Ohio Sunset Review Committee
Agency Questionnaire

Agency Name Minority Development Financing Advisory Board

Point of Contact Rachel Near, Legislative Liaison, DSA

Agency's primary purpose and its various goals and objectives

The Minority Development Financing Advisory Board was established in 1995 to make recommendations to the Director of the Ohio Development Services Agency regarding applications submitted for the Minority Business Loan Program and the Minority Business Bonding Program.

The goals and objectives of the Board are to assist the Ohio Development Services Agency in creating employment opportunities and wealth in the minority business community. The Board does this by reviewing and making recommendations on loans and surety bond requests. These financial tools are used to assist minority businesses with their growth and expansion projects.

Agency's past and anticipated workload, number of staff required to complete workload, and total number of staff

Since its inception, the Minority Development Financing Advisory Board has approved 50 loan and guarantee applications and 77 bond applications. The Board anticipates the demand for surety bonding to increase due to expanded marketing of the program and an increase in public construction projects. The Board also anticipates the need for the gap financing offered through the Minority Direct Loan program to increase in the near future as businesses rebound from the recession and their lenders continue to look for ways to reduce exposure to risk.

Four full-time employees are responsible for the processing, underwriting, monitoring, and marketing of the loan and bonding programs. In addition to these programs, the staff is also responsible for other programs that do not fall under the responsibilities of the board. Approximately 1120 hours per year in staff time is devoted to the activities of the board.

Agency's past and anticipated budgets and its sources of funding

The activities of the Minority Development Financing Advisory Board are funded out of special revenue fund 4W10. In fiscal years 2016 and 2017, $4 million per year is appropriated for board, staff, and lending activities.

Fund 4W10 is supported by repayments on loans made through the fund. It was originally capitalized by the Facilities Establishment Fund.

Number of members of its governing board or other governing entity and their compensation, if any

The Minority Development Financing Advisory Board has 10 members who are eligible to receive a paid per diem at the rate of $9.15 per hour in addition to reimbursement for necessary and actual expenses while engaged in the business of the board.

Over the last 5 fiscal years, members have collectively been paid a total of $8,595.76 for necessary and actual expenses and $16,551.98 in per diem.

Additional notes

In light of the Minority Development Financing Advisory Board's important duties, the Development Services Agency recommends that it be reauthorized.