

Joint Legislative Commission on Governmental Operations
October 29, 2013
9:00 a.m.
Room 643, Legislative Office Building

Return of Rural Economic Development Center Funds

The Department of Commerce has reached an agreement to transfer state funds remaining at the Rural Center to the Department. There are approximately \$109M in funds remaining at the Rural Center as of August 31, 2013. Of those funds, the following is the breakdown of the funds:

- Obligated Funds: \$81,114,973
- Unobligated/Available Funds: \$23,756,366
- Interest Funds: \$4,321,603 (1/2 of the Interest Funds)

Of those funds, Commerce will retain the \$81,114,971 in obligated funds, plus an additional amount to cover the administrative costs of continuing the approximately 470 grants that will be transferred to the Department (5% or \$4,055,748). The remainder, approximately \$24M, will revert to the General Fund.

At this point, the Department and the Rural Center have agreed in principle on an Agreement to transfer the funds. The Agreement is scheduled to be approved by the Rural Center Board of Directors on Wednesday, October 30th, and the Agreement will be signed thereafter. The transfer of the funds will occur on Thursday, October 31st.

The following table outlines the types of grants transferring to the Department, the number of grants, and the breakdown of the total dollar amount of grants per program (as of August 31, 2013).

	Grant Program	No. of Grants	Amt. of Grants
1.	Approp S&C Funding Supplemental	55	\$1,785,895.23
2.	Clean Water Partners	113	\$33,147,219.53
3.	W&S Supplemental - EIF	69	\$26,128,704.36
4.	Water Sewer - Rural Jobs Fund	5	\$1,073,891.96
5.	Building Reuse - Non-Recurring	8	\$415,857.16
6.	Building Reuse	60	\$7,345,548.13
7.	Rural Jobs Fund - Building Reuse	23	\$4,398,425.90
8.	Building Reuse - Rural Hope	9	\$767,483.00
9.	Other Programs	128	\$6,051,948.10
		470	\$81,114,973.37

With a total of 470 grants in 90 different counties, the average dollar amount of each grant is \$172,585.

Keep in mind that these numbers are fluid, and will adjust as payment requests are honored and grants are de-obligated. The above numbers are as of August 31, 2013.