



Michigan
Office of the Auditor General
REPORT SUMMARY

Performance Audit

Report Number:
271-0410-07

21st Century Jobs Trust Fund Programs

*Michigan Strategic Fund and
Strategic Economic Investment and
Commercialization Board*

Released:
September 2007

Acts 225, 213, and 215, P.A. 2005, amended the Michigan Strategic Fund Act to create new programs to make investments and to award grants and loans for the purpose of diversifying Michigan's economy and helping to create jobs in the areas of competitive edge technologies. These programs include the 21st Century Investments Program, the Life Sciences Pipeline Program, competitive edge technology grants and loans, and projects specifically appropriated in Act 225, P.A. 2005.

Audit Objective:

To assess the effectiveness of the Michigan Strategic Fund's (MSF's) processes for awarding grants, loans, and contracts and making investments for economic development.

Audit Conclusion:

We concluded that MSF's processes for awarding grants, loans, and contracts and making investments for economic development were effective. Our audit report does not include any reportable conditions related to this objective.

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Audit Objective:

To assess the effectiveness of the Strategic Economic Investment and Commercialization (SEIC) Board's processes for awarding grants, loans, and contracts to encourage the development of competitive edge technologies to create jobs in the State.

Audit Conclusion:

We concluded that the SEIC Board's processes for awarding grants, loans, and contracts to encourage the development of competitive edge technologies to create jobs in the State were effective. Our audit report does not include any reportable conditions related to this objective.

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Audit Objective:

To assess the effectiveness of MSF's processes for evaluating the economic development outcomes of the 21st century investments, competitive edge technology grants and loans, and projects specifically appropriated in Act 225, P.A. 2005.

Audit Conclusion:

MSF had not begun its evaluation of economic development outcome data as of June 30, 2007. As a result, we could not conclude on the effectiveness of MSF's processes for evaluating the economic

development outcomes of the 21st Century Jobs Trust Fund programs and our audit report does not include any reportable conditions related to this objective.

The projects financed through the 21st Century Jobs Trust Fund programs are multi-year projects and, as of June 30, 2007, had been ongoing for less than a year. MSF's evaluation processes consist of identifying relevant and measurable economic development outcome data and collecting and evaluating the data for inclusion in MSF's annual report to the Legislature. MSF is not required to report on its evaluation of the economic development outcomes for fiscal year 2006-07 until March 2008.

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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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