



Michigan
Office of the Auditor General
REPORT SUMMARY

Financial Audit

*Michigan Strategic Fund
Fiscal Year Ended September 30, 2001*

**Report Number:
07-401-02**

**Released:
June 2002**

A financial audit determines if the financial statements are fairly presented; considers internal control over financial reporting; and determines compliance with State compliance requirements material to the financial statements. This financial audit of the Michigan Strategic Fund (MSF) 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 MSF's financial statements.

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Internal Control Over Financial Reporting

We did not identify any material weaknesses in internal control over financial reporting. However, we did identify a reportable condition (Finding 1).

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**Noncompliance Material to
the Financial Statements**

We did not identify any instances of noncompliance, applicable to the financial statements that are required to be reported under *Government Auditing Standards*.

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Background:

MSF was created by Act 270, P.A. 1984, to help diversify the economy of the State and to provide for economic development, primarily by assisting business enterprises in obtaining additional sources of financing. Executive Order No. 1999-1, in conjunction with an interlocal agreement, transferred substantial assets, liabilities, and fund balances of MSF to the Michigan Economic Development Corporation (MEDC). This Executive Order and interlocal agreement also transferred funding and detailed MSF's State classified employees to MEDC.

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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: www.state.mi.us/audgen/



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