, including lease purchase agreements, to demolish, construct, renovate, or equip a building or facility for which total project costs exceed \$1,000,000. Unused spending authority in these accounts may carry forward if the requirements of Act 431, Section 451 of 1984, as amended, are met.

Restricted Revenue - Restricted revenue is revenue earned for which the use is restricted to a specific purpose and may be carried forward to future years until expended for the specific purpose.

Note 2 - Accumulated Employee Benefits

The accumulated employee benefits due to state legislative employees are estimated at \$8,782,349 for September 30, 2020 and \$4,160,032 for September 30, 2019. These amounts represent an estimated liability to be paid in future periods in accordance with the specific policies of each agency. The estimated liability includes the Michigan House of Representatives, Michigan Senate, Legislative Council, State Capitol Historic Site, Office of the Auditor General, Senate Fiscal Agency, and House Fiscal Agency and is not reflected in the expenditures of these statements.

Note 3 – COVID-19 Pandemic

The United States and the State of Michigan declared a state of emergency in March 2020 due to the global coronavirus disease 2019 (COVID-19) pandemic. The Michigan Legislature's workforce and business operations continued, with some changes to remote operations.

The COVID-19 pandemic created a projected General Fund shortfall in State revenues. In order to resolve this, an agreement was approved by the Michigan Senate and Michigan House of Representatives to reduce the overall Legislatures budget by 5%, which was allocated to the Senate and House of Representatives. This amount is presented as a lapsed authorization. The total lapsed amount of funds for both the Michigan Senate and Michigan House of Representatives was \$9,281,700 (\$4,640,850 for each agency) for the year ending September 30, 2020.

Supplemental Information

Michigan Legislature

Combining Schedule of Sources and Disposition of General Fund Authorizations Year Ended September 30, 2020

	Michigan House of Representatives	Michigan Senate	Legislative Council	State Capitol Historic Site	Office of the Auditor General	Senate Fiscal Agency	House Fiscal Agency	Total
Sources of Authorization								
Legislative appropriations:								
General purpose appropriations	\$ 62,900,200	\$ 42,646,900	\$ 16,328,800	\$ 4,710,500	\$ 17,790,300	\$ 4,050,400	\$ 4,050,400	\$ 152,477,500
Legislative automated data processing appropriation	2,731,600	2,731,600	1,775,500	-	-	-	-	7,238,700
Property management appropriation	12,365,100	8,436,300	-	-	-	-	-	20,801,400
One time appropriations	-	-	765,000	-	-	-	-	765,000
State restricted revenue appropriations	-	-	-	3,228,123	-	-	-	3,228,123
Adjustments to appropriations:								
General purpose and other appropriations	-	-	-	-	-	-	-	-
Transfers	-	470,388	-	-	-	(470,388)	-	-
Authorizations carried forward from prior year	12,768,288	19,540,647	11,954,006	3,848,240	900,000	-	-	49,011,181
Miscellaneous revenue:								
Restricted	-	-	9,978	136,259	8,280,092	-	-	8,426,329
Intrafund reimbursement	-	-	-	-	(3,735,967)	-	-	(3,735,967)
Unrestricted	78,891	885,944	-	-	661	-	-	965,496
Total sources of authorizations	\$ 90,844,079	\$ 74,711,779	\$ 30,833,284	\$ 11,923,122	\$ 23,235,086	\$ 3,580,012	\$ 4,050,400	\$ 239,177,762
Disposition of Authorizations								
Expenditures	\$ 72,005,968	\$ 47,985,298	\$ 16,877,329	\$ 7,863,707	\$ 24,076,371	\$ 3,580,012	\$ 4,050,400	\$ 176,439,085
Intrafund expenditure reimbursements	-	-	-	-	(3,735,967)	-	-	(3,735,967)
Net expenditures	72,005,968	47,985,298	16,877,329	7,863,707	20,340,404	3,580,012	4,050,400	172,703,118
Unexpended authorizations carried forward to next budget year:								
Encumbrances	173,240	294,169	-	-	115,881	-	-	583,290
Capital outlay	-	-	-	3,050,070	-	-	-	3,050,070
Work projects	14,023,569	21,695,527	13,419,503	522,750	2,510,628	-	-	52,171,977
Restricted revenue	-	-	-	486,495	-	-	-	486,495
Lapsed authorizations								
COVID-19 related budget reduction (5%)	4,640,850	4,640,850	-	-	-	-	-	9,281,700
Lapses	452	95,935	536,452	100	268,173	-	-	901,112
Total disposition of authorizations	\$ 90,844,079	\$ 74,711,779	\$ 30,833,284	\$ 11,923,122	\$ 23,235,086	\$ 3,580,012	\$ 4,050,400	\$ 239,177,762

Michigan Legislature

Combining Schedule of Sources and Disposition of General Fund Authorizations Year Ended September 30, 2019

	Michigan House of Representatives	Michigan Senate	Legislative Council	State Capitol Historic Site	Office of the Auditor General	Senate Fiscal Agency	House Fiscal Agency	Total
Sources of Authorization								
Legislative appropriations:								
General purpose appropriations	\$ 57,066,900	\$ 37,210,700	\$ 14,684,200	\$ 4,573,300	\$ 17,105,800	\$ 3,971,000	\$ 3,971,000	\$ 138,582,900
Legislative automated data processing appropriation	\$ 2,678,000	\$ 2,678,000	\$ 1,740,700	\$ -	\$ -	\$ -	\$ -	\$ 7,096,700
Property management appropriation	\$ 12,122,600	\$ 8,270,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,393,500
One time appropriations	\$ -	\$ -	\$ 750,000	\$ -	\$ -	\$ -	\$ -	\$ 750,000
State restricted revenue appropriations	\$ -	\$ -	\$ -	\$ 3,186,696	\$ -	\$ -	\$ -	\$ 3,186,696
Adjustments to appropriations:								
General purpose and other appropriations	\$ 4,600,000	\$ 22,600,000	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -	\$ 28,400,000
Transfers	\$ -	\$ 340,179	\$ -	\$ -	\$ -	\$ (340,179)	\$ -	\$ -
Authorizations carried forward from prior year*	\$ 6,372,555	\$ 13,543,801	\$ 11,745,459	\$ 2,481,035	\$ 788,696	\$ -	\$ -	\$ 34,931,546
Miscellaneous revenue:								
Restricted	\$ -	\$ -	\$ 49,619	\$ 337,966	\$ 8,304,127	\$ -	\$ -	\$ 8,691,712
Intrafund reimbursement	\$ -	\$ -	\$ -	\$ -	\$ (3,874,166)	\$ -	\$ -	\$ (3,874,166)
Unrestricted	\$ 126,504	\$ 675,786	\$ -	\$ -	\$ 33,795	\$ -	\$ -	\$ 836,085
Total sources of authorizations	<u>\$ 82,966,559</u>	<u>\$ 85,319,366</u>	<u>\$ 30,169,978</u>	<u>\$ 10,578,997</u>	<u>\$ 22,358,252</u>	<u>\$ 3,630,821</u>	<u>\$ 3,971,000</u>	<u>\$ 238,994,973</u>
Disposition of Authorizations								
Expenditures	\$ 70,198,223	\$ 65,778,719	\$ 17,806,168	\$ 6,729,103	\$ 24,932,692	\$ 3,630,821	\$ 3,971,000	\$ 193,046,726
Intrafund expenditure reimbursements	\$ -	\$ -	\$ -	\$ -	\$ (3,874,166)	\$ -	\$ -	\$ (3,874,166)
Net expenditures	\$ 70,198,223	\$ 65,778,719	\$ 17,806,168	\$ 6,729,103	\$ 21,058,526	\$ 3,630,821	\$ 3,971,000	\$ 189,172,560
Unexpended authorizations carried forward to next budget year:								
Encumbrances	\$ 1,639,072	\$ 218,349	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,857,421
Capital outlay	\$ -	\$ -	\$ -	\$ 3,104,138	\$ -	\$ -	\$ -	\$ 3,104,138
Work projects	\$ 11,129,216	\$ 19,322,298	\$ 11,953,972	\$ 296,248	\$ 900,000	\$ -	\$ -	\$ 43,601,734
Restricted revenue	\$ -	\$ -	\$ 34	\$ 447,854	\$ -	\$ -	\$ -	\$ 447,888
Lapsed authorizations								
COVID-19 related budget reduction (5%)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lapses	\$ 48	\$ -	\$ 409,804	\$ 1,654	\$ 399,726	\$ -	\$ -	\$ 811,232
Total disposition of authorizations	<u>\$ 82,966,559</u>	<u>\$ 85,319,366</u>	<u>\$ 30,169,978</u>	<u>\$ 10,578,997</u>	<u>\$ 22,358,252</u>	<u>\$ 3,630,821</u>	<u>\$ 3,971,000</u>	<u>\$ 238,994,973</u>

* Includes an additional \$150,015 approved from fiscal year ended September 30, 2018.

Michigan Legislature

Combining Schedule of Expenditures

Year Ended September 30, 2020

	Michigan House of Representatives	Michigan Senate	Legislative Council	State Capitol Historic Site	Office of the Auditor General	Senate Fiscal Agency	House Fiscal Agency	Total
Salaries and wages	\$ 31,933,609	\$ 22,183,593	\$ 7,448,105	\$ 1,818,805	\$ 13,550,013	\$ 1,902,542	\$ 1,823,638	\$ 80,660,305
FICA and retirement	13,719,961	10,344,878	3,902,781	796,505	7,308,642	1,002,153	962,503	38,037,423
Group insurance	6,546,677	4,498,272	1,246,071	311,299	1,958,515	324,564	290,948	15,176,346
Member's SOCC (1) expenses and mileage	1,661,427	610,926	-	-	-	-	-	2,272,353
Rentals, leases, and utilities	10,918,954	4,678,110	984,640	744,847	404,263	221,400	38,005	17,990,219
Fees and purchased services	2,774,273	1,991,349	2,143,334	722,076	338,704	70,330	878,798	8,918,864
Office supplies and printing	528,657	820,076	571,350	58,976	79,194	11,096	3,096	2,072,445
Parking	-	-	-	-	8,437	-	-	8,437
Travel	15,419	68,859	8,216	11,826	10,359	3,645	342	118,666
Telephone	301,080	204,780	241,607	15,546	14,225	12,792	12,012	802,042
Insurance and bonds	60,431	73,112	2,345	63,701	-	-	60	199,649
Dues and subscriptions	133,028	123,058	631,965	-	24,459	19,211	31,085	962,806
Postage	1,623,063	835,615	5,040	3,291	605	490	105	2,468,209
Maintenance	1,711,218	895,779	331,530	29,271	235,889	1,198	406	3,205,291
Education and training	43,899	29,027	3,167	4,371	49,448	-	9,402	139,314
Expenditure reimbursements	(818,613)	-	(1,098,152)	-	12,883	-	-	(1,903,882)
Equipment and furnishings	852,885	627,864	455,330	1,002	80,735	10,591	-	2,028,407
Capital outlay	-	-	-	3,282,191	-	-	-	3,282,191
Total expenditures	\$ 72,005,968	\$ 47,985,298	\$ 16,877,329	\$ 7,863,707	\$ 24,076,371	\$ 3,580,012	\$ 4,050,400	\$ 176,439,085

(1) SOCC - State Officer's Compensation Commission

Michigan Legislature

Combining Schedule of Expenditures

Year Ended September 30, 2019

	Michigan House of Representatives	Michigan Senate	Legislative Council	State Capitol Historic Site	Office of the Auditor General	Senate Fiscal Agency	House Fiscal Agency	Total
Salaries and wages	\$ 31,300,442	\$ 21,963,042	\$ 7,446,175	\$ 1,624,253	\$ 13,440,026	\$ 1,906,420	\$ 1,875,636	\$ 79,555,994
FICA and retirement	14,139,111	10,819,046	4,123,573	816,487	7,450,266	1,054,460	1,044,143	39,447,086
Group insurance	5,979,346	4,233,190	1,217,023	324,160	1,958,535	323,883	285,345	14,321,482
Member's SOCC (1) expenses and mileage	1,690,635	626,865	-	-	-	-	-	2,317,500
Rentals, leases, and utilities	10,877,616	4,724,454	992,393	763,348	397,395	217,800	39,937	18,012,943
Fees and purchased services	2,110,227	2,250,631	3,282,469	697,214	706,984	65,954	646,305	9,759,784
Office supplies and printing	407,127	705,425	589,110	92,283	226,570	16,869	4,109	2,041,493
Parking	-	-	-	-	7,266	-	-	7,266
Travel	32,752	112,141	30,083	16,802	61,987	12,082	4,628	270,475
Telephone	302,852	198,165	254,173	15,834	14,116	13,348	12,636	811,124
Insurance and bonds	52,118	91,295	1,753	54,206	-	-	77	199,449
Dues and subscriptions	138,995	119,614	459,573	-	24,451	17,908	26,889	787,430
Postage	716,538	733,149	1,538	3,471	950	183	38	1,455,867
Maintenance	1,385,140	546,791	195,332	136,123	240,045	1,914	411	2,505,756
Education and training	46,946	14,507	14,475	3,235	89,661	-	9,724	178,548
Expenditure reimbursements	(587,913)	-	(1,185,826)	-	30,930	-	-	(1,742,809)
Equipment and furnishings	1,606,291	640,819	384,324	20,251	283,510	-	21,122	2,956,317
Capital outlay	-	17,999,585	-	2,161,436	-	-	-	20,161,021
Total expenditures	\$ 70,198,223	\$ 65,778,719	\$ 17,806,168	\$ 6,729,103	\$ 24,932,692	\$ 3,630,821	\$ 3,971,000	\$ 193,046,726

(1) SOCC - State Officer's Compensation Commission

Michigan Legislature

Schedule of Sources and Disposition of General Fund Authorizations

Michigan House of Representatives

	Year Ended	
	September 30, 2020	September 30, 2019
Sources of Authorization		
Legislative appropriations:		
General purpose appropriations	\$ 62,900,200	\$ 57,066,900
Legislative automated data processing appropriation	2,731,600	2,678,000
Property management appropriation	12,365,100	12,122,600
One time appropriations	-	-
State restricted revenue appropriations	-	-
Adjustments to appropriations:		
General purpose and other appropriations	-	4,600,000
Transfers	-	-
Authorizations carried forward from prior year	12,768,288	6,372,555
Miscellaneous revenue:		
Restricted	-	-
Intrafund reimbursement	-	-
Unrestricted	78,891	126,504
Total sources of authorizations	\$ 90,844,079	\$ 82,966,559
Disposition of Authorizations		
Expenditures	\$ 72,005,968	\$ 70,198,223
Intrafund expenditure reimbursements	-	-
Net expenditures	72,005,968	70,198,223
Unexpended authorizations carried forward to next budget year:		
Encumbrances	173,240	1,639,072
Capital outlay	-	-
Work projects	14,023,569	11,129,216
Restricted revenue	-	-
Lapsed authorizations		
COVID-19 related budget reduction (5%)	4,640,850	-
Lapses	452	48
Total disposition of authorizations	\$ 90,844,079	\$ 82,966,559

Michigan Legislature

Schedule of Expenditures

Michigan House of Representatives

	Year Ended	
	September 30, 2020	September 30, 2019
Salaries and wages	\$ 31,933,609	\$ 31,300,442
FICA and retirement	13,719,961	14,139,111
Group insurance	6,546,677	5,979,346
Member's SOCC (1) expenses and mileage	1,661,427	1,690,635
Rentals, leases, and utilities	10,918,954	10,877,616
Fees and purchased services	2,774,273	2,110,227
Office supplies and printing	528,657	407,127
Parking	-	-
Travel	15,419	32,752
Telephone	301,080	302,852
Insurance and bonds	60,431	52,118
Dues and subscriptions	133,028	138,995
Postage	1,623,063	716,538
Maintenance	1,711,218	1,385,140
Education and training	43,899	46,946
Expenditure reimbursements	(818,613)	(587,913)
Equipment and furnishings	852,885	1,606,291
Capital outlay	-	-
Total expenditures	<u>\$ 72,005,968</u>	<u>\$ 70,198,223</u>

(1) SOCC - State Officer's Compensation Commission

Michigan Legislature

Schedule of Sources and Disposition of General Fund Authorizations

Michigan Senate

	Year Ended	
	September 30, 2020	September 30, 2019
Sources of Authorization		
Legislative appropriations:		
General purpose appropriations	\$ 42,646,900	\$ 37,210,700
Legislative automated data processing appropriation	2,731,600	2,678,000
Property management appropriation	8,436,300	8,270,900
One time appropriations	-	-
State restricted revenue appropriations	-	-
Adjustments to appropriations:		
General purpose and other appropriations	-	22,600,000
Transfers	470,388	340,179
Authorizations carried forward from prior year	19,540,647	13,543,801
Miscellaneous revenue:		
Restricted	-	-
Intrafund reimbursement	-	-
Unrestricted	885,944	675,786
Total sources of authorizations	<u>\$ 74,711,779</u>	<u>\$ 85,319,366</u>
Disposition of Authorizations		
Expenditures	\$ 47,985,298	\$ 65,778,719
Intrafund expenditure reimbursements	-	-
Net expenditures	47,985,298	65,778,719
Unexpended authorizations carried forward to next budget year:		
Encumbrances	294,169	218,349
Capital outlay	-	-
Work projects	21,695,527	19,322,298
Restricted revenue	-	-
Lapsed authorizations		
COVID-19 related budget reduction (5%)	4,640,850	-
Lapses	95,935	-
Total disposition of authorizations	<u>\$ 74,711,779</u>	<u>\$ 85,319,366</u>

Michigan Legislature

Schedule of Expenditures

Michigan Senate

	Year Ended	
	September 30, 2020	September 30, 2019
Salaries and wages	\$ 22,183,593	\$ 21,963,042
FICA and retirement	10,344,878	10,819,046
Group insurance	4,498,272	4,233,190
Member's SOCC (1) expenses and mileage	610,926	626,865
Rentals, leases, and utilities	4,678,110	4,724,454
Fees and purchased services	1,991,349	2,250,631
Office supplies and printing	820,076	705,425
Parking	-	-
Travel	68,859	112,141
Telephone	204,780	198,165
Insurance and bonds	73,112	91,295
Dues and subscriptions	123,058	119,614
Postage	835,615	733,149
Maintenance	895,779	546,791
Education and training	29,027	14,507
Expenditure reimbursements	-	-
Equipment and furnishings	627,864	640,819
Capital outlay	-	17,999,585
Total expenditures	<u>\$ 47,985,298</u>	<u>\$ 65,778,719</u>

(1) SOCC - State Officer's Compensation Commission

Michigan Legislature

Schedule of Sources and Disposition of General Fund Authorizations

Legislative Council

	Year Ended	
	September 30, 2020	September 30, 2019
Sources of Authorization		
Legislative appropriations:		
General purpose appropriations	\$ 16,328,800	\$ 14,684,200
Legislative automated data processing appropriation	1,775,500	1,740,700
Property management appropriation	-	-
One time appropriations	765,000	750,000
State restricted revenue appropriations	-	-
Adjustments to appropriations:		
General purpose and other appropriations	-	1,200,000
Transfers	-	-
Authorizations carried forward from prior year	11,954,006	11,745,459
Miscellaneous revenue:		
Restricted	9,978	49,619
Intrafund reimbursement	-	-
Unrestricted	-	-
Total sources of authorizations	<u>\$ 30,833,284</u>	<u>\$ 30,169,978</u>
Disposition of Authorizations		
Expenditures	\$ 16,877,329	\$ 17,806,168
Intrafund expenditure reimbursements	-	-
Net expenditures	16,877,329	17,806,168
Unexpended authorizations carried forward to next budget year:		
Encumbrances	-	-
Capital outlay	-	-
Work projects	13,419,503	11,953,972
Restricted revenue	-	34
Lapsed authorizations		
COVID-19 related budget reduction (5%)	-	-
Lapses	536,452	409,804
Total disposition of authorizations	<u>\$ 30,833,284</u>	<u>\$ 30,169,978</u>

Michigan Legislature

Schedule of Expenditures

Legislative Council

	Year Ended	
	September 30, 2020	September 30, 2019
Salaries and wages	\$ 7,448,105	\$ 7,446,175
FICA and retirement	3,902,781	4,123,573
Group insurance	1,246,071	1,217,023
Member's SOCC (1) expenses and mileage	-	-
Rentals, leases, and utilities	984,640	992,393
Fees and purchased services	2,143,334	3,282,469
Office supplies and printing	571,350	589,110
Parking	-	-
Travel	8,216	30,083
Telephone	241,607	254,173
Insurance and bonds	2,345	1,753
Dues and subscriptions	631,965	459,573
Postage	5,040	1,538
Maintenance	331,530	195,332
Education and training	3,167	14,475
Expenditure reimbursements	(1,098,152)	(1,185,826)
Equipment and furnishings	455,330	384,324
Capital outlay	-	-
Total expenditures	\$ 16,877,329	\$ 17,806,168

(1) SOCC - State Officer's Compensation Commission

Michigan Legislature

Schedule of Sources and Disposition of General Fund Authorizations

State Capitol Historic Site

	Year Ended	
	September 30, 2020	September 30, 2019
Sources of Authorization		
Legislative appropriations:		
General purpose appropriations	\$ 4,710,500	\$ 4,573,300
Legislative automated data processing appropriation	-	-
Property management appropriation	-	-
One time appropriations	-	-
State restricted revenue appropriations	3,228,123	3,186,696
Adjustments to appropriations:		
General purpose and other appropriations	-	-
Transfers	-	-
Authorizations carried forward from prior year	3,848,240	2,481,035
Miscellaneous revenue:		
Restricted	136,259	337,966
Intrafund reimbursement	-	-
Unrestricted	-	-
Total sources of authorizations	<u>\$ 11,923,122</u>	<u>\$ 10,578,997</u>
Disposition of Authorizations		
Expenditures	\$ 7,863,707	\$ 6,729,103
Intrafund expenditure reimbursements	-	-
Net expenditures	7,863,707	6,729,103
Unexpended authorizations carried forward to next budget year:		
Encumbrances	-	-
Capital outlay	3,050,070	3,104,138
Work projects	522,750	296,248
Restricted revenue	486,495	447,854
Lapsed authorizations		
COVID-19 related budget reduction (5%)	-	-
Lapses	100	1,654
Total disposition of authorizations	<u>\$ 11,923,122</u>	<u>\$ 10,578,997</u>

Michigan Legislature

Schedule of Expenditures

State Capitol Historic Site

	Year Ended	
	September 30, 2020	September 30, 2019
Salaries and wages	\$ 1,818,805	\$ 1,624,253
FICA and retirement	796,505	816,487
Group insurance	311,299	324,160
Member's SOCC (1) expenses and mileage	-	-
Rentals, leases, and utilities	744,847	763,348
Fees and purchased services	722,076	697,214
Office supplies and printing	58,976	92,283
Parking	-	-
Travel	11,826	16,802
Telephone	15,546	15,834
Insurance and bonds	63,701	54,206
Dues and subscriptions	-	-
Postage	3,291	3,471
Maintenance	29,271	136,123
Education and training	4,371	3,235
Expenditure reimbursements	-	-
Equipment and furnishings	1,002	20,251
Capital outlay	3,282,191	2,161,436
Total expenditures	\$ 7,863,707	\$ 6,729,103

(1) SOCC - State Officer's Compensation Commission

Michigan Legislature

Schedule of Sources and Disposition of General Fund Authorizations

Office of the Auditor General

	Year Ended	
	September 30, 2020	September 30, 2019
Sources of Authorization		
Legislative appropriations:		
General purpose appropriations	\$ 17,790,300	\$ 17,105,800
Legislative automated data processing appropriation	-	-
Property management appropriation	-	-
One time appropriations	-	-
State restricted revenue appropriations	-	-
Adjustments to appropriations:		
General purpose and other appropriations	-	-
Transfers	-	-
Authorizations carried forward from prior year*	900,000	788,696
Miscellaneous revenue:		
Restricted	8,280,092	8,304,127
Intrafund reimbursement	(3,735,967)	(3,874,166)
Unrestricted	661	33,795
Total sources of authorizations	<u>\$ 23,235,086</u>	<u>\$ 22,358,252</u>
Disposition of Authorizations		
Expenditures	\$ 24,076,371	\$ 24,932,692
Intrafund expenditure reimbursements	<u>(3,735,967)</u>	<u>(3,874,166)</u>
Net expenditures	20,340,404	21,058,526
Unexpended authorizations carried forward to next budget year:		
Encumbrances	115,881	-
Capital outlay	-	-
Work projects	2,510,628	900,000
Restricted revenue	-	-
Lapsed authorizations		
COVID-19 related budget reduction (5%)	-	-
Lapses	<u>268,173</u>	<u>399,726</u>
Total disposition of authorizations	<u>\$ 23,235,086</u>	<u>\$ 22,358,252</u>

*Fiscal year ended September 30, 2019 includes an additional \$150,015 approved from fiscal year ended September 30, 2018.

Michigan Legislature

Schedule of Expenditures Office of the Auditor General

	Year Ended	
	September 30, 2020	September 30, 2019
Salaries and wages	\$ 13,550,013	\$ 13,440,026
FICA and retirement	7,308,642	7,450,266
Group insurance	1,958,515	1,958,535
Member's SOCC (1) expenses and mileage	-	-
Rentals, leases, and utilities	404,263	397,395
Fees and purchased services	338,704	706,984
Office supplies and printing	79,194	226,570
Parking	8,437	7,266
Travel	10,359	61,987
Telephone	14,225	14,116
Insurance and bonds	-	-
Dues and subscriptions	24,459	24,451
Postage	605	950
Maintenance	235,889	240,045
Education and training	49,448	89,661
Expenditure reimbursements	12,883	30,930
Equipment and furnishings	80,735	283,510
Capital outlay	-	-
Total expenditures	<u>\$ 24,076,371</u>	<u>\$ 24,932,692</u>

(1) SOCC - State Officer's Compensation Commission

Michigan Legislature

Schedule of Sources and Disposition of General Fund Authorizations

Senate Fiscal Agency

	Year Ended	
	September 30, 2020	September 30, 2019
Sources of Authorization		
Legislative appropriations:		
General purpose appropriations	\$ 4,050,400	\$ 3,971,000
Legislative automated data processing appropriation	-	-
Property management appropriation	-	-
One time appropriations	-	-
State restricted revenue appropriations	-	-
Adjustments to appropriations:		
General purpose and other appropriations	-	-
Transfers	(470,388)	(340,179)
Authorizations carried forward from prior year	-	-
Miscellaneous revenue:		
Restricted	-	-
Intrafund reimbursement	-	-
Unrestricted	-	-
Total sources of authorizations	\$ 3,580,012	\$ 3,630,821
Disposition of Authorizations		
Expenditures	\$ 3,580,012	\$ 3,630,821
Intrafund expenditure reimbursements	-	-
Net expenditures	3,580,012	3,630,821
Unexpended authorizations carried forward to next budget year:		
Encumbrances	-	-
Capital outlay	-	-
Work projects	-	-
Restricted revenue	-	-
Lapsed authorizations		
COVID-19 related budget reduction (5%)	-	-
Lapses	-	-
Total disposition of authorizations	\$ 3,580,012	\$ 3,630,821

Michigan Legislature

Schedule of Expenditures

Senate Fiscal Agency

	Year Ended	
	September 30, 2020	September 30, 2019
Salaries and wages	\$ 1,902,542	\$ 1,906,420
FICA and retirement	1,002,153	1,054,460
Group insurance	324,564	323,883
Member's SOCC (1) expenses and mileage	-	-
Rentals, leases, and utilities	221,400	217,800
Fees and purchased services	70,330	65,954
Office supplies and printing	11,096	16,869
Parking	-	-
Travel	3,645	12,082
Telephone	12,792	13,348
Insurance and bonds	-	-
Dues and subscriptions	19,211	17,908
Postage	490	183
Maintenance	1,198	1,914
Education and training	-	-
Expenditure reimbursements	-	-
Equipment and furnishings	10,591	-
Capital outlay	-	-
Total expenditures	<u>\$ 3,580,012</u>	<u>\$ 3,630,821</u>

(1) SOCC - State Officer's Compensation Commission

Michigan Legislature

Schedule of Sources and Disposition of General Fund Authorizations

House Fiscal Agency

	Year Ended	
	September 30, 2020	September 30, 2019
Sources of Authorization		
Legislative appropriations:		
General purpose appropriations	\$ 4,050,400	\$ 3,971,000
Legislative automated data processing appropriation	-	-
Property management appropriation	-	-
One time appropriations	-	-
State restricted revenue appropriations	-	-
Adjustments to appropriations:		
General purpose and other appropriations	-	-
Transfers	-	-
Authorizations carried forward from prior year	-	-
Miscellaneous revenue:		
Restricted	-	-
Intrafund reimbursement	-	-
Unrestricted	-	-
Total sources of authorizations	<u>\$ 4,050,400</u>	<u>\$ 3,971,000</u>
Disposition of Authorizations		
Expenditures	\$ 4,050,400	\$ 3,971,000
Intrafund expenditure reimbursements	-	-
Net expenditures	4,050,400	3,971,000
Unexpended authorizations carried forward		
to next budget year:		
Encumbrances	-	-
Capital outlay	-	-
Work projects	-	-
Restricted revenue	-	-
Lapsed authorizations		
COVID-19 related budget reduction (5%)	-	-
Lapses	-	-
Total disposition of authorizations	<u>\$ 4,050,400</u>	<u>\$ 3,971,000</u>

Michigan Legislature

Schedule of Expenditures

House Fiscal Agency

	Year Ended	
	September 30, 2020	September 30, 2019
Salaries and wages	\$ 1,823,638	\$ 1,875,636
FICA and retirement	962,503	1,044,143
Group insurance	290,948	285,345
Member's SOCC (1) expenses and mileage	-	-
Rentals, leases, and utilities	38,005	39,937
Fees and purchased services	878,798	646,305
Office supplies and printing	3,096	4,109
Parking	-	-
Travel	342	4,628
Telephone	12,012	12,636
Insurance and bonds	60	77
Dues and subscriptions	31,085	26,889
Postage	105	38
Maintenance	406	411
Education and training	9,402	9,724
Expenditure reimbursements	-	-
Equipment and furnishings	-	21,122
Capital outlay	-	-
Total expenditures	<u>\$ 4,050,400</u>	<u>\$ 3,971,000</u>

(1) SOCC - State Officer's Compensation Commission

Report on Internal Control Over Financial
Reporting and on Compliance and Other
Matters Based on an Audit of Financial
Statements Performed in Accordance with
Government Auditing Standards

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

To Management; the Michigan Legislature; and
Mr. Doug Ringler, CPA, CIA, Auditor General
Office of the Auditor General

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the combined statement of sources and disposition of the General Fund authorizations of the Michigan Legislature for the years ended September 30, 2020 and 2019 (the "financial statement") and the related notes to the combined financial statement and have issued our report thereon dated March 5, 2021.

Internal Control Over Financial Reporting

In planning and performing our audits of the financial statement, we considered the Michigan Legislature's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the Michigan Legislature's internal control. Accordingly, we do not express an opinion on the effectiveness of the Michigan Legislature's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Michigan Legislature's financial statement will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Michigan Legislature's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

To Management; the Michigan Legislature; and
Mr. Doug Ringler, CPA, CIA, Auditor General
Office of the Auditor General

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Michigan Legislature's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Michigan Legislature's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plante & Moran, PLLC

March 5, 2021