

# SENATE BILL No. 662

December 10, 2015, Introduced by Senator YOUNG 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 435.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        SEC. 435. (1) WITHIN 120 DAYS AFTER THE EFFECTIVE DATE OF THIS  
2        SECTION, AND AT LEAST ONCE EVERY 6 YEARS AFTER THAT DATE, THE  
3        DEPARTMENT OF TREASURY SHALL CONDUCT OR ARRANGE FOR A FORENSIC  
4        AUDIT OF A FIRST CLASS SCHOOL DISTRICT'S CONTRACTS AND OTHER  
5        AGREEMENTS. AS USED IN THIS SECTION, "FORENSIC AUDIT" MEANS AN  
6        AUDIT THAT IS DESIGNED TO DETERMINE WHETHER THERE HAS BEEN ANY  
7        VIOLATION OF LAW OR OF GENERALLY ACCEPTED GOVERNMENTAL ACCOUNTING  
8        PRACTICES.

9        (2) AFTER CONDUCTING THE FORENSIC AUDIT UNDER SUBSECTION (1),  
10       IF THE DEPARTMENT OF TREASURY FINDS THAT THERE HAS BEEN ANY  
11       VIOLATION OF LAW OR OF GENERALLY ACCEPTED GOVERNMENTAL ACCOUNTING

1 PRACTICES, THE DEPARTMENT OF TREASURY SHALL PROMPTLY TAKE ACTION AS  
2 NECESSARY TO CORRECT THE SITUATION, INCLUDING, BUT NOT LIMITED TO,  
3 REPORTING ANY VIOLATION OF LAW TO AN APPROPRIATE LAW ENFORCEMENT  
4 AGENCY FOR INVESTIGATION AND POSSIBLE PROSECUTION.