

UNIFORM SYSTEM OF ACCOUNTING (EXCERPT)
Act 71 of 1919

21.44a Statement to be filed with auditor general; annual county financial report; excluded information; unauthorized investments prohibited.

Sec. 4a.

(1) Each department, institution, or office of state government shall file with the auditor general within 60 days after the close of the state fiscal year an accurate statement showing all of the following for the fiscal year:

(a) The cost and fiscal year end market value of derivative instruments or products in the department's, institution's, or office's nonpension investment portfolio at fiscal year end. The information required under this subdivision shall be reported both on an aggregate basis and itemized by issuer and type of derivative instrument or product.

(b) For each state pension system, the cost and fiscal year end market value for each item in each of the following categories of pension investments in the state pension system's investment portfolio at fiscal year end:

(i) United States government or agency obligations, itemized by type of security.

(ii) Commercial paper, itemized by issuing bank.

(iii) United States government or agency repurchase agreements, itemized by institution with type of security specified.

(iv) United States bank bankers' acceptances, itemized by issuing bank.

(v) Mutual funds, itemized by mutual fund name.

(vi) Common stock, itemized by issuing corporation.

(vii) Corporate bonds, itemized by issuing corporation and type of security.

(viii) Real estate, itemized by separately described holding.

(ix) Mortgages, itemized by mortgagor.

x(x) Derivative instruments or products, itemized by issuer and type.

(xi) Other pension investments not listed above in this subdivision itemized by type of investment.

(c) The total cost and fiscal year end market value for each category of investments under subdivision (b) in the state pension system's investment portfolio at fiscal year end.

(d) The total cost and fiscal year end market value for all categories of investments under subdivision (b) in the state pension system's investment portfolio at fiscal year end, on an aggregate basis.

(2) In addition to the requirements of section 4, an annual financial report for a county shall contain, for each fiscal year, all of the following:

(a) A statement indicating whether there are derivative instruments or products in the county's nonpension investment portfolio at fiscal year end.

(b) If the statement in subdivision (a) is affirmative, an accurate schedule reporting the cost and fiscal year end market value of derivative instruments or products in the county's nonpension investment portfolio at fiscal year end. The information required under this subdivision shall be reported both on an aggregate basis and itemized by issuer and type of derivative instrument or product.

(c) A statement indicating whether there are derivative instruments or products in the county's pension investment portfolio at fiscal year end.

(d) If the statement under subdivision (c) is affirmative, an accurate schedule reporting the cost and fiscal year end market value of derivative instruments or products in the county's pension investment portfolio at fiscal year end. The information required under this subdivision shall be reported both on an aggregate basis and itemized by issuer and type of derivative instrument or product.

(3) Investments of defined contribution plans and deferred compensation plans that are chosen by the employee participating in the plan shall be excluded from the information reported under subsection (1)(b), (c), and (d) and subsection (2)(c) and (d).

(4) This section does not authorize a department, institution, or office of state government or a county to make investments not otherwise authorized by law.

History: Add. 1996, Act 426, Imd. Eff. Nov. 25, 1996