



United States
Department of
Agriculture

Rural
Housing
Service

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October 30, 2003

SUBJECT: Program Loan Cost Expense (PLCE) Funds - FY 2004 Allocation and Requirements Under the Credit Reform Act of 1990

TO: All Personnel

Purpose/Intended Outcome:

This AN will set forth FY 2004 Program Loan Cost Expense (PLCE) funding allocations for Oregon in accordance with RD Instruction 2024-A.

Comparison with Previous AN:

This AN replaces AN No. 1240 which expired 09/30/03.

Implementation Responsibilities:

The Office of Management and Budget (OMB) approved this year's apportionment of Direct Loan Financing Program Loan Cost Expense (PLCE) funds for Rural Housing Service (RHS). Recoverable (R and L) account funding and Non-recoverable (A) allocation for FY 2004 as follows:

Direct Loan Financing (R)	Liquidation Account (L)	Program Account (A)
\$527,031	\$260,323	\$447

The A account allocation is an initial allocation only. A funds will be used for infile credit bureau reports, wage matching, bankruptcy fees, mortgage releases, and REO inspections. Any other use of A funds must have prior National Office permission. No sub-allocation will be made on the A account funds, submit AD 700 to Barb Brandon for funding approval for A funds.

EXPIRATION DATE:

FILING INSTRUCTIONS

USDA is an Equal Opportunity Lender, Provider and Employer
Complaints of discrimination should be sent to: USDA, Director,
Office of Civil Rights, Washington, D.C. 20250-9410

09/30/04

RD Instruction 2024-A

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

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 Exhibit D of RD Instruction 2024-A (Revision 04/17/02).

FY 2004 Sub-Allocations

	Direct Loan Financing Account (R)	Liquidating Account (L)
Eugene	\$ 25,000	\$ 15,000
Medford	30,000	7,500
Pendleton	30,000	7,500
Redmond	30,000	15,000
Roseburg	30,000	20,000
Salem	<u>50,000</u>	<u>25,000</u>
Area Office Initial Allocation	\$195,000	\$ 90,000
MFH Initial Allocation	10,000	50,000
Single Family Housing Reserve	\$322,031	\$120,323

There will be sub-allocations as needed.

Funds Availability certification for both contractual and non-contractual purchase orders must be documented on the top of the Loan Cost Payment Request form. Rural Development Managers 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 will be sent to the State Office no later than the 5th of each month, attention Barb Brandon.

If you have any questions concerning this AN, please contact Single Family Housing.

USDA

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Business-Cooperative
Service

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LYNN SCHOESSLER
State Director

Attachment