

Table 1: State Audits of Economic Development

Agency	Auditing Agency	Date (Type)*
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Alaska

Alaska Science and Technology Foundation	Division of Legislative Audit	9/98 (P)
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Department of Commerce and Economic Development Alaska Science and Technology Foundation Grant Procedures

Findings: little initial independent verification of information submitted by grant recipients and weak monitoring controls over ongoing reports. Recommendations: increase efforts to monitor grants, particularly monitoring benchmarks and budgets; and enforce post-grant reporting requirements to ensure compliance with agreements and repayment.

Industrial Development Export Authority	Division of Legislative Audit	2/91 (P)
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Department of Commerce and Economic Development Alaska Industrial Development and Export

Recommendation: develop general criteria for project evaluation, but do not adopt specific provisions so that the Authority maintains the flexibility to negotiate concessions on an individual project basis.

Department of Community and Regional Affairs	Division of Legislative Audit	11/90 (P)
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Department of Community and Regional Affairs Rural Development Division Job Training Partnership Act Program and Rural Economic Development Initiative

Findings: JTPA program has attracted employers with mainly short-term interests, but has had a positive impact on rural areas where economic resources and employment opportunities are otherwise unavailable or limited; the REDI program is moving towards funding economic development projects with long-lasting effects and away from short-term community development projects; the REDI program has not had a great impact in the rural parts of northern and western region and program managers are working on providing better outreach and technical assistance to those communities.

Department of Commerce and Economic Development	Division of Legislative Audit	3/90 (F)
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A Report on the Department of Commerce and Economic Development

Findings: nine instances of noncompliance with accounting procedures; questionable program costs of nearly \$20,000 stemming from an improper timekeeping system; other accounting and logistical problems related to the Department's outstanding receivables. Recommendation: conduct a detailed review.

Arizona

Department of Commerce	Auditor General	4/93 (P)
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A Performance Audit of the Department of Commerce

Findings: inconsistent use of criteria when awarding funds and inefficient operations of the Arizona Enterprise Development Corporation. Recommendation: privatize the Small Business Administration loan program.

* P = Performance audit; F = Financial and compliance audit; R = Report

Go to www.goodjobsfirst.org for more information about each audit

Agency	Auditing Agency	Date (Type)
California		
Trade and Commerce Agency	Bureau of State Audits	12/99 (P)
Trade and Commerce Agency: It Has Not Demonstrated Strong Leadership for the Manufacturing Technology Program, Collected Data Necessary to Measure Program Effectiveness, or Ensured Compliance with Performance Requirements (Report 99025)		
Findings: no comprehensive statewide strategy; inconsistent data collection; unable to measure program effectiveness or ensure that centers meet all program requirements.		
Trade and Commerce Agency	Bureau of State Audits	4/96 (P)
Trade and Commerce Agency: More Can Be Done To Measure the Return on the State's Investment and To Oversee Its Activities (Report 95118)		
Findings: agency has no overall strategic plan; some administrative and operational improvements are necessary; benchmarks or targets are not always established; results are not always measured when benchmarks were used, or targets were set so low that they were easily met; and annual reports not always made.		
Trade and Commerce Agency	Bureau of State Audits	11/95 (P)
Trade and Commerce Agency: The Effectiveness of the Employment and Economic Incentive and Enterprise Zone Programs Cannot Be Determined (Report 93109)		
Finding: unable to draw any conclusions about program effectiveness because of the lack of and difficulty in obtaining data about jobs and wages. Recommendation: better data collection so that program evaluation is possible.		
Colorado		
Economic Development Commission and Department of Local Affairs	State Auditor	2/98 (P)
Enterprise Zone Program		
Findings: difficult to determine whether economic improvements are related to the program; significant data-related problems and ambiguous goals limit the auditor's ability to make thorough comparisons or draw conclusions about effectiveness; and investment tax credit does not have strong impact on job creation. Recommendations: better program oversight for stronger participant accountability, particularly monitoring program eligibility and criteria; increase efforts to ensure that incentives are better tied to economic conditions and are better coordinated with the state's overall strategy.		
Economic Development Programs	State Auditor	2/96 (P)
Economic Development Programs: Small Business Development Centers, International Trade Office, Customized Training Programs, Governor's Job Training Office, Performance Audit (Report 12251)		
Findings: job creation measurement and reporting are inconsistent; lack of coordination has caused insufficient staffing and service duplication; and programs lack adequate program assessment. Recommendations: better measurement of job creation; better planning; conduct more performance measurement; and revise program goals and objectives.		
Enterprise Zones	Legislative Council	2/96 (R)
Economic Analysis of Enterprise Zones		
Findings: enterprise zones do not necessarily create job growth at a faster pace than the state as a whole; and the size of potential tax credits are probably too small to offset other locational considerations.		

Agency	Auditing Agency	Date (Type)
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Department of Local Affairs	State Auditor	4/95 (P)
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Performance Audit of Enterprise Zone Program

Findings: economic impact of the program is unknown; no areas have been terminated from enterprise zone status; program participation is concentrated in investment tax credits, which appears to have little relationship to employment; data required for evaluating success is inaccurate or incomplete; and no data establishes an overall net dollar benefit to the state. Recommendations: a moratorium on designation of additional zones or zone expansions; annual, systematic evaluation of program's impact on state's economy.

Connecticut

Community Economic Development Fund	Auditors of Public Accounts	4/98 (F)
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Auditors' Report Community Economic Development Fund Calendar Years 1994, 1995 and 1996

Findings: fund would have been more cost-effective if created within the Connecticut Development Authority instead of as an independent public-private agency; fund failed to provide certain information in reports and failed to comply with freedom of information laws.

Department of Economic and Community Development	Legislative Program Review and Investigations Committee	12/97 (P)
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Enterprise Zones

Finding: inadequate performance monitoring. Recommendations: renew commitment to accountability and collaboration; and develop and maintain a database including job retention and creation numbers, other tax credits, grants, and loans received by participating businesses, and current status of businesses.

Department of Economic Development and Connecticut Development Authority (now DECD)	Legislative Program Review and Investigations Committee	2/94 (P)
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Economic Development

Findings: no formal process for revising the state's development policies; no agency has clear leadership mandate for state economic development policy; and state's outdated economic development is outdated. Recommendations: target sectors rather than specific companies; establish agency for economic research; and consolidate activity and responsibility in DED.

Florida

Enterprise Zone Program	Office of Program Policy Analysis and Government Accountability	3/00 (P)
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Program Review: Use of Enterprise Zone Incentives Has Increased, But Challenges Continue

Looks mainly at the distribution of incentives among the state's enterprise zones. Findings: urban zones account for 99 percent of the state and local program incentives; insufficient information and absence of research design hinders makes it impossible to analyze the effectiveness of the program; rate of small businesses using incentives has not increased since 1993 review; and businesses have made very limited use of incentives in non-urban zones. Recommendations: provide assistance for program administration in rural and net ban-affected communities; mesh zone incentives with other state and local economic development initiatives; and identify legal impediments to the use of incentives.

Agency	Auditing Agency	Date (Type)
Enterprise Florida (International Trade and Economic Development Board)	Office of Program Policy Analysis and Government Accountability	1/99 (P)
<p>Review of the International Trade and Economic Development Board of Enterprise Florida, Inc. Describes functions of the board's many divisions, which include Business Recruitment, Expansion and Retention and Targeted Business Recruitment. Finding: board uses expected instead of actual sales to evaluate the Division of International Trade. Recommendations: continue funding for the board; increase efforts in rural and distressed urban communities; and develop better outcome measures.</p>		
Enterprise Florida	Office of Program Policy Analysis and Government Accountability	12/95 (R)
<p>Summary Review of Enterprise Florida Findings: successful in involving Florida business leaders to leverage private sector financial support. Recommendations: improve performance measures; and exercise stronger oversight of affiliated partnerships.</p>		
Florida Economic Development Programs	House Committee on Finance and Taxation	11/95 (R)
<p>Incentives for Economic Development: Forming Good Public Policy Recommendation: develop a strategic plan for economic development which includes economic analysis, prevalence of incentives in other states, and explanation of incentive programs in Florida.</p>		
Department of Commerce	Auditor General	11/95 (F)
<p>Operational Compliance Audit of the Florida Department of Commerce Finding: department has not fully implemented available monitoring mechanisms of agencies with economic development involvement. Recommendation: establish means for ensuring that the activities and direction of the quasi-governmental agencies (including Enterprise Florida, Inc.) support the department's responsibilities.</p>		
Enterprise Zone Program / Department of Commerce	Auditor General and Office of Program Policy Analysis and Government Accountability	2/93 (P)
<p>Review and Evaluation of the Enterprise Zone Program Findings: economic status has not changed in most of the enterprise zones; no apparent substantial impact on small businesses; and weak coordination of the five administering agencies. Recommendations: establish performance measures; change process for designating enterprise zones; consider additional incentives; make incentives easier for small businesses to claim; and require more local government effort.</p>		

Georgia

Economic Development Programs	Department of Audits and Accounts / Office of Planning and Budget	6/99 (R)
<p>State Economic Development Efforts: An Overview Summarizes economic development programs and compares available incentives with those offered by other states. Finding: public benefit analyses may not include all of the costs and are not followed up to determine the resulting benefits. Recommendations: formally monitor total cost and benefits of financial incentives provided; address the human and social factors that could potentially impact the state's future economic growth; consider making one organization responsible for developing and overseeing a coordinated economic development approach that includes formal goals and objectives; and monitor and facilitate economic growth in underdeveloped counties.</p>		

Agency	Auditing Agency	Date (Type)
Department of Community Affairs	Department of Audits and Accounts / Office of Planning and Budget	3/99 (P)

Regional Economic Business Assistance Grant Program

Finding: program has clear positive benefit (companies receiving direct project assistance since 1994 are projected to create 20,135 jobs). Recommendation: more collection of performance indicators; follow-up to confirm project outcomes, such as actual job creation/retention, private investment, and subsequent company location/expansion; and discontinue using program funds for regional projects.

Advanced Technology Development Center	Department of Audits and Accounts / Office of Planning and Budget	1/99 (P)
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Advanced Technology Development Center

Finding: strong performance by program and assisted companies, but also difficult to estimate the net economic benefits. One concern: the average annual wage paid by mature companies helped by the center is lower than the state's high tech average, but higher than state average for all industries. Recommendation: get better estimates on the amount of revenue generated for the state by the program.

Department of Community Affairs	Department of Audits and Accounts / Office of Planning and Budget	1/99 (P)
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Employment Incentive Program

Compares program performance (such as share of jobs held by low- and moderate-income people) to federal CDBG requirements. Recommendations: Revolving Loan Fund should make more loans and monitor the cost per job of funded projects.

Department of Community Affairs	Department of Audits and Accounts / Office of Planning and Budget	8/98 (P)
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Incentive Loans for Industry Program and Loans for Rural Industry Programs

Recommendation: allow more types of companies to get loans; conduct cost benefit analysis of loans; and more uniformly evaluate potential loans.

Housing and Finance Authority	Department of Audits and Accounts / Office of Planning and Budget	6/95 (P)
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Georgia Housing and Finance Authority: Controls Over Economic Development Programs

Finding: insufficient and unavailable data on programs (only two of the five disbursed funds). Recommendations: incorporate performance criteria, such as job creation/retention numbers, into loan documents; develop of monitoring procedures to ensure that program requirements are fully met; and adopt repayment procedures to follow in the event that companies do not meet program requirements.

Hawaii

Department of Business, Economic Development and Tourism	Legislative Auditor	2/00 (F)
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Review of Revolving Funds, Trust Funds, and Trust Accounts of the Department of the Attorney General, the Department of Business, Economic Development, and Tourism, and the University of

Describes activity of the department's 21 revolving funds, two trust funds, and seven trust accounts. Reports five-year financial summary, purpose of fund, and conclusions about use; no comment on program effectiveness. Finding: a discrepancy with the department over one fund which has questionable self-sustainability due to irregular revenue flow.

Agency	Auditing Agency	Date (Type)
Illinois		
Development Finance Authority	Auditor General	3/00 (F)
<p>Illinois Development Finance Authority Finding: no financial plan for allocating funds to various programs. Recommendation: establish a plan before the authority runs out of money.</p>		
Department of Commerce and Community Affairs	Auditor General	2/00 (F)
<p>Department of Commerce and Community Affairs Findings: six areas in which the department was noncompliant with the its governing statutes. Recommendation: improve monitoring of subgrantees (one subgrantee was owed \$140,000 in unpaid loans).</p>		
Department of Commerce and Community Affairs	Auditor General	7/89 (P)
<p>Supplement to the Management and Program Audit of the Department of Commerce and Community Affairs Economic Development Programs: Report on Individual Programs Summarizes the activities of the 69 economic development programs run by the department.</p>		
Department of Commerce and Community Affairs	Auditor General	7/89 (P)
<p>Management and Program Audit of the Department of Commerce and Community Affairs Economic Development Programs Critical of the costs per job, especially for the Diamond-Star Motors deal. Findings: subsidies awarded non-competitively and sometimes given to firms that didn't need them; department frequently overstated claims of jobs created or retained; subsidy cost per job guidelines were often exceeded (over \$86,000 per job for Diamond-Star Motors); in some cases, program requirements were waived or subsidies awarded without statutory authorization.</p>		
Indiana		
Department of Commerce	Interim Study Committee on Economic Development Issues / Indiana Legislative Services Agency	10/99 (R)
<p>Final Report of the Interim Study Commission on Economic Development Issues Describes major committee actions, including public hearings, and findings on economic development issues in the state, particularly on property tax abatements, tax increment financing, enterprise zones, rural economic development, workforce and infrastructure issues, and state gaming issues. Recommendations: extend property tax eligibility to research and development companies; conduct more tax increment financing burden-benefit analyses; further examine and possible modify enterprise zone program; and permanently renew research expense credit.</p>		
Iowa		
Enterprise Zones	Legislative Services	12/99 (R)
<p>Legislative Guide to Enterprise Zones Outlines program policies and regulations and describes current activity: 22 certified businesses, 1,043 jobs created with average hourly wage of \$10.52, and total capital investment of over \$150 million.</p>		

Agency	Auditing Agency	Date (Type)
Kansas		
Kansas, Inc.	Kansas, Inc.	1/00 (R)
Sales Tax Exemption and Economic Development Income Tax Credits Report		
Assesses impact of incentives based on a survey of businesses who used them. Evaluation is made more difficult by the questionnaire system currently in place to get information from users of the credits. Only 14 percent of businesses using the credits have filled out the survey.		
Kansas Department of Commerce & Housing	Kansas, Inc.	5/98 (P)
Evaluation of the High Performance Incentives Program		
Conducts an economic impact analysis of the program using REMI, but includes little discussion of the results. Findings: firms are satisfied with the services (as determined through survey); incentives had a greater impact on recruitment efforts than on retention of existing firms; and none of the firms said they increased wages to meet program requirements. Recommendations: allow insurance companies and financial institutions, and firms in the warehousing, wholesale trade and distribution sectors to be eligible for the program's incentives; take extra precautions when doing external auditing of eligibility determinations; and take steps to ensure that existing firms are receiving the same quality of services as out-of-state firms.		
Tax Increment Financing	Legislative Division of Post Audit	4/97 (P)
Tax Increment Financing in Kansas, Part II: Reviewing a Sample of Districts		
Findings: one city used TIF to move a company from one enterprise zone to another; several other cities used TIF in ways "the Legislature might not have anticipated;" school district revenues were lost only in tax increment districts created to remedy environmental contamination; and state had to make up \$1 million loss.		
Tax Increment Financing	Legislative Division of Post Audit	2/97 (P)
Reviewing Tax Increment Financing in Kansas, Part I: An Inventory		
Summarizes TIF activity: TIF spending by cities ranges from \$200,000 to \$10.2 million; TIF used in 32 redevelopment districts; cities are not required to report any information about establishing redevelopment districts, making it difficult to know how many districts exist.		
Economic Development Agencies	Legislative Division of Post Audit	9/96 (P)
Reviewing the Compensation of Executives of the State's Economic Development Agencies		
Finding: numerous relationships between staff and companies receiving assistance, especially technology companies, and inadequate management of potential conflicts of interest.		
Department of Commerce and Housing; Kansas Technology Enterprise Corporation	Legislative Division of Post Audit	7/95 (P)
Examining the Use of Economic Development Initiatives Fund Moneys		
Findings: numerous instances where fund moneys were given to companies that relocated within the state or to companies that did not provide the required training or create the required jobs; no accurate system to monitor training and job creation and to account for the actual usage of fund moneys. Recommendations: continue efforts to recover new hire training funds from a company which did not hire nor render training services; develop a new database system to track job creation and retention; and mandate company reporting.		
Department of Commerce and Housing	Legislative Division of Post Audit	2/94 (P)
Reviewing Economic Development Activities: A K-GOAL Audit of the Kansas Department of Commerce		
Findings: many programs lack performance measures and objectives; and weak data collection and program monitoring. Recommendations: develop clearer measurable economic objectives; improve monitoring and job tracking; and establish a computerized database system.		

Agency	Auditing Agency	Date (Type)
Kansas City*		
Kansas City	City Auditor's Office	3/99 (R)
Review of the Submitted Budget for Fiscal Year 2000, March 1999		
Findings: city expenditures for TIF and STIF (super tax increment financing) projects constitute a growing constraint on operating expenditures, nearing \$20 million for fiscal year 2000; inadequate determination of financial feasibility or of whether development would occur without use of the incentive; program lacks focus on public goals and an absence of controls to ensure fulfillment of City expectations; and questionable allocation of funds in light of budget shortages for important capital improvements.		
Kansas City TIF Commission	City Auditor's Office	9/98 (P)
Performance Audit, Tax Increment Financing, September 1998		
Summarizes program history, public benefits, economic impact, job creation/retention numbers, affirmative action policy, and financial administrative issues. Findings: systematically overstated revenue projections for the projects; several problems with management and controls in the program; overstated numbers of minority and women's business enterprises; inadequate staffing which has inhibited its project management and monitoring efforts; and lack of written program procedures. Recommendation: establish formal procedures for compliance with the sunshine law.		
Louisiana		
England Economic and Industrial Development District	Legislative Auditor	1/99 (F)
Investigative Audit Report England Economic and Industrial Development District		
Two officials received gifts from contractors totaling \$10,000. Recommends a review by the Louisiana Board of Ethics and the District Attorney General.		
Department of Economic Development	Legislative Auditor	11/97 (P)
Department of Economic Development: Analysis of Program Authority and Performance Data		
Findings: the department is generally meeting its performance objectives (which are fairly narrowly defined); some overlapping functions exist within the department; and inadequate measurement of progress in meeting goals due to unmeasurable objectives. Recommendations: eliminate the Local Economic Development Support Program for lack of use.		
Department of Economic Development	Legislative Auditor	5/96 (P)
Department of Economic Development		
Summarizes previous findings and recommendations from performance, financial and compliance, SECURE reports, and other information on boards and commissions to assist in the sunset review deliberations. Findings: problematic fragmentation of workforce development efforts and low certification rate; deficient management of the minority and women's enterprise program; absence of a departmental internal audit division; and inconsistent monitoring of certificates of depositing and other violations with board and commission law. Previous audit of economic development loan programs show that from inception to December 1992, the department sustained \$6 million in defaulted or written-off loans, only 13 percent of dollar losses recovered, overall weakness in loan program monitoring, especially tracking performance indicators (actual jobs created or retained) or confirming company compliance with all program criteria. Also finds business recruitment activities performed by nine agencies without a coordinated focus or strategy.		

* Although audits from Kansas City and New York City are included in the database, they are not included in the findings of the report.

Agency	Auditing Agency	Date (Type)
Office of Urban Affairs and Development Office of Urban Affairs and Development Findings: no formal policies and procedures for grant application and approval process; funds are not approved systematically or consistently; inadequate monitoring of all grant recipients for compliance with program criteria and objectives; funds not restricted to urban areas; and possible duplication of efforts with other state agencies.	Legislative Auditor	12/95 (P)
Office of Rural Development Office of Rural Development Findings: program funds administered without any statutory guidelines or internal rules or regulations; program lacks clear purpose or objectives; grant awarding process is deficient and inconsistent and does not appear to maximize program benefit or uphold job creation or retention intent; program funds were granted many times despite locality ineligibility; no assessment of program's impact on economic or area living conditions; and weak program monitoring, including no verification of employer-submitted data of how funds were actually used.	Legislative Auditor	12/95 (P)
Department of Economic Development and Department of Agriculture and Forestry Economic Development Loan Programs Findings: 77 percent of loans made are in default; LEDC does not confirm tax status for corporations; LEDC does not establish and track performance indicators for loan agreements; and LEDC has ineffective recovery procedures for defaulted loans. Recommendations: LEDC should develop written procedures and improve monitoring and controls over loans in order to protect itself and the state from future losses on defaulted loans.	Legislative Auditor	3/94 (F)

Maine

Department of Economic and Community Development	Office of Policy and Legal Analysis, Business and Economic Development Committee	12/97 (P)
Department of Economic and Community Development Government Evaluation Program Report		
Describes the performance criteria, benchmarks, timetables, progress, and goals of every economic development program in order to determine if the state is working in accordance with its strategic plan for economic development and describes the status of current projects and beneficiaries of financial assistance. Discusses the need to better tailor program qualification criteria in order to better address the state's business development needs and environment.		

Maryland

Department of Business and Economic Development	Legislative Auditor	12/98 (F)
Audit Report, Department of Business and Economic Development		
Findings: the department routinely waived repayments due on Sunny Day Fund loans, close to \$4 million, without verifying that waiver criteria (i.e. jobs retained or created) had been met; \$2.25 million in state money was used to finance investments in out-of-state companies; monitoring efforts of borrowers are impaired because the department is not receiving timely financial information; a \$2.5 million loan guarantee application was approved by the department without adequate justification, after the application had been rejected by the Maryland Industrial Development Financing Authority (the company defaulted and the department had to pay its insurance obligation); inadequate contract performance standards; improper contracting procedures; insufficient review of a potential conflict of interest case; and a possible violation of election law due to questionable political contributions by the department.		

Agency	Auditing Agency	Date (Type)
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Massachusetts

Office of Business Development	Senate Post Audit and Oversight Bureau	12/93 (P)
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A Performance Review of the Massachusetts Office of Business Development, No. 1872

Recommendations: adopt a new economic performance strategy upon each new gubernatorial administration to ensure that there is a coordinated approach to improving the state's long-term economic situation; closer monitoring and follow-up procedures of its on-site and intensive counseling activities; more formal self-assessment; a performance and client progress monitoring system; and a performance evaluation section in the annual report.

Office of International Trade and Investment	Senate Post Audit and Oversight Bureau	8/93 (P)
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A Program and Performance Audit of the Massachusetts Office of International Trade and Investment (MOITI), No. 1717

Concludes that with certain program and personnel adjustments, MOITI can continue to deliver the export promotion, development, and investment services that will have a positive effect on the creation of jobs. Recommendations: develop a formal monitoring, tracking, and reporting system.

Michigan

Michigan Jobs Commission	Auditor General	7/95 (P)
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Performance Audit of the Michigan Jobs Commission, March 1, 1993 through February 27, 1995

Discusses the transition of economic development and workforce development activities to the newly created department. Findings: commission has not fully informed or required board and commission members to disclose personal or financial interests; commission has not produced mandated evaluation information of economic activity, which would benefit the state and the commission's efforts to ensure program efficiency of economic development and expansion in the state.

International Trade Authority	Auditor General	1/95 (P)
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Performance and Financial Audit of the Michigan International Trade Authority

Findings: the authority has not met all of its objectives, but has succeeded in generating state revenue; some weakness in internal control pertaining to cash receipting process and year-end transactions records; and no instance of noncompliance which could affect the authority's financial schedule.

Department of Commerce	Auditor General	6/94 (P)
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Special Report Follow-up Review of the Michigan Strategic Fund

Findings: the fund has taken action to review methods to obtain actual employment data, but has not verified employment data reported by companies that received financial assistance; staff is exploring ways to verify employment data reported companies and estimates that this part of the recommendation will not be implemented until 1995.

Department of Commerce	Auditor General	7/93 (P)
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Performance Audit of the Michigan Strategic Fund, Department of Commerce, October 1, 1998 through October 31, 1992

Findings: the fund reported to the legislature projected job creation, not actual jobs created by the Industrial Development Revenue Bond and Inducement Loan Programs; lack of coordination in reporting job creation outcomes, resulting in duplication; lack of program criteria or benchmarks to evaluate the effectiveness of the BIDCO Program on an interim basis; MSF grant staff have not independently monitored, verified, or evaluated grant recipient data or performance, such as minority ownership for Minority Direct Loan Program; lack of written procedures; inadequate management of loan officers to monitor loan portfolio.

Agency	Auditing Agency	Date (Type)
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Department of Commerce	Auditor General	6/91 (P)
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Performance Audit of the Selected Economic Development Programs, Department of Commerce, October 1, 1987 through September 30, 1990

Findings: department has not developed adequate performance measures to evaluate the effectiveness and efficiency of its economic development programs; inadequate internal management controls over grants and procurement procedures and conflict of interest policy; and inappropriate use of appropriated money for minority business enterprises and women business owners.

Minnesota

Tax Increment Financing Districts	State Auditor	3/00 (R)
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Tax Increment Financing Report

Provides information on TIF policies, TIF Act, and (unaudited) statistics on TIF use and source of funds. Summarizes violations of TIF policy by districts, including pooling tax increment, unauthorized expenditures of tax increment, administrative expenses in excess of statutory limit, improper tax rate, and improper waiving of tax increment. Also summarizes noncompliance with statutory regulations, such as spending tax increment in excess of line-item budget amounts and commingling tax increment with other fund sources.

Tax Increment Financing Districts	Legislative Auditor	3/96 (P)
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Tax Increment Financing

Details the current state of tax increment financing in Minnesota cities. Describes the effects of changes in the law and suggests further restrictions in the way tax increment money can be used and how it must be reported.

Department of Trade and Economic Development	Legislative Auditor	2/96 (P)
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State Grant and Loan Programs for Businesses

Findings: high proportion of businesses receiving funds for the Economic Recovery Grant Program have met their job creation goals, although many of the jobs created are not permanent; distribution of jobs created is skewed towards lower wage levels, with 63 percent paying less than \$8 an hour, but most jobs created provide employee benefits; and Challenge grants created jobs that averaged \$7.67 an hour with only a small percentage providing employee benefits.

Greater Minnesota Corporation	Legislative Auditor	3/91 (P)
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Greater Minnesota Corporation: Structure and Accountability

Findings: no compelling reason why GMC's functions could not be carried out by a state agency, such as the Department of Trade and Economic Development; problems at GMC result primarily from (1) unclear mission and (2) inadequate oversight and accountability. No state elected official is accountable for GMC's performance. Audits in 1989 and 1990 noted lack of control and raised questions about excessive and inappropriate spending; many of these problems can be attributed to GMC's quasi-public status. Recommendations: state should develop comprehensive economic development policy and determine GMC's role; governor should appoint new board members; and legislature should adopt a uniform "Quasi-Public Agencies" statute.

Department of Economic Development	Legislative Auditor	3/85 (P)
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Economic Development

Findings: the department has done a good job implementing its economic development programs, and targeting manufacturing firms for financial assistance. Emphasizes that the department needs to examine its funding practices in order to ensure that business subsidies are most cost-effective by: not harming other Minnesota companies in the same market, actually contributing to job creation, and not merely replacing private financing. Recommendations: legislature should reexamine some of its business tax credit programs and consider options or additional program guidelines.

Agency	Auditing Agency	Date (Type)
Mississippi		
Planning and Development Districts	Joint Legislative Committee on Performance Evaluation and Expenditure Review	1/98 (P)
A Description of Mississippi's Planning and Development Districts, an Assessment of Their Oversight, and a Review of Their Fairness in Administering Loan Programs, Report #372		
Findings: inadequate oversight of PDD's effectiveness due to lack of performance indicators to assess impact on economic development; inconsistent monitoring by state agencies; fragmented oversight of fiscal compliance; and weak program procedures for avoiding conflicts of interest, ensuring program outreach, and establishing a clear, open, and fair application process.		
Magnolia Venture Capital Corporation	Joint Legislative Committee on Performance Evaluation and Expenditure Review	3/97 (P)
A Review of Implementation of Venture Capital Act of 1994 and the Operations of the Magnolia Venture Capital Corporation		
Findings: corporation has made only one venture capital investment; the CEO and board have authorized numerous questionable and extravagant procurement of goods and services; operations conducted in a manner resulting in loss of substantial venture capital financial resources; program does not meet many statutory requirements; and board fails to oversee program operations by mandating an annual report. Recommendation: termination.		
Institute for Technology Development	Joint Legislative Committee on Performance Evaluation and Expenditure Review	7/91 (P)
Limited Review of Mississippi's Institute for Technology Development		
Finding: possible inflation of job creation numbers due to the inclusion of questionable job categories and of generated income estimates. Recommendation: obtain more information before making a decision about discontinuing the institute.		
Planning and Development Districts	Joint Legislative Committee on Performance Evaluation and Expenditure Review	6/91 (P)
Review of the Northeast Mississippi Planning and Development District's Revolving Loan Fund,		
Finding: districts are not in compliance with guidelines to advertise the Fund or with specific federal regulations for monitoring construction projects and requiring certification of non-relocation and loan fund employment; weaknesses in loan fund underwriting and monitoring procedures when handling problem loans; and violations of federal conflict of interest guidelines.		
Department of Economic Development	Joint Legislative Committee on Performance Evaluation and Expenditure Review	12/87 (P)
Management Review of the Mississippi Department of Economic Development		
Findings: reported job creation numbers are based on program participant estimations which are often overestimated; department often fails to collect or compile information necessary to estimate and measure job creation in relation to its programs; department has not maximized the use of its resources, including its employees, its marketing tools, research, and support services; and department did not greatly influence businesses in their decisions to relocate or expand.		

Agency	Auditing Agency	Date (Type)
Missouri		
Department of Economic Development	Committee on Legislative Research, Oversight Division	12/98 (P)
<p>Department of Economic Development: Evaluation of Tax Credit Programs</p> <p>Findings: tax credit programs lack fiscal accountability; weak financial control and accounting procedures; many discrepancies in information reported in tax expenditure reports, Department of Revenue records, and Department of Economic Development records; weak monitoring of job creation and utilization of investments; inadequate retention of financial and compliance records for projects; insufficient audits; inadequate system for tracking amounts of credits approved, claimed, and outstanding; and noncompliance with statutory cost-benefit analysis. Recommendation: separate duties of authorization and monitoring within the Department.</p>		
Montana		
Department of Commerce	Legislative Audit Division	12/99 (F)
<p>Financial-Compliance Audit, For the Two Fiscal Years Ended June 30, 1999, 99-14</p> <p>Findings: the department improperly disbursed cash from the Coal Severance Tax Trust Fund to establish permanent loans for the Micro Business Program; the department's 33 boards lack required documentation to support the fees it has charged; and other acts of noncompliance with state laws.</p>		
Department of Commerce	Legislative Audit Division	6/95 (P)
<p>Limited Scope Performance Audit, Regional Development Program, 94P-38</p> <p>Findings: lack of program clarity and specific program guidelines. Recommendations: clarify what client information is confidential and what is public record; improve monitoring efforts; and collect data which would enable an assessment of performance success and ensure program's accountability to legislative intent.</p>		
Department of Commerce	Legislative Audit Division	1/91 (P)
<p>Limited Scope Performance Audit, Montana Board of Science and Technology Department, Montana Science and Technology Alliance, 90P-30.4</p> <p>Findings: inadequate record-keeping and maintenance of deal logs; many project files missing required paperwork and have confidential and public documents mixed together; inadequate monitoring of funded seek capital and research and development projects; and lack of written program polices and procedures for most program activities.</p>		
Nebraska		
Research and Development Authority	Legislative Program Evaluation Unit	4/97 (R)
<p>The Nebraska Research and Development Authority, A Preevaluation Inquiry Prepared at the Request of the Legislative Program Evaluation Committee</p> <p>Finding: legislature has not taken any action regarding NRDA since 1992, when it adopted a strategic plan for reorganization which resulted in partnering with Heartland Capital Funds, a private venture capital firm. Recommendations: committee should not proceed with a full program evaluation; legislature should determine whether the authority should continue to exist in its present form; legislature should review and revise the statutes governing the authority; and legislature should establish a policy to direct the use of NRDA money resulting from the Heartland Capital Fund portfolio sales and the subsequent impact on NRDA's other partner, the Nebraska Investment Finance Authority.</p>		

Agency	Auditing Agency	Date (Type)
Nevada		
Commission on Economic Development	Legislative Counsel Bureau, Audit Division	5/96 (F)
Audit Report, State of Nevada, Commission on Economic Development (Report LA 96-21)		
Findings: commission is non-compliant with its accounting and budgetary procedures because it used money appropriated for other expenses to cover deficient funds; and commission used independent contractors who did not fit the approved criteria.		
Department of Business and Industry: Industrial Development Revenue Bond Program	Legislative Counsel Bureau, Audit Division	2/95 (F)
Audit Report, State of Nevada, Department of Business and Industry, Industrial Development Revenue Bond Program, 1995		
Finding: program accounting does not provide accurate and comprehensive financial information because it does not maintain separate revenue and expenditure accounting records. Recommendations: improve procedures to ensure that only qualified businesses participate in the program, and conduct on-site inspections on a regular and timely basis in order to verify compliance with program requirements, such as job creation.		
New Hampshire		
Department of Natural Resources and Economic Development	Legislative Budget Assistant	10/97 (P)
Department of Resources and Economic Development, Economic Development Programs Performance		
Findings: need more evaluations of economic development programs and services and of fund recipients.		
New Jersey		
Department of Commerce and Economic Development	State Auditor	7/97 (F)
Department of Commerce and Economic Development, July 1, 1995 to June 20, 1997		
Focuses mainly on weak administrative controls within the department. Recommendation: increase audit activity over urban enterprise zone project; develop a plan to prioritize audits based on risks.		
New Mexico		
Industrial Revenue Bonds	Legislative Council Service	12/97 (P)
Industrial Revenue Bond Impact Study		
Details all IRB/private activity bond activity and provisions and discusses current issues facing local policymakers. Recommendations: create a central state agency which governs the issuance of bonds and can make a statewide assessment of the impact of the bonds; better reporting of projected and actual jobs created from projects; conduct formal cost-benefit analyses of proposed projects; involve other local government entities affected by IRB's in the authorization process; and incorporate restrictions or performance standards for projects.		

Agency	Auditing Agency	Date (Type)
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Industrial Training Board	Legislative Finance Committee	11/96 (P)
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Development Training Program

Findings: overall impact of program cannot be measured because of the difficulty of obtaining data and of isolating factors of economic growth; excessive awarding of training hours in conflict with program guidelines; underdeveloped performance measures to monitor and evaluate program effectiveness; lack of program criteria for ranking and funding projects; lack of targeting of hard-to-employ groups; insufficient performance standards for training services; insufficient provisions to protect state's interest against firms that violate laws; rules, regulations and policies; inadequate review of compliance with training contracts; inadequate evaluation of training effectiveness; inadequate internal controls over administrative functions which should be segregated (monitoring, reviewing, etc.); non-coordination with other economic development programs; and no well-defined strategic plan, which would include clearly defined targeted and measurable goals and objectives and adequate performance measures.

New York

Empire State Development Corporation	State Comptroller, Division of Management Audit and State Financial Services	1/00 (P)
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Empire State Development: Performance of Job Development Programs, Report 98-S-7

Findings: many unmonitored companies fail to meet job creation projections and record-keeping is faulty and out-of-date. Recommendations: develop defined performance measures for companies and an effective job tracking system which will ensure project progress and accountability.

Empire State Development Corporation	State Comptroller, Division of Management Audit and State Financial Services	8/98 (P)
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State of New York Empire State Development Corporation: Administration of Selected Projects Funded through the Regional Economic Development Partnership Program, Report 96-S-39

Findings: insufficient data collection on job creation/retention resulting from project grants; numerous instances where training grant recipients did not provide the required wages or number of training hours, yet still collected grant money. Recommendations: more accurate monitoring of grant recipients; better assessment of program achievements; require grant refunds when recipients do not completely meet program requirements.

Department of Economic Development	State Comptroller, Division of Management Audit and State Financial Services	2/98 (P)
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Department of Economic Development, Economic Development Zone Program, Follow-Up Review,

Findings: three previous recommendations fully implemented and eight partially implemented; department has decertified businesses not in compliance with program requirements but did not appropriately notify the Department of Taxation and Finance to halt business credits; and department officials have not sought legislative authorization for certain confidential information from the Department of Taxation and Finance that is necessary to conduct a cost-benefit analysis and to evaluate the effectiveness of the various zones.

Job Development Authority	State Comptroller, Division of Management Audit and State Financial Services	12/97 (P)
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Consolidation of the State's Economic Development Entities and Programs, Report 96-D-19

Assesses efforts to merge the operations of four state economic development agencies into one umbrella organization, the Empire State Development Corporation. Findings: inadequate data and performance measures to assess the effect of the restructuring; no analysis to substantiate claims that statewide employment and other economic indicators are the result of ESDC activity; and possible conflicts of interest among board members.

Agency	Auditing Agency	Date (Type)
Empire State Development Corporation	Mt. Auburn Associates	2/97 (P)
Evaluation of New York State's Technical Assistance and Financing Programs		
Findings: client surveys provide strong evidence that program funds have leveraged increased investment, improvements in firm competitiveness, and substantial job retention and growth; but many programs are not guided by clear outcomes or objectives. Recommendations: develop an effective agency-wide database; develop more comprehensive approach to collecting and maintaining information on outcomes and economic impact of activities; formalize project evaluation procedures; and use government ES-202 data in program evaluations.		
Department of Economic Development	State Comptroller, Division of Management Audit and State Financial Services	5/96 (P)
Department of Economic Development, Economic Development Zone Program, Report 95-S-78		
Findings: department has not taken necessary action to ensure that the program is meeting its objectives; failure to create a system to collect the necessary data for cost-benefit analysis; very weak job creation and retention monitoring. Recommendations: perform a cost-benefit analysis of the program; collect data on participating businesses; and decertify businesses that do not comply with performance agreements.		
Job Development Authority	State Comptroller, Division of Management Audit and State Financial Services	12/95 (P)
Job Development Authority: Management of Loan Portfolio, Report 95-S-13		
Findings: poor oversight by the authority's board has lead to a deficit of over \$57.8 million, mainly from major losses on loans, guarantees, and foreclosed property; little to no verification of information submitted by applicants; noncompliance with standard loan review practices; and loans indicate of negligence, fraud, abuse, or other irregularities that warrant further investigation.		

North Carolina

Workforce Development Programs	State Auditor	10/96 (R)
Review of Workforce Development Programs in North Carolina, October 1996		
Reviews all workforce development programs in the state: 49 programs operated by 8 agencies. Finding: improper accounting procedures for Job Training Partnership Act and Employment and Training Grant program expenditures. Recommendation: consolidate federal and state funded workforce development programs and activities under the Employment Security Commission.		

Ohio

Economic Development Programs	The Urban Center, Cleveland State University	5/99 (P)
An Assessment of the Costs, Benefits, and Overall Impacts of the State of Ohio's Economic		
Analyzes Ohio's economic competitiveness, future policy and program options and develops procedures for ongoing evaluation. Includes impact analysis for most programs, including reported investments and jobs created. Recommendations: move to performance-based incentives for businesses and institute a performance measurement system.		

Agency	Auditing Agency	Date (Type)
Oklahoma		
Department of Commerce	Department of Commerce	2/99 (P)
Quality Jobs Program Status Report: Analysis of the Quality Jobs Program, Saving Quality Jobs Program, and Former Military Facilities Development Act		
Reviews program participation, performance of firms receiving benefits relative to economic growth, performance by geographic distribution and relative to expectations. Discusses other economic development and quality-job-oriented programs and the future of the Quality Jobs Program. Recommendations: higher thresholds for new payroll and job creation goals for participants, but avoid locally or regionally determined thresholds and income limits; greater discretion when approving projects so that incentives are true enticements and do not simply reward natural business growth.		
Oregon		
Department of Revenue	Secretary of State, Audits Division	3/98 (P)
1998 Property Tax Exemptions		
Findings: 40 percent of program participants do not meet all of the statutory requirements due to improper precertification, ineligible property, insufficient first source hiring documentation, and delinquent submission of annual reports; insufficient policies and procedures regarding property tax exemptions; many instances of exemptions granted without adequate documentation; many instances of program use not in accordance with original intent of stimulating employment and industrial growth; numerous program participants who relocated, closed operations, or only promised one new job; and other questionable proceedings on the part of zone managers who have not followed program rules and regulations. Recommendation: better coordination with other agencies and programs to ensure compliance with all local, state, and federal laws.		
Economic Development Commission and Economic Development Department	Legislative Committee on Trade and Economic Development	6/88 (P)
Staff Report to the Joint Legislative Committee on Trade and Economic Development, Program Evaluation, Oregon Business Development Fund		
Findings: most OBDF loans have gone to businesses in rural and economically-distressed areas, but few loans have gone to minority and women-owned businesses; two-thirds of OBDF borrowers have not reached their employment goals, with another one-third of the borrowers stating no employment increase, employment loss, or out-of-business; and 30-40 percent of new jobs at OBDF firms would have been created even without state assistance. Recommendations: strengthen OBDF's financial control and reporting procedures.		
Pennsylvania		
Department of Community and Economic Development	Auditor General	8/00 (P)
A Performance Audit of Commonwealth Spending for the Kvaerner Philadelphia Naval Shipyard		
Findings: the agreement imposed ambiguous obligations on Kvaerner; monitoring of construction was inadequate; protections for the government's investment were inadequate; Kvaerner misused funds; Kvaerner failed to maximize benefits to Pennsylvania businesses and workers; government's investment outweighs the company's; and the Commonwealth may not have conducted adequate due diligence.		

Agency	Auditing Agency	Date (Type)
Department of Community and Economic Development	Legislative Budget and Finance Committee	7/98 (P)
Department of Community and Economic Development, Community Development Programs, A Performance Audit Report in Response to Act 1996-58, July 1998		
Details statutory authority, funds available and expended, eligibility, and management review and examples of projects funded for each of the department's 17 community development programs. Findings: wide variation in grant-awarding procedures and insufficient monitoring and enforcement.		
Department of Community and Economic Development	Auditor General	5/97 (P)
Performance Audit of the Community Revitalization Program Administered by the Department of Community and Economic Development, July 1, 1996 through May 9, 1997		
Findings: awards not granted competitively; selection not based on formal, written criteria, but instead on referrals from the governor's office, or legislative offices; many funded projects do not have detailed project budget information in their files; disproportionate amount of money was granted to one county; and application process heavily favored earlier applications.		
Department of Commerce	Legislative Budget and Finance Committee	12/95 (P)
Performance Review, Department of Commerce, Economic Development Programs, A Report in Response to House Resolution 25		
Measures program performance against "performance tracking" measures. Findings: legislature has not been receiving the required activity reports; programs do not all have quantitative statutory performance requirements; programs have significantly varying employment impacts; inaccurate and incomplete performance tracking system; clients of most programs had negative real wage growth during the three years following assistance; only two programs (of 26) have default rates within the norm for commercial lending institutions; and client surveys show that companies' overall satisfaction with program services is high. Recommendations: establish common data collection methodologies; pursue performance-based budgeting; create an economic development strategic plan; and implement a range of quantifiable performance measures across all programs.		

Rhode Island

Department of Economic Development and Related Agencies	Auditor General	8/88 (P)
Department of Economic Development and Related Agencies		
Findings: Industrial Facilities Corporation has many deficiencies in the administration of its financing programs, including lack of eligibility standards, inadequate record-keeping system, and insufficient project monitoring; and weak operations and administrative control. Recommendations: centralize fiscal and budgetary control of its economic development activities.		

South Carolina

Jobs-Economic Development Authority	Legislative Audit Council	7/95 (P)
A Management and Performance Review of the South Carolina Jobs-Economic Development Authority, LAC/JEDA-93-2		
Findings: significantly overstated job creation/retention figures in annual report to the general assembly and the governor; lack of specific program goals; insufficient tracking of job quality information and other data which would ensure that its efforts are reflective of statewide economic development priorities; insufficient documentation in loan and bond files that are necessary for credit-worthiness evaluation; and numerous problematic financial transactions between JEDA and its corporate affiliate.		

Agency	Auditing Agency	Date (Type)
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Coordinating Council for Economic Development	Legislative Audit Council	6/90 (F)
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Sunset Review: South Carolina Coordinating Council for Economic Development

Findings: many in-kind contributions (staff and supplies) are not included in its financial statements, which gives a misleading account of the council's operating costs; funding methods for the Economic Development Account should also be clarified; some qualifications for grant awarding are not clearly defined; many significant policies and procedures are not in writing; and council used its resources to subsidize the formation and operation of a private corporation, which was later dissolved due to possible violation of the state's constitution.

Recommendation: continue operations and remove from the sunset cycle.

South Dakota

Governor's Office of Economic Development	Department of Legislative Audit	9/99 (F)
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South Dakota Board of Economic Development Finance Authority, Audit Report, Fiscal Year Ended

Findings: an instance of unacceptable accounting principles pertaining to Other Assets; and authority's financial statements do not disclose an allowance for loan loss in relation to loans receivable reported for the pooled bond program, which is required by law.

Tennessee

Department of Economic and Community Development	Comptroller of the Treasury / Division of State Audit	6/99 (P)
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Department of Economic and Community Development and Related Entities

Program evaluation to determine if economic development-related entities should be continue, terminated, or restructured. Findings: one county received two grants greater than the statutory limit; and training money was given to a private, non-profit corporation for non-training purposes. Recommendation: terminate entities which are ineffective.

Department of Economic and Community Development	Comptroller of the Treasury / Division of State Audit	7/92 (P)
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Department of Economic and Community Development

Finding: department did not actively serve existing industries in 31 percent of the state's counties.

Recommendations: improve marketing of existing industry services; compile and analyze data to determine effectiveness of Existing Industry Services; and evaluate the effectiveness of its training programs.

Texas

Department of Economic Development	Sunset Advisory Commission	4/00 (P)
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Texas Department of Economic Development

Findings: continued inability of the department to succeed as an effectively run state agency; continued concerns over the administration of the Smart Jobs program; weak administrative and strategic planning; failure to implement an information-collection system necessary for the board to oversee agency operations; and agency lacks a strategic plan. Recommendations: transfer Smart Jobs Program to the Texas Workforce Commission in order to better coordinate state training efforts and put department on probation by requiring another sunset review in two years.

Agency	Auditing Agency	Date (Type)
Department of Economic Development An Audit Report on The Department of Economic Development Finding: inadequate fiscal and administrative oversight of the program, specifically a deficient tracking system that is unable to account for the number of workers actually trained. Recommendation: revamp data collection system, which is necessary to verify the compliance of employers with program qualifications, to measure and report the success of the program, and to ensure the delivery of training services upon receipt of the grants.	State Auditor	1/00 (P)
Department of Commerce An Audit Report on the Texas Enterprise Zone Program Findings: program has had a minimal impact on unemployment and other socioeconomic conditions, with only two of the ten counties with the highest levels of unemployment receiving job certification, and only four of the ten counties with the lowest level of per capita property wealth receiving certified capital; and program has had a minimal impact on business relocation decisions.	State Auditor	10/94 (P)
Department of Commerce A Review of Management Controls at the Texas Department of Commerce Finding: no information to evaluate performance of foreign offices. Recommendations: closer monitoring of professional service and travel spending and formal inclusion of waiver policies to reduce the risk of loan default.	State Auditor	10/94 (P)
Department of Commerce Texas Department of Commerce Finding: rulemaking authority is not clearly given to the policy board, and should be statutorily assigned. Recommendations: require the department's direct technical assistance and training functions to be fully supported by user fees and not from general revenue; change the rural loan guarantee program so that more loans can be guaranteed within existing resources; continue authorization for the state enterprise zone program, but set a cap to the amount of incentives authorized; and continue department for an eight-year period (to be reviewed again in 2001).	Sunset Advisory Commission	4/92 (P)

Utah

Technology Finance Corporation A Performance Audit of the Utah Technology Finance Corporation Findings: UTFC's effectiveness is declining and operations have been compromised by poor internal controls and other allegations of improper use of financial resources; operating costs and cost per loan have increased despite a 144 percent increase in staffing; numerous increases in unauthorized staff compensation; difficulty in meeting both legislative goals of self-sufficiency and investment in high risk, start-up companies; and possible abuse of financial resources by the former executive director.	Legislative Auditor General	6/98 (P)
Technology Finance Corporation A Performance Audit of the Utah Technology Finance Corporation Findings: corporation contributes to the establishment of new businesses, jobs, and taxes; tension exists between two legislative goals: invest in high-risk businesses and achieve financial self-sufficiency; concerns over low funding levels; and restructured payback system has effectively eliminated many problems associated with the previous royalty program.	Legislative Auditor General	10/93 (P)
Redevelopment Agencies A Performance Audit of Utah Redevelopment Agencies, Report Number 91-12 Findings: agencies have strayed from the mission that the legislature intended; redevelopment agencies' use of TIF has taken money away from school districts and other taxing entities; and agencies have poor relations with local property owners.	Legislative Auditor General	12/91 (P)

Agency	Auditing Agency	Date (Type)
Vermont		
Vermont Economic Progress Council	State Auditor	6/00 (P)
State Auditor's Review of the Vermont Economic Progress Council's Implementation of Act 71 or		
Findings: questionable use of the cost-benefit model and the frequent practice of granting maximum credits; questionable use of the "but for" provision for approving credits; there is little to no verification of data; tax credits were committed before the program existed; tax credits were given to companies that threatened job loss instead of to job creation projects; no formal policies and procedures regarding applicant evaluation and disposition; and inconsistent program administration.		
Vermont Economic Progress Council	Joint Fiscal Committee	9/99 (P)
Periodic Legislative Oversight Report: VEPC EATI Program		
Findings: uneven funding distribution among the counties; inverse relationship of funding to county unemployment rates; lack of basic follow-up monitoring; and lack of public disclosure. Recommendations: annual program spending cap; better regional economic analyses to more aggressively favor distressed areas; formal follow-up procedure to assess program effectiveness; and maximum public disclosure of non-confidential data.		
Virginia		
Department of Economic Development	Joint Legislative Audit and Review Commission	2/91 (P)
Review of Economic Development in Virginia, House Document No. 39		
Reviews economic development policies and the department's organization, management, operations and performance. Finding: state industrial training program lacks clear eligibility criteria for determining which industries receive training. Recommendations: revise eligibility criteria and ensure that program participants create at least 15 new jobs, invest at least \$500,000, and pay starting wages of at least \$6.50.		
Washington		
Economic Development Finance Authority	Legislative Budget Committee (now the Joint Legislative Audit and Review Committee)	11/92 (P)
Washington Economic Development Finance Authority, Report 92-8		
Findings: numerous deficient practices. Recommendation: termination of the authority.		
Community Economic Revitalization Review Board (CERB)	Legislative Budget Committee (now the Joint Legislative Audit and Review Committee)	9/92 (P)
Community Economic Revitalization Review Board: Sunset Review, Report 92-6		
Findings: program has only been moderately successful at creating and retaining jobs (only 57 percent of total projected jobs were actually created); actual demand for funding has been lower than anticipated; undefined outcome measures; inconsistent data collection on jobs, which has led to an inaccurate use of data and difficulty in assessing the impact of board projects; unexplainable interest rate fluctuation; inconsistent granting procedures; and unapplied statutory criteria. Recommendation: continuation.		
West Virginia		
Incentive Programs	West Virginia Development Office	12/96 (R)
Performance Evaluation of Incentive Programs		
Findings: WVDO and Tax Department already closely monitor subsidized companies' compliance with program's investment, job creation, training, or placement requirements, as well as overall effect on economic stability and business and industrial growth in the state. Recommendations: spot-checking of companies to verify wages and hours of training program participants; and formal procedures to examine job creation to evaluate effectiveness.		

Agency	Auditing Agency	Date (Type)
Wisconsin		
Economic Development Programs	Legislative Council	2/00 (R)
<p data-bbox="196 382 618 413">Report No. 18 to the 1999 Legislature</p> <p data-bbox="196 417 1321 480">Summarizes previous evaluations of economic development programs and describes all state economic development programs.</p>		
Department of Commerce	Legislative Fiscal Bureau	1/99 (R)
<p data-bbox="196 554 1305 585">Informational Paper #83, State Economic Development Programs Administered by the Department</p> <p data-bbox="196 590 1333 621">Details the 57 economic development programs that are administered by the Department of Commerce.</p>		
Economic Development Programs	Legislative Council	10/98 (R)
<p data-bbox="196 695 821 726">1998 Introduction to Wisconsin Economic Development</p> <p data-bbox="196 730 1406 793">Provides overview and scope of economic development policy and programs, summarizes current research and previous study findings, and discusses business climate and quality of life issues.</p>		
Department of Development	Legislative Audit Bureau	2/93 (P)
<p data-bbox="196 867 703 898">An Evaluation of Development Zone Program</p> <p data-bbox="196 903 1459 997">Findings: many companies not paying wage levels as detailed in their business plans submitted for certification; and weak coordination with other economic development programs. Recommendation: measure progress according to each zone's goals.</p>		
Municipalities	Legislative Audit Bureau	6/91 (P)
<p data-bbox="196 1071 841 1102">An Evaluation of Tax Incremental Financing, Report 91-15</p> <p data-bbox="196 1106 1386 1169">Findings: abuses of TIF among Wisconsin municipalities, such as using TIF to finance projects that could have occurred without it; and instances of TIF being used to finance competition among municipalities.</p> <p data-bbox="196 1173 824 1205">Recommendations: stronger oversight over TIF programs.</p>		
Housing and Economic Development Authority	Legislative Audit Bureau	4/90 (P)
<p data-bbox="196 1278 1000 1310">Wisconsin Housing and Economic Development Authority, Report 90-10</p> <p data-bbox="196 1314 1455 1467">Findings: little verification or follow-up conducted to ensure that job creation goals are reached or can be attributed to the Business Development Bond loan (overall job creation did exceed expected numbers); fifteen surveyed companies would have proceeded with their projects in Wisconsin without the loans; and only a small number of loan recipients met the "preference" criteria as indicated in the statute (new, women or minority-owned, or small businesses).</p>		
Wyoming		
Various Agencies	Legislative Service Office Program Evaluation Section	10/92 (P)
<p data-bbox="196 1608 698 1640">Program Evaluation: Economic Development</p> <p data-bbox="196 1644 1378 1707">Finding: state lacks a comprehensive economic development strategy. Recommendations: make smaller, low risk loans; enhance data collection; form economic development districts; and obtain more federal funds.</p>		