



Michigan
Office of the Auditor General
REPORT SUMMARY

Financial Audit

State Building Authority

(A Blended Component Unit of the State of Michigan)

October 1, 2008 through September 30, 2009

Report Number:
071-0182-10

Released:
January 2010

A financial audit determines if the financial statements are fairly presented; considers internal control over financial reporting; and determines compliance with requirements material to the financial statements. This financial audit of the State Building Authority was conducted as part of the constitutional responsibility of the Office of the Auditor General.

Financial Statements:

Auditor's Report Issued

We issued an unqualified opinion on the State Building Authority's financial statements.

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Internal Control Over Financial Reporting and on Compliance and Other Matters

In accordance with *Government Auditing Standards*, we will issue a report on our consideration of the State Building Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters.

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Background:

The State Building Authority was organized under Act 183, P.A. 1964, as amended. The Authority is governed by a Board of Trustees consisting of five members appointed by the Governor, with the advice and consent of the Senate.

The Authority is authorized to issue and sell bonds in an aggregate principal amount outstanding not to exceed \$2.7 billion, excluding refunding bonds. The Authority is also authorized to issue and sell commercial paper notes as a short-term funding source for capital outlay projects prior to bonding. All bonds and commercial paper are limited obligations of the Authority and are not general obligations of the State or the Authority. The bonds are payable solely from equipment and facility lease payments, investment earnings, insurance proceeds, undisbursed bond proceeds retained by the Authority on a bond issue-specific basis, and any other assets pledged by the Authority to the bondholders.

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A copy of the full report can be
obtained by calling 517.334.8050
or by visiting our Web site at:
<http://audgen.michigan.gov>



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