

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT

Rural Business Cooperative Service
Rural Housing Service
Rural Utilities Service

601 Business Loop 70 West
Parkade Center, Suite 235
Columbia, MO 65203

(573)876-0976
FAX (573)876-0977
TDD (573)876-9480

For Administrative Use Only

Missouri RD AN No. 1418 (2024-A)

November 6, 2003

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 2004**

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice is to provide allocation information for Program Loan Cost Expenses (PLCE) for fiscal year 2004 and the policy for using PLCE funds.

COMPARISON WITH PREVIOUS AN:

This AN replaces Missouri AN 1399 (2024-A) which expired September 30, 2003.

IMPLEMENTATION RESPONSIBILITIES:

The annual PLCE funds for fiscal year 2004 has been received for the following accounts:

Program Account (Non-Recoverable) or "A" Account.....\$ 729*

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

Direct Loan Financing Account (Recoverable) or "R" Account.....\$ 828,261

(Loans obligated after 9/30/91)

Liquidating Account (Recoverable) or "L" Account\$ 578,905

(Loans obligated prior to 10/1/91)

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. 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.

EXPIRATION DATE:
September 30, 2004

FILING INSTRUCTION: Preceding
Rural Development Inst. 2024-A

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) 457-4216 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: Janice Schweikert, Rural Housing Section for analysis and certification of funds availability.

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 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.

NEW POLICY IN EFFECT:

Each Area is being allocated the following PLCE funds:

"L" Account	-	\$75,000
"R" Account	-	\$100,000

The following people have been designated as responsible for certifying, monitoring, and tracking the use of these funds in the same manner that Area supply and travel funds are handled:

Area 1	Anita Vulgamott	Area 4 & 7	Dena Bell
Area 2	Barb Robinson	Area 5	Kathy Hahne
Area 3	Markie Hart	Area 6	Sherry Hughes

The offices requesting contractual and/or non-contractual services will be required to call or email the applicable person in the Area responsible for monitoring/tracking the "L" and "R" funds to verify that funds are available **prior to** submitting the AD-700 and attachments, Non-Contractual Checklist, or other documents to the Field Office Contracting Officers, Appraisers or Non-Contractual Approval Officials, as applicable.

If an Area needs additional funds, the above designated person will submit a request accordingly to the Rural Housing Section. When necessary, Janice Schweikert, the State PLCE Coordinator, will contact National Office to procure additional funds.