



**United States Department of Agriculture
Rural Development
Oregon State Office**

November 2, 2009

SUBJECT: Program Loan Cost Expense (PLCE) Funds
FY 2009 Allocation and Requirements
Under the Credit Reform Act of 1990

TO: All Personnel, Oregon
USDA, Rural Development

PURPOSE/INTENDED OUTCOME:

This AN will set forth FY 2010 Program Loan Costs Expense (PLCE) funding allocations for Oregon in accordance with RD Instruction 2024-A.

COMPARISON WITH PREVIOUS AN:

This AN replaces AN No. 1312 which expired 9/30/09.

IMPLEMENTATION RESPONSIBILITIES:

The Office of Management and Budget (OMB) has approved this year's apportionment of recoverable Direct Loan Financing and Liquidating Program Loan Costs Expense (PLCE) funds for Rural Housing Service (RHS). Recoverable (R and L) account funding and Non-recoverable (A) allocations for FY 2010 are as follows:

Direct Loan Financing (R) \$370,821	Liquidating Account (L) \$59,269	Program Account (A) \$432
--	---	------------------------------------

The "A" account allocation is an initial allocation under the Continuing Resolution only. "A" funds are only authorized for Single Family Housing (SFH) mortgage releases, pre-approved Multi-Family Housing (MFH) appraisals, pre-approved MFH cost certifications, SFH and MFH wage match, SFH bankruptcy fees, SFH

EXPIRATION DATE:
09/30/2010

FILING INSTRUCTIONS
Preceding RD Instruction 2024-A

1201 NE Lloyd Blvd., Suite 801, Portland, OR 97232-1274
Phone: (503) 414-3300 • Fax: (503) 414-3385 • TTY: (503) 414-3387 • Web: <http://www.rurdev.usda.gov/or>

Committed to the future of rural communities.

"USDA is an equal opportunity provider, employer and lender."
To file a complaint of discrimination write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD).

inventory property inspections and interpreter services. No sub-allocation will be made for “A” account funds. All requests for “A” funds must be submitted on an AD-700 to Barb Brandon in the Portland State Office. No other uses of non-recoverable PLCE funds are allowed without prior National Office permission.

The “R” account is used to pay program loan cost expenses that are chargeable to a borrower or REO inventory property in which the loan was obligated in FY 1992 or after.

The “L” account is used to pay program loan cost expenses that are chargeable to a borrower or REO inventory property account in which the loan was obligated prior to FY 1992. The oldest loan will be the factor to determine in which recoverable account (L or R) will be charged the expense.

Funding for PCLE’s paid from cash proceeds from a sale and recoverable guaranteed loan expenses are not allocated. If you need to process a recoverable guaranteed program loan cost expense, please contact the Guaranteed Loan Branch of the Finance Office (St. Louis) at (314) 457-4191 for instructions.

In order to fully understand where specific contractual and non-contractual costs should be charged and to determine if a cost is recoverable or non-recoverable, please refer to the Exhibit D in RD Instruction 2024-A (Revision 12/05/07).

FY 2010 Sub-Allocation of Recoverable Funds

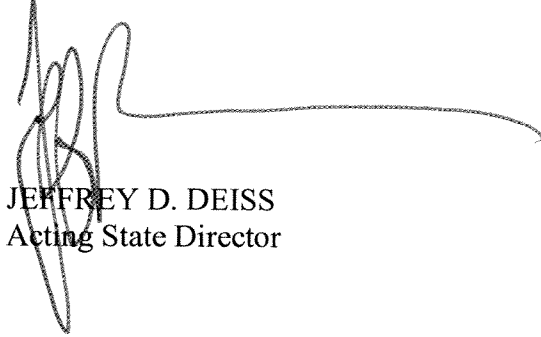
	Direct Loan Financing Account (R)	Liquidating Account (L)
Corvallis	\$70,000	\$ 10,000
Pendleton	60,000	10,000
Redmond	60,000	10,000
Roseburg	<u>70,000</u>	<u>10,000</u>
Initial Allocation	\$ 260,000	\$ 40,000
Held in Reserve	\$ 110,821	\$ 19,269

Funds Availability certification for both contractual and non-contractual purchase orders must be documented on the Loan Cost Payment Request form. All requests must be signed by Area Office Director’s or Specialist’s who have loan approval authorization. Non-contractual RD 2024-30’s requests should be sent to john.holman@or.usda.gov. All contractual requests are to be sent to monty.shuster@or.usda.gov. Each office must maintain their original AD-700’s and RD 2024-30’s with approval signature.

Area Office Directors will be responsible for tracking PLCE funds in the “R” and “L” accounts for their Area. Attached is the Cost Expense Tracking Log for Contractual/Non-Contractual payments. Each Area Office should post the beginning balance for both the “R” and “L” accounts. All contractual and non-contractual purchase orders will be entered on this log. A copy of the Loan Cost Expense Tracking Log

should be sent to the State Office at the end of each quarter, December 31st, March 31st, June 30th and September 30th, attention: Barb Brandon.

If you have any questions concerning this AN, please contact Barb Brandon, State Program Loan Cost Coordinator at 503-414-3340 or barb.brandon@or.usda.gov.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

JEFFREY D. DEISS
Acting State Director

