

# HOUSE BILL No. 5457

February 4, 2004, Introduced by Rep. Palmer and referred to the Committee on Education.

A bill to amend 1976 PA 451, entitled  
"The revised school code,"  
(MCL 380.1 to 380.1852) by adding section 622a.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 622a. (1) In addition to the annual audit required  
2 under section 622, an intermediate school district is subject to  
3 an audit by the department of treasury under this section.

4       (2) The department of treasury shall conduct random financial  
5 audits of intermediate school districts under this section as  
6 follows:

7       (a) The department of treasury shall select the intermediate  
8 school districts to be audited under this section on a random  
9 basis.

10       (b) The department of treasury shall establish a date each  
11 year on which it announces the intermediate school districts that

1 will be audited that year, and shall make that announcement on  
2 that date. The department of treasury shall begin the audits  
3 within 2 business days after the announcement.

4 (c) The department of treasury shall audit at least 5  
5 intermediate school districts under this section every 2 years.

6 (d) An intermediate school board and intermediate school  
7 district officials shall provide all information requested by the  
8 department of treasury auditors and shall cooperate with them to  
9 the fullest extent possible.

10 (e) The department of treasury shall submit a report of each  
11 audit conducted under this section to the senate and house  
12 standing committees having jurisdiction over education  
13 legislation.