

THE MANAGEMENT AND BUDGET ACT (EXCERPT)
Act 431 of 1984

18.1494 Comprehensive annual financial report; publication; preparation of financial statements; certificates of examination; disclosure of budgetary basis; deviation from generally accepted accounting principles; establishment and use of capital outlay reserve.

Sec. 494.

(1) Within 6 months after the end of the fiscal year, the director shall publish a comprehensive annual financial report which shall conform as nearly as practicable to established governmental reporting standards. The financial statements shall be prepared in accordance with generally accepted accounting principles and shall contain certificates of examination by the auditor general and any other independent auditor the auditor general may assign. The comprehensive annual financial report and the 120-day report shall contain disclosures of the budgetary basis if different from statements prepared under generally accepted accounting principles.

(2) A deviation from generally accepted accounting principles shall not be made unless authorized by statute. A deviation which is being employed at the time this act takes effect may continue until the deviation is corrected and accounted for on the basis of generally accepted accounting principles.

(3) When the state budget director determines that sufficient revenues exist, a capital outlay reserve shall be established. After a capital outlay reserve is established, the capital outlay reserve shall not be used to balance any deficit.

History: 1984, Act 431, Eff. Mar. 29, 1985

Popular Name: Act 431

Popular Name: DMB