

FYI: DRA Administrative Costs (MS Share)

The DRA sets its administrative budget and then requests half of that budget from the member states. This means that DRA is funded half by the federal government and the other half by the states (each state pays a different amount based on the percentage of federal grant money that it is eligible to receive).

For example:

The DRA formula allocates 14.6% of the total federal grant funds available to Mississippi... this year that factors out to \$897,062.73 (out of about \$6 million total). The actual dollar amount that we pay towards the administrative budget is not tied to the actual dollar amount that we receive through the DRA grant allocation.

Therefore, Mississippi is asked to cover the same percentage of the DRA's administrative budget...

- the total administrative budget is apparently around \$1.35 million
- DRA pays half and the states pay the other half (around \$675,000)
- out of that MS pays 14.6% or \$96,222.84

DRA administrative costs must have risen because last year we paid \$83,053. The formula is the same and was accepted "unanimously" by the board at the April 15 DRA meeting in Washington, D.C. according to a letter from Hayes Dent.