



HOUSE BILL No. 5708

September 13, 1994, Introduced by Rep Nye and referred to the Committee on Local Government

A bill to amend section 5 of Act No 2 of the Public Acts of 1968, entitled as amended

Uniform budgeting and accounting act,"

being section 141 425 of the Michigan Compiled Laws

THE PEOPLE OF THE STATE OF MICHIGAN ENACT

1 Section 1 Section 5 of Act No 2 of the Public Acts of
2 1968, being section 141 425 of the Michigan Compiled Laws is
3 amended to read as follows

4 Sec 5 (1) ~~All~~ A local ~~units of government~~ UNIT of
5 less than 1,000,000 population shall ~~have~~ OBTAIN an annual
6 audit of its financial records, accounts, and procedures ~~except~~
7 ~~that in the units of local government having populations of less~~
8 ~~than 2,000 such audit shall be required not less frequently than~~
9 ~~biennially~~ HOWEVER, ONLY A BIENNIAL AUDIT IS REQUIRED IF THE
10 LOCAL UNIT IS DESCRIBED BY EITHER OF THE FOLLOWING

1 (A) HAS A POPULATION OF LESS THAN 2 000

2 (B) IS A LIBRARY WITH AN ANNUAL BUDGET OF LESS THAN
3 \$100,000 00

4 (2) ~~Local units of government~~ A LOCAL UNIT with 1,000,000
5 or more population shall ~~be required to~~ obtain an annual audit
6 as provided in this section, except that if internal auditing
7 procedures for all public moneys are established and a copy of
8 the annual internal audit of all public moneys is filed with the
9 ~~state~~ department of treasury, then an independent audit ~~shall~~
10 ~~be~~ IS required not less frequently than each 5 years