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Office of the Auditor General

Report Summary

Performance Audit

Michigan Community Revitalization Program (MCRP)

Michigan Strategic Fund (MSF) Department of Labor and Economic Opportunity

Report Number:
186-0431-23

Released:
October 2024

MCRP was established in 2011 as an incentive program available from MSF and administered by the Michigan Economic Development Corporation (MEDC). MCRP provides gap financing in the form of performance-based grants, loans, or other economic assistance for the promotion of private investment toward the revitalization and redevelopment of eligible properties in Michigan communities. The MSF Board governs MCRP and approved 62 MCRP awards from October 1, 2020 through March 31, 2023 with awards totaling \$86.9 million.

Audit Objective			Conclusion
Objective 1: To assess the sufficiency of MSF's awarding process for MCRP.			Sufficient
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
None reported.		Not applicable.	

Audit Objective			Conclusion
Objective 2: To assess the sufficiency of MSF's monitoring efforts over MCRP projects' satisfaction of established milestones.			Sufficient, with exceptions
Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
MEDC needs to consistently maintain documentation of milestone report submission dates, requests to awardees for additional information, and other relevant communications with awardees to better support its MCRP report reviews. MEDC's procedures provided staff with a project tracking sheet to document relevant review notes; however, completion of it was not required (Finding 1).		X	Agrees

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