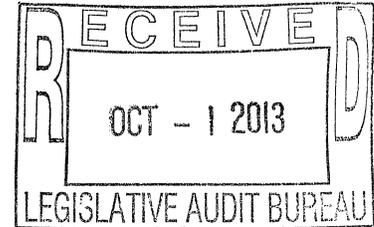


# MEMO



**To:** Senator Cowles and Representative Kerkman,  
Co-Chairs, Joint Legislative Audit Committee  
**From:** Stephanie M. Walker, CFO  
**CC:** Members of Joint Legislative Audit Committee  
**Date:** October 1, 2013



**Re:** Report on WEDC Loan Portfolio

Pursuant to the Legislative Audit Bureau Report 13-7 issued in May 2013, WEDC is pleased to submit the attached loan portfolio summary to the Joint Legislative Audit Committee based on the following recommendation:

“WEDC’s governing board report to the Joint Legislative Audit Committee by October 1, 2013 on the status of all outstanding economic development loans for which it was responsible from January 2013 to September 2013, including the number and outstanding balance of the loans it amended, the number and outstanding balance of loans it forgave, the number and outstanding balance of loans it referred to the Department of Justice for collection proceedings, and the number and outstanding balance of loans it wrote off.”

The WEDC Board of Directors met on September 25, 2013 and reviewed the attached loan portfolio summary, which was prepared through August 31, 2013. The loan report includes the total loan balances and repayment status by loan type and program. Additionally, the numbers and amounts of awards amended, forgiven or referred to the Department of Administration (DOA) have been identified. WEDC may not directly refer legal matters to the Department of Justice (DOJ), including the collection on defaulted loans; however, the loan portfolio summary identifies the number and amounts of awards referred to the DOA for its consideration for referral to DOJ for collections.

As indicated in an August 29, 2013 letter to the Co-Chairs, the September loan portfolio information could not be completely prepared prior to the September 25 Board of Directors meeting. Therefore, WEDC is completing an additional loan portfolio report for the activity occurring in September, which will be reviewed during WEDC’s October 25, 2013 Board meeting. This report will be submitted to the Joint Legislative Audit Committee following that approval.