



Background Briefing

LEGISLATIVE AUDITOR GENERAL

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December 2013

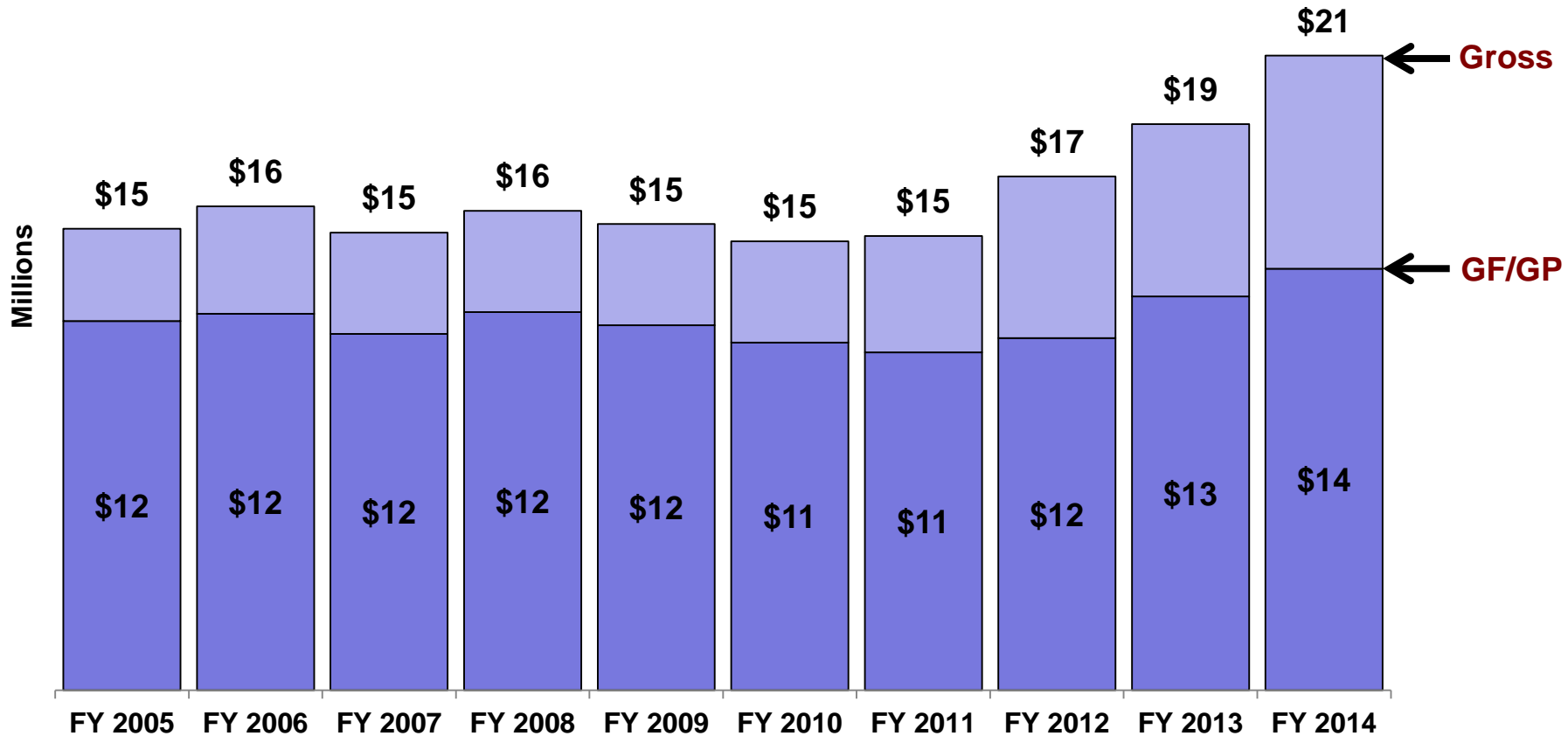
The fiscal information in this background briefing is based on data through December 31, 2013.

Legislative Auditor General

- **Constitutional Authority is found in Article IV, Section 53 of the Constitution of Michigan of 1963**
- **Mission is to improve accountability for public funds and operations of state government for the benefit of the citizens of the State of Michigan**
- **Responsibilities are to conduct post financial and performance audits of state government operations, meet specific audit requirements in conformance with the constitutional mandate, and complete individual projects and reports in response to legislative requests**
- **Audit reports**
 - **Provide information for legislative oversight of state government**
 - **Provide accountability, ensuring that receipts and expenditures are in accordance with the State Constitution and state laws, rules, and procedures**
 - **Assist state departments and agencies in improving the financial management, effectiveness, efficiency, and economy of activities and programs approved by the Legislature**
- **Appropriations for the Legislative Auditor General are included in an appropriation unit in the Legislature budget in FY 2014**

Legislative Auditor General: Gross Appropriations

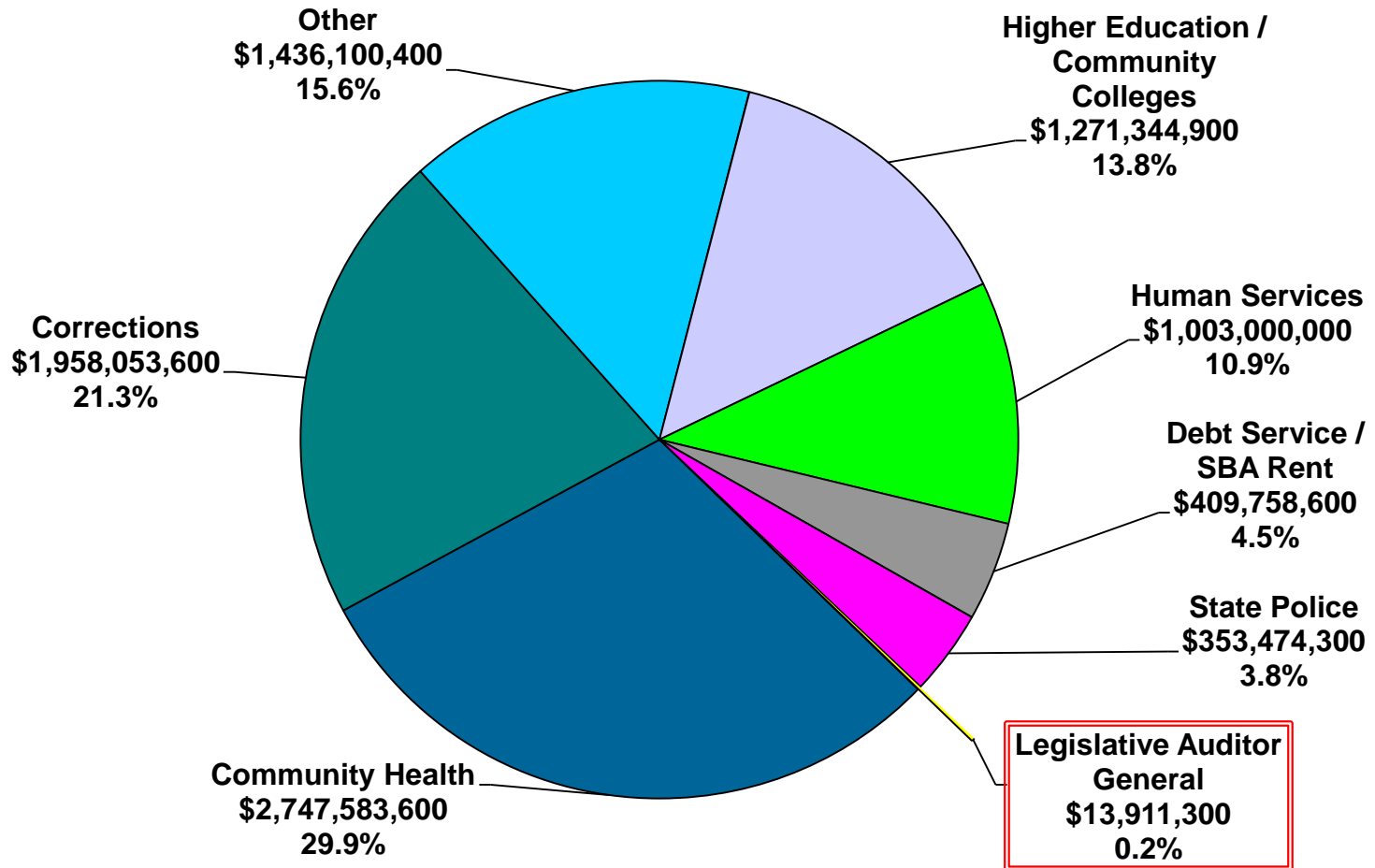
Increase in FY 2014 is due to the pre-funding of retiree healthcare, a shift of boilerplate funding to line item funding, and the inclusion of additional funds for increased audit oversight.



Legislative Auditor General Share of State GF/GP

Legislative Auditor General makes up 0.2% of the total state GF/GP budget

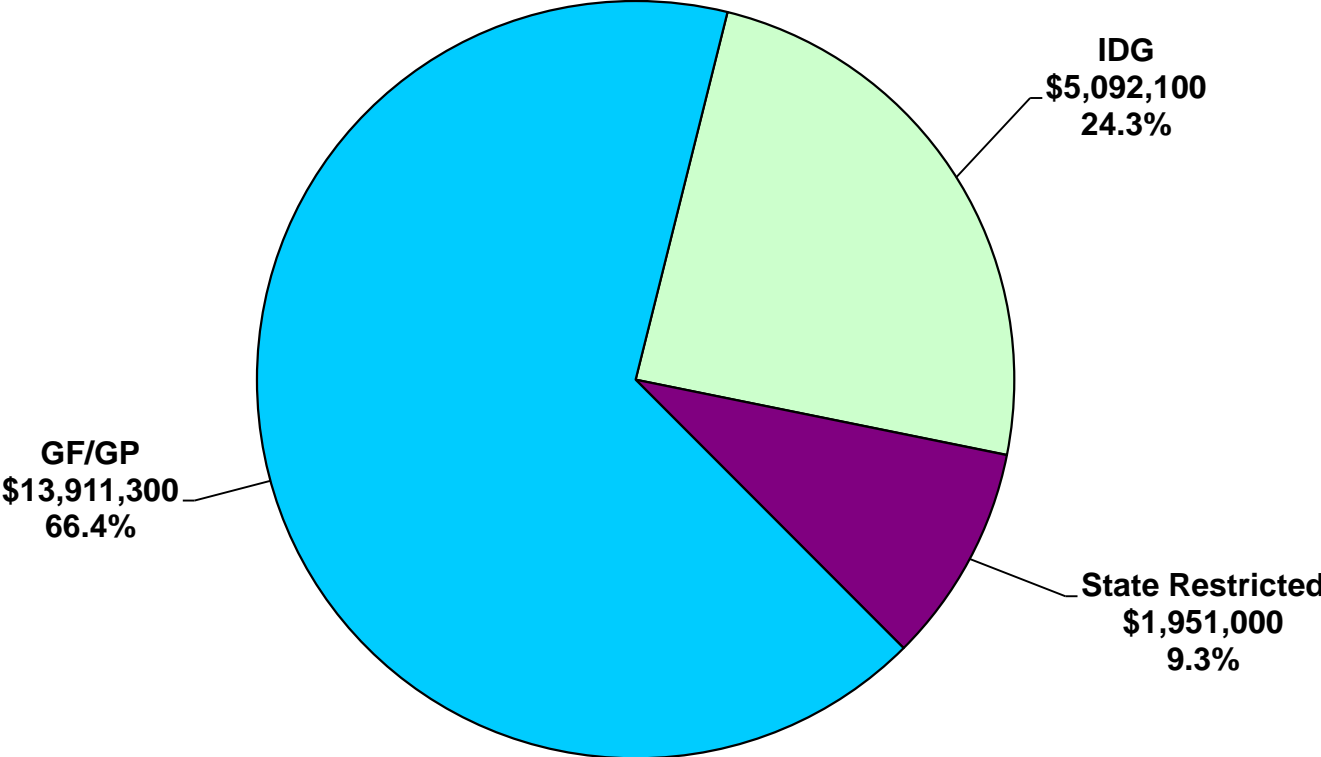
FY 2013-14 GF/GP Total = \$9,193,226,700



SOURCES OF FUNDING

Legislative Auditor General Funding Sources

FY 2013-14 Legislative Auditor General Budget = \$20,954,400



DEPARTMENT APPROPRIATIONS

Legislative Auditor General Appropriations

- **Salaries and benefits for Auditor General, Deputy Auditor General, Administrative Assistant to Auditor General, and all other office staff**
- **All other staff are state classified Civil Service employees, though they are staff of the Legislative branch**
- **Office operations**
 - **Rent**
 - **Travel**
 - **Information system charges**
 - **Office supplies**
 - **Dues**
 - **Subscriptions**
 - **Telephone**
 - **Postage**
 - **Equipment and equipment maintenance**
 - **Training**

MAJOR BUDGET TOPICS

Legislative Auditor General

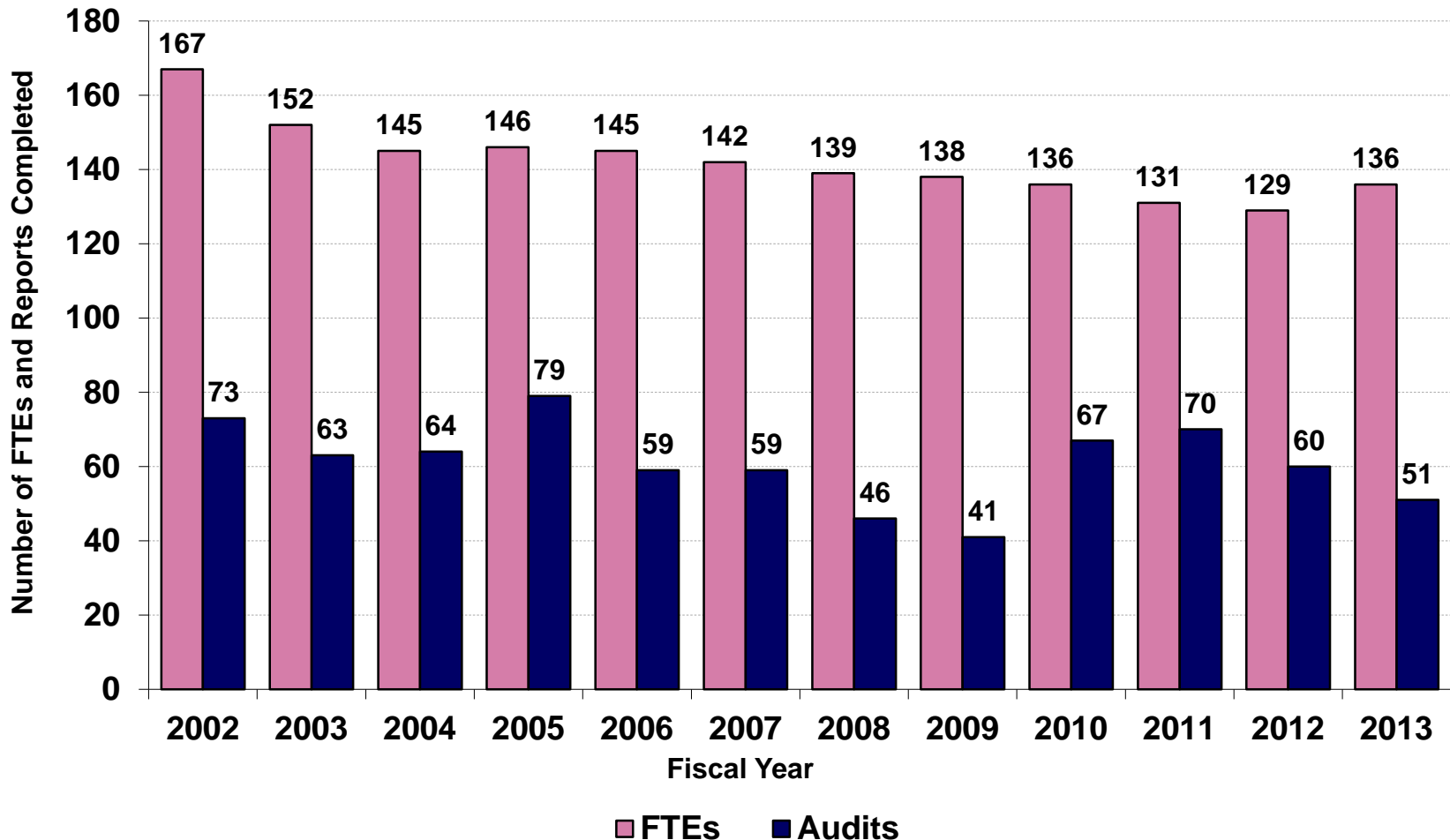
- **Organizationally divided into four areas of responsibility:**
 - **Bureau of Audit Operations** - conducts post financial and performance audits of the executive, legislative, and judicial branches of government and universities and community colleges; performs specific reviews in response to legislative requests; participates in joint National State Auditors Association audits with other states' audit agencies
 - **Office of Professional Practice** - performs quality assurance reviews of audit reports and working papers; edits audit reports; conducts accounting and auditing research
 - **Office of Information Technology** - manages and maintains the computer network; provides software assistance and computer support to all staff
 - **Office of Administration** - provides human resource management, accounting and budgeting, audit report production, office-wide printing, purchasing, and clerical support

Legislative Auditor General

- **Types of audits performed:**
 - **Financial Audits:** provide reasonable assurance that financial statements and/or financial schedules of an audited entity are presented fairly and conform with generally accepted accounting principals
 - **Single Audits:** financial audits performed in accordance with the Single Audit Act of 1984 (as amended in 1996); meet the needs of federal grantor agencies and other financial report users; require study and evaluation of the internal control structure and testing of compliance with laws and regulations relevant to federal assistance programs
 - **Performance Audits:** provide an independent assessment of the performance of a governmental entity, program, activity, or function to improve public accountability and to facilitate decision-making by parties responsible for overseeing or initiating corrective action; follow-up reports are done to determine whether agencies comply with recommendations made by the Auditor General
 - **Performance and Financial Audits:** designed to achieve a combination of performance and financial audit objectives

Legislative Auditor General

FTE Positions and Audit, Special, and Letter Reports Completed



**For more information about the
Auditor General budget, contact:**

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