



Rebuild Alabama Act Federal Aid Exchange Fund (FAEF)



Beginning Oct. 1, 2019, counties will receive \$400,000 in lieu of the annual federal aid funding previously allocated by ALDOT (\$533,000 per county each year). The \$400,000 allocation for each county is designated as Federal Aid Exchange Funds (FAEFs).

A county's FAEFs shall be first utilized as the required match for the county's unauthorized federal aid balance.

Counties will begin receiving their FAEFs allocation or remaining portion once their outstanding federal aid balance is authorized and the required match is satisfied.

Once a county's federal aid balance reaches \$300,000 or less, the county shall have the option to exchange the remaining balance with ALDOT for 75% of its value.

Counties who have previously committed or requested an advance on the federal funds, FY 2020 funds specifically, prior to the passage of the Rebuild Alabama Act shall expect to reimburse ALDOT in full for the funds advanced. The FAEF allocation will be the source of the reimbursement.

Each County shall establish a new fund, to be titled the **Federal Aid Exchange Fund (FAEF)**, beginning Oct. 1, 2019 (FY 2020). All FAEFs shall be deposited in this account. These funds shall be accounted for separately from all other county funds including other funding received by the county from the Rebuild Alabama Act.

Funds in the FAEF shall be utilized for road and bridge projects on minor collector or higher classified county roads and/ or bridges on the National Bridge Inspection (NBI) inventory, also known as eligible FAEF projects.

FAEFs can be utilized for match provided the project being funded are eligible FAEF projects.

FAEFs can also be utilized for debt service provided the projects being financed are eligible FAEF projects.

There is no requirement that a certain percentage of the FAEFs be utilized under a bid, whether competitive or public works, however any FAEFs utilized under a bid scenario should be done in compliance with the recommended Rebuild Alabama Act guidelines that have been developed by the ACCA and approved by the Alabama Department of Examiners for the **County Rebuild Alabama Fund**.

Counties may utilize the FAEFs for materials to be utilized in road and bridge projects on eligible FAEF projects.

Counties may not utilize FAEFs for salaries or equipment. A county may purchase equipment integral to an eligible FAEF project if the equipment is a permanent and integral fixture on the FAEF project (ie. Traffic signal, etc).

Annual expenditures, or lack thereof, from the FAEF shall be included in the annual required accountability report entitled **County Rebuild Alabama Annual Report**.