

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT

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For Administrative Use Only Missouri RD AN No. 1399 (2024-A)

October 29, 2002

TO: All Rural Development Managers,
Community Development Managers,
and Appraisers

/s
FROM: GREGORY C. BRANUM
State Director, Rural Development

**SUBJECT: PROGRAM LOAN COST EXPENSES
ALLOCATION FOR FY 2003**

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice is to provide allocation information for Program Loan Cost Expenses (PLCE) for fiscal year 2003 and the policy for using PLCE funds.

COMPARISON WITH PREVIOUS AN:

This AN replaces Missouri AN 1382 which expired September 30, 2002.

IMPLEMENTATION RESPONSIBILITIES:

The annual PLCE funds for fiscal year 2003 has been received for the following accounts:

Program Account (Non-Recoverable) or "A" Account.....\$ 691*

Direct Loan Financing Account (Recoverable) or "R" Account.....\$ 835,531
(Loans made after 9/30/91)

Liquidating Account (Recoverable) or "L" Account\$ 543,410
(Loans made prior to 10/1/91)

*This amount is a temporary allocation under the current Continuing Resolution.

Contractually, for using funds from the "L" or "R" account, the requesting office will be responsible for preparing the AD-700 and sending it to the appropriate Field Office Contracting Officer (FOCO) along with all other pertinent information related to the request (i.e., Government estimate, justification for requirement, proposed contract, etc.). The oldest outstanding loan provides the basis for determining which recoverable ("L" or "R" Account) to charge in case of multiple loans.

EXPIRATION DATE: September 30, 2003 FILING INSTRUCTION: Preceding
Rural Development Inst.2024-A

Likewise, noncontractually, the requesting office will be responsible for preparing the non-contractual checklist/certification of funds and sending it to the appropriate data entry office.

Funding for PLCEs paid from cash proceeds from a sale and recoverable guaranteed loan expenses are not allocated. If you need a recoverable guaranteed program loan cost expense, please contact the Guaranteed Loan Branch of the Finance Office at (314) 539-6661 for instructions.

Since funds are very limited in the "A" account, requests for use of these funds must be approved by the State Office prior to processing. The requesting office will be required to submit the non-contractual checklist/certification of funds to the State Office, Attn: Rural Housing Section for approval.

The "A" account is to be used to pay non-recoverable PLCEs that are not chargeable to a borrower, property account, or subsidy funds for all Housing and Community Facility programs. Non-Recoverable PLCE funds are only authorized for infile credit bureau reports, MFH appraisals, MFH cost certifications, MFH market studies, SFH and MFH wage match, SFH inventory property expenses, SFH Bankruptcy fees, and SFH mortgage releases. No other uses of non-recoverable PLCE funds are allowed without prior National Office approval.

Please check purchase orders for accuracy of the Program Authority Codes (PAC) and Action Codes. Please refer to Attachment A for the Desk Top Reference, which provides a listing of the PAC used most frequently. For a complete listing, refer to RD Instruction 2024-A, Exhibit D-5 dated April 17, 2002 for Single Family Housing. Exhibit D-6 provides a list of codes for Multi-Family Housing. The State Office Housing Section is held accountable for the proper use of these funds and will review purchase orders to verify that the proper PAC is being used.

Program officials are the only staff authorized to certify PLCE funds availability.