

UNNUMBERED LETTERS ISSUED FOR THE MONTH OF OCTOBER 2009

Dated	Subject	Distribution
10/05/09	Year 2010 Calendar Requirements	N.O. Employees
10/13/09	Guaranteed Community Facilities Loans for Recreational Projects	S/D
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**United States Department of Agriculture
Rural Development**

SUBJECT: Year 2010 Calendar Requirements

OCT 05 2009

TO: National Office Employees
Washington, DC Only

FROM: Sherie Hinton Henry *Sherie Hinton Henry*
Administrator
Operations and Management

The Support Services Division (SSD) is now accepting annual bulk orders from National Office personnel for the 2010 calendar requirement. Each division/staff should assign one point of contact to consolidate the division/staff order onto one order form. Use the attached order form entitled, "Year 2010 Calendar Ordering Information," to place calendar orders through SSD.

All consolidated orders must be received in SSD by November 28, 2009. The point of contact listed on the order form will be notified when the calendars are available for pick-up.

The consolidated division order should be sent to:

Larry Fauntleroy
Room 0375, South Building
Mail Stop 0791
Fax Number: 202-720-6627

If you have any additional questions, please contact Larry Fauntleroy, Support Services Specialist, on 202-720-7404 or via e-mail at larry.fauntleroy@wdc.usda.gov.

Attachment

EXPIRATION DATE:
November 30, 2009

FILING INSTRUCTIONS:
Administrative/Other Programs

Sent by electronic mail on 10/6/09 at 4:30 p.m. by SSD.

1400 Independence Ave, SW • Washington, DC 20250-0700
Web: <http://www.rurdev.usda.gov>

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).

YEAR "2010" CALENDAR ORDERING INFORMATION

ITEM NUMBER	PRICE	U/I	DESCRIPTION	AMOUNT NUMBER
107137	3.60	EA	"2010" Flipover Pad, Size: 3x3-5/8	
107145	1.87	EA	"2010" Executive Flip over Pad, Size: 3-5/8x5-7/8	
107153	2.83	EA	"2010" Loose leaf Appointment Book Refill, for use with 6-Ring Binder, Size: 5-1/2X6-1/2	
107161	.41	EA	"2010" Wall Calendar, for use with 3-month Display Wall Board	
107170	.40	EA	"2010" Activity Schedule OF-67, Monthly Sheet, Ruled into Squares, Fits Standard 3 Ring Binder	
107188	2.97	EA	"2010" Weekly Appointment Book, 2 Pages Display the Entire Week, Each Day Divided in 15 Min. Increments	
107196	2.60	EA	"2010" Calendar Blotter Pad, Size: 17X22	
10720	10.25	EA	"2010" REFILL for Personal Size Edition Organizer, Month-in View, Size: 3-1/2 X 6	
B3FDP33975	11.77	EA	"2010" REFILL for Classic Edition Organizer, Month-in View, Size: 5-1/2 X 8-1/2	
B3FDP33983	13.28	EA	"2010" REFILL for Monarch Edition Organizer, Month-in View, Size: 8-1/2 X 11	

DIVISION _____ NAME _____ PHONE# _____ ROOM _____

This is the letter and order form for National Office Employees to order their calendars for the year 2010.

October 13, 2009

TO: All State Directors
Rural Development

FROM: Tammye Treviño (*Signed by Tammye Treviño*)
Administrator
Housing and Community Programs

SUBJECT: Guaranteed Community Facilities Loans for Recreational Projects

The purpose of this unnumbered letter is to clarify the Agency's position as it relates to recreational facilities. Rural Development (RD) and its predecessor agencies have experienced a history of facility failures for recreational facilities that were supported entirely by fees or membership dues for use of the facility. In particular, golf courses, swimming pools, skiing, ice skating rinks, and sports venues have not performed well and losses have been excessive.

RD Instruction 3575-A, section 3575.47 states that "All projects financed under the provisions of this section must be based on taxes, assessments, revenues, fees, or other sources of revenue in an amount sufficient for facility operation and maintenance, a reasonable reserve and debt payment. Other sources of revenue or guarantors are particularly important in considering the feasibility of recreation-type loans."

When RD determines that the sources of revenue are insufficient for "facility operation and maintenance, a reasonable reserve and debt payment," then an RD approved assured revenue source, such as tax revenues or an unconditional letter of credit from a bank, or guarantee(s) must be secured before RD can guarantee the loan. The RD approved assured revenue source or guarantee(s) must be sufficient to cover projected shortfalls for the life of the loan.

EXPIRATION DATE:
September 30, 2010

FILING INSTRUCTIONS:
Community/Business Programs

RD Instruction 3575-A, section 3575.47(c) also addresses the requirement for a financial feasibility analysis on community facility type projects. The financial feasibility analysis should address the adequacy of equity, cash-flow from reliable sources, security, history, management ability, need for the facility, competition, significant community support and location. Recreational projects should be able to demonstrate the following:

- The local community's planning process that determined that there is a need for the project in the local community.
- Evidence of a well developed fund raising campaign by a professional or experienced fund raising staff.
- Local fund raising efforts to raise sufficient funds to acquire the land and pay start-up expenses needed to cover expenses prior to opening of the facility.
- The local area demographic information that supports a need for the facility and estimates the potential usage. Using visitor demographics to support feasibility will require greater scrutiny by RD.
- The location and distance to similar competitive facilities that provide the same recreational opportunities must be clearly identified. The local service area should only include the geographic area and population that would be closest to the proposed facility than to a competing facility.
- The feasibility study should demonstrate that a majority of its service population has sufficient income to afford and utilize the facility.

Given the history of losses the Community Facilities Guaranteed Loan Program has experienced on recreational loans, especially loans related to golf courses, the National Office is looking very closely at loans of this type. In an effort to protect the safety and soundness of the Community Facilities Guaranteed Loan Portfolio, the National Office will be reviewing recreational type loans on a case by case basis. Generally, due to the high risk nature of recreational facilities, loan guarantees may not exceed 50%. Guaranteed loan applications for recreational facilities must be subject to greater scrutiny and be able to demonstrate assured repayment.

Should you have any questions, please contact Kendra Doedderlein, Community Programs Specialist at (202)720-1503.

October 14, 2009

SUBJECT: Fiscal Year 2010 State Internal Review Handbook Updates

TO: State Directors, Rural Development

ATTN: Administrative Program Directors
Management Control Officers

FROM: Sherie Hinton Henry /S/ *Clyde Thompson* for
Administrator
Operations and Management

The Financial Management Division (FMD) has been working closely with the Information Resources Management (IRM) staffs in the National Office and St. Louis, Missouri, to update and issue the Fiscal Year (FY) 2010 State Internal Review (SIR) Handbook, which includes review guides and corresponding spreadsheets for calculating compliance scores.

The updated SIR Handbook has been tested and certified by the IRM staff in St. Louis. In addition to the testing and certification, the IRM staff in St. Louis has loaded the updated handbook on the Intranet at <https://rd.sc.egov.usda.gov/teamrd/RDOM/cfo/fmd/sir2010/default.aspx>. The Management Control Officers (MCOs) were notified by e-mail on October 1, 2009, of this update and availability for downloading from the Intranet. The MCOs should ensure they obtain the latest updates to the SIR Handbook.

The following items will continue to be documented and reported on the "Summary of Review Findings," at the SIR exit conferences, and in all final SIR reports:

1. Loans/grants reviewed with processing/servicing deficiencies,
2. The value of the above deficient loans/grants, and
3. Recurring weaknesses from the previous SIR(s) of the same field office/
centralized program function.

EXPIRATION DATE:
October 31, 2010

FILING INSTRUCTIONS:
Administrative/Other Programs

The universe data on total subjects reviewed (i.e., employees, files, offices, etc.) and those with deficiency findings will still need to be captured and reported in the Automated Reports Tracking System.

If you have any questions or need additional information, please contact Diana Wareham of FMD, at (202) 692-0044 or diana.wareham@wdc.usda.gov.

Sent by electronic mail on 10/20/09 at 11:50 a.m. by FMD.
The State Director should advise other personnel as appropriate.

October 16, 2009

SUBJECT: Interest Rate Changes for Housing Programs
and Credit Sales (Nonprogram)

TO: Rural Development State Directors,
Rural Development Managers,
and Area Directors

ATTN: Rural Housing Program Directors

The following interest rates, effective November 1, 2009, are changed as follows:

<u>Loan Type</u>	<u>Existing Rate</u>	<u>New Rate</u>
ALL LOAN TYPES		
Treasury Judgement Rate	0.450%	0.410%

The new rate shown above is as of the week ending September 25, 2009. The actual judgement rate that will be used will be the rate for the calendar week preceding the date the defendant becomes liable for interest. This rate may be found by going to the Federal Reserve website for the weekly average 1-year Constant Maturity Treasury Yield (http://www.federalreserve.gov/releases/h15/data/Weekly_Friday_/H15_TCMNOM_Y1.txt).

RURAL HOUSING LOANS

Rural Housing (RH) 502		
Very-Low or Low	5.000	4.875

EXPIRATION DATE:
November 30, 2009

FILING INSTRUCTIONS:
Administrative/Other Programs

Single Family Housing (SFH) Nonprogram	5.500	5.375
Rural Housing Site (RH-524), Non-Self-Help	5.000	4.875
Rural Rental Housing and Rural Cooperative Housing	5.000	4.875

Please notify appropriate personnel of these rates.

TAMMYE TREVINO (*Signed by Tammye Trevino*)
Administrator
Housing and Community Facilities Programs

Sent by electronic mail on 10/20/09 at 10:00 am by PAD.
State Directors should advise other personnel as appropriate.

October 23, 2009

TO: State Directors
Rural Development

ATTN: Rural Housing Program Directors

FROM: Tammye Treviño (*Signed by Tammye Treviño*)
Administrator
Housing and Community Facilities Programs

SUBJECT: Supervised Bank Accounts

This unnumbered letter is reissued in response to continued questions on the use of Supervised Bank Accounts (SBAs) with our housing programs. It will replace any previous unnumbered letters on this subject.

We have clarification from the Justice Department, Treasury Department, and the Federal Deposit Insurance Corporation (FDIC) on local banks requiring employee social security numbers when opening an SBA. The Customer Identification Program (CIP), as required by Section 326(a) of the USA Patriot Act, Pub. L. 107-56 (2001), is required from the customer, our borrower, and the depositor.

Rural Development is a Government organization and is exempt from the CIP requirements of the USA Patriot Act. Specifically, 31 C.F.R. Sections 103.22(d)(2)(ii) and 103.121(a)(3)(ii)(B) exempt all Government agencies from CIP requirements. Each of the three Agencies listed above stated that if the Government and its agencies are exempt as customers, the Government officials who have signature authority in the course and scope of their official government duties are also exempt from CIP requirements. The FDIC suggested that bank compliance officers should be able to provide clarification to local banks regarding this issue.

Employees should provide the bank with proof of being a government employee such as a copy of their federal identification card.

If you have any questions regarding this memorandum, please contact Gloria Denson of the Single Family Housing Direct Loan Division at (202) 720-1487, or Janet Stouder of the Multi-Family Housing Portfolio Management Division at (202) 720-9728.

EXPIRATION DATE:
October 31, 2010

FILING INSTRUCTIONS:
Housing Programs

October 23, 2009

TO: State Directors, Rural Development
ATTN: Business Programs Directors
SUBJECT: Fiscal Year 2010 Business Programs Goals

The purpose of this unnumbered letter (UL) is to establish Business Program goals for fiscal year (FY) 2010.

Secretary Vilsack's top priority is for USDA to help rural communities create wealth so they are self-sustaining, repopulating, and thriving economically. Goals associated with jobs created and saved and program utilization, are included in Agency performance planning and budget documents. Performance related to these goals are highly visible and critical to the overall performance rating for Rural Development and USDA. Program utilization is reported to the Department and the Office of Management and Budget (OMB) quarterly and annually through OMB's Program Assessment Rating Tool process. OMB has made accountability for program results one of its highest priorities. Program performance is also an important element of the annual budget process. Congressional appropriators are giving more weight to performance when making funding decisions.

The Business Programs goals for fiscal year (FY) 2010 focus on fund utilization. The goals are to utilize the States' full FY 2010 allocation of program funds by September 30, 2010, in three program areas. We are not establishing a delinquency goal in the Business and Industry (B&I) Guaranteed Loan Program this year. The estimated FY 2010 State allocations are attached to this UL. Because exact FY 2010 program levels and subsidy factors are not known at this time, these numbers may change. The Rural Energy for America Program (REAP) state allocations are based on \$60 million in mandatory funding plus \$39,340,000 in discretionary funding. The State allocations are all based on Program Loan and Grant levels.

The Elements and Standard of all State Directors and State Business Programs Directors are to be revised to incorporate the goals established by this UL.

EXPIRATION DATE:
October 31, 2010

FILING INSTRUCTION:
Community/Business Programs

Goal number 1 - American Recovery and Reinvestment Act

The goal is to obligate projects totaling at least the State's estimated allocation of B&I Guaranteed Loan Program funds made available under the American Recovery and Reinvestment Act of 2009 (ARRA).

The State goal amounts were established using the methodology used in allocating Business Programs funds, as described in RD Instruction 1940-L, section 1940.552. All ARRA-funded loans obligated in FY 2009 and 2010 will be considered in determining whether the State has met this goal.

Goal number 2 - Business and Industry Guaranteed Loan Program

The goal is to obligate projects totaling at least the State's allocation of B&I (non-ARRA) program funds.

Obligations of B&I funds from either the 2010 Appropriations Bill or the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act of 2009 (Disaster) will be considered in determining whether the State has met this goal.

Goal number 3 - Rural Energy for America Program

The goal is to obligate projects totaling at least the State's loan and grant allocations of REAP funds, based on program level. The loan portion of loan-grant combinations will count toward the loan allocation goal. The grant portion will count toward the grant allocation goal. All REAP obligations, including grant-only, loan-only, loan-grant combinations, grants of \$20,000 or less, Feasibility Studies for Rural Energy Systems, and Energy Audits and Renewable Energy Development Assistance will be considered in determining whether the State has met this goal.

If you have any questions, please contact the applicable program area in the National Office. For B&I, contact Fred Kieferle, Acting Director at 202-720-7818 or fred.kieferle@wdc.usda.gov. For REAP, contact Bill Smith, Branch Chief at 202-205-0903 or william.smith@wdc.usda.gov.

JUDITH A. CANALES
Administrator
Business and Cooperative Programs

Attachment

Estimated FY 2010 State Allocations Based on Program Level

State	ARRA B&I	B&I	Total B&I	REAP Grant	REAP Loan
Alabama	\$53,523,000	\$30,286,000	\$83,809,000	\$1,389,670	\$6,212,097
Alaska	\$11,472,000	\$6,206,000	\$17,678,000	\$301,160	\$1,245,161
Arizona	\$29,662,000	\$12,342,000	\$42,004,000	\$562,615	\$2,438,306
Arkansas	\$36,927,000	\$21,019,000	\$57,946,000	\$1,190,250	\$5,302,419
California	\$57,105,000	\$27,719,000	\$84,824,000	\$913,085	\$4,037,500
Colorado	\$23,406,000	\$9,854,000	\$33,260,000	\$656,740	\$2,867,742
Delaware	\$9,137,000	\$3,504,000	\$12,641,000	\$224,970	\$897,581
Maryland	\$18,725,000	\$9,378,000	\$28,103,000	\$328,845	\$1,371,371
Florida	\$55,579,000	\$22,864,000	\$78,443,000	\$1,094,805	\$4,866,532
Virgin Islands	\$5,000,000	\$1,100,000	\$6,100,000	\$72,500	\$201,613
Georgia	\$70,574,000	\$35,124,000	\$105,698,000	\$1,944,760	\$8,745,161
Hawaii	\$9,842,000	\$4,136,000	\$13,978,000	\$396,470	\$1,679,839
W. Pacific	\$5,000,000	\$1,100,000	\$6,100,000	\$72,500	\$201,613
Idaho	\$16,787,000	\$9,303,000	\$26,090,000	\$528,310	\$2,281,452
Illinois	\$45,448,000	\$22,068,000	\$67,516,000	\$1,684,065	\$7,555,242
Indiana	\$46,745,000	\$22,504,000	\$69,249,000	\$1,390,050	\$6,213,710
Iowa	\$29,786,000	\$16,209,000	\$45,995,000	\$1,157,745	\$5,153,629
Kansas	\$21,386,000	\$11,678,000	\$33,064,000	\$889,660	\$3,930,645
Kentucky	\$55,318,000	\$32,081,000	\$87,399,000	\$1,949,020	\$8,764,516
Louisiana	\$35,513,000	\$21,622,000	\$57,135,000	\$1,225,270	\$5,462,097
Maine	\$22,408,000	\$11,843,000	\$34,251,000	\$593,375	\$2,578,629
Massachusetts	\$12,816,000	\$6,775,000	\$19,591,000	\$94,740	\$303,226
Connecticut	\$13,227,000	\$5,264,000	\$18,491,000	\$324,630	\$1,352,419
Rhode Island	\$6,224,000	\$2,490,000	\$8,714,000	\$72,500	\$201,613
Michigan	\$68,936,000	\$31,974,000	\$100,910,000	\$2,030,510	\$9,136,290
Minnesota	\$38,892,000	\$18,701,000	\$57,593,000	\$1,303,875	\$5,820,565
Mississippi	\$48,604,000	\$28,096,000	\$76,700,000	\$1,851,440	\$8,319,355
Missouri	\$47,449,000	\$25,638,000	\$73,087,000	\$1,554,920	\$6,966,129
Montana	\$16,280,000	\$8,676,000	\$24,956,000	\$629,670	\$2,744,355
Nebraska	\$16,605,000	\$8,244,000	\$24,849,000	\$667,295	\$2,915,726
Nevada	\$14,419,000	\$4,159,000	\$18,578,000	\$324,160	\$1,350,000
New Jersey	\$12,696,000	\$7,129,000	\$19,825,000	\$72,500	\$201,613
New Mexico	\$17,383,000	\$11,789,000	\$29,172,000	\$698,480	\$3,058,065
New York	\$53,653,000	\$30,258,000	\$83,911,000	\$1,487,630	\$6,658,871
North Carolina	\$77,649,000	\$42,250,000	\$119,899,000	\$2,413,350	\$10,883,065
North Dakota	\$10,770,000	\$5,544,000	\$16,314,000	\$329,315	\$1,373,790
Ohio	\$67,538,000	\$32,522,000	\$100,060,000	\$2,226,520	\$10,030,645
Oklahoma	\$33,493,000	\$19,547,000	\$53,040,000	\$1,273,540	\$5,682,258
Oregon	\$25,329,000	\$13,253,000	\$38,582,000	\$923,685	\$4,085,887
Pennsylvania	\$63,500,000	\$34,668,000	\$98,168,000	\$1,851,440	\$8,319,355
Puerto Rico	\$15,929,000	\$13,312,000	\$29,241,000	\$397,790	\$1,686,290
South Carolina	\$49,119,000	\$24,390,000	\$73,509,000	\$1,243,350	\$5,544,355
South Dakota	\$13,491,000	\$7,027,000	\$20,518,000	\$444,975	\$1,901,210
Tennessee	\$61,192,000	\$30,533,000	\$91,725,000	\$1,800,900	\$8,088,710

Texas	\$77,649,000	\$42,250,000	\$119,899,000	\$2,413,350	\$10,883,065
Utah	\$12,327,000	\$5,967,000	\$18,294,000	\$318,670	\$1,325,000
Vermont	\$13,893,000	\$6,334,000	\$20,227,000	\$432,575	\$1,844,758
New Hampshire	\$14,892,000	\$7,001,000	\$21,893,000	\$441,610	\$1,886,290
Virginia	\$47,089,000	\$25,449,000	\$72,538,000	\$1,108,245	\$4,927,823
Washington	\$30,409,000	\$17,551,000	\$47,960,000	\$840,115	\$3,704,435
West Virginia	\$25,755,000	\$18,735,000	\$44,490,000	\$797,525	\$3,510,081
Wisconsin	\$42,216,000	\$21,647,000	\$63,863,000	\$1,377,650	\$6,157,258
Wyoming	\$9,216,000	\$4,568,000	\$13,784,000	\$343,470	\$1,437,903
 Total of State allocations	 \$1,717,983,000	 \$893,681,000	 \$2,611,664,000	 \$50,656,290	 \$224,307,258

October 29, 2009

SUBJECT: Fiscal Year 2009 State Internal Review Summary Report

TO: State Directors

ATTN: Administrative Program Directors
Management Control Officers

FROM: Sherie Hinton Henry /S/ *Sherie Hinton Henry*
Administrator
Operations and Management

This memorandum is a reminder that RD Instruction 2006-M, "Management Control System," requires each state to conduct State Internal Reviews (SIRs), a comprehensive evaluation review of program and administrative functions, in its offices during the fiscal year. The State Director is required to submit a Summary Report on the results of the SIRs to the Director of the Financial Management Division (FMD).

Please submit your report for Fiscal Year (FY) 2009 to FMD no later than **December 31, 2009**. The timely submission of your report will be closely monitored. In the event that all of the reviews in your state have been completed, please feel free to submit your Summary Report to FMD prior to the **December 31, 2009**, due date.

In addition, the RD Instruction 2006-M also requires the following to be submitted to FMD:

- A copy of the SIR 5-Year Plan whenever it is updated or revised:
 - The annual update for FYs 2010 through 2014 is due by **December 31, 2009**;
 - and
 - When revised between the annual updates if additional changes or updates are made.
- Notification of any change in the Management Control Officer (MCO) and/or Alternate MCO designation. (To ensure statewide awareness all state employees should also be notified of any changes to the MCO/Alternate MCO designation and how to contact them.)

If you have any questions, please contact John Purcell, Director, FMD at (202) 692-0080.

EXPIRATION DATE:
October 31, 2010

FILING INSTRUCTIONS:
Administrative/Other Programs

Sent by electronic mail on 11/03/09 at 04:00 p.m. by FMD.
The State Director should advise other personnel as appropriate.

October 30, 2009

TO: Rural Development
State Directors

ATTENTION: Rural Housing Program Directors,
Program Loan Cost Coordinators and
Contract Program Managers

FROM: Tammye Treviño (*Signed by Tammye Trevino*)
Administrator
Housing and Community Facilities Programs

SUBJECT: Program Loan Cost Expense Funds
FY 2010 Allocations and Requirements
Under the Credit Reform Act of 1990

The Office of Management and Budget (OMB) has approved this year's apportionment of **recoverable** Direct Loan Financing and Liquidating Program Loan Cost Expense (PLCE) funds for Rural Development Housing and Community Facilities Programs. Your State's annual FY 2010 Direct Loan Financing Account and initial Liquidating Account allocations are provided in Attachment 1. Your State's Direct Loan Financing Account allocations are based on the number of existing 502 Direct loans and 515 projects in your State. Your State's initial Liquidating Account allocations are based on your FY 2009 Liquidating Account obligations. These funds have been posted in the Type 60 Foundation Financial Information System (FFIS).

All PLCE funds required in the Community Facilities Program are held in the National Office. Funding for Community Facilities PLCEs should be requested by completing and faxing Attachment 2 to Robert Bogan at (202) 690-0652.

Attachment 1 also lists your State's Salaries and Expense Account ("A" funds) initial allocation for FY 2010 (also posted in FFIS), under the current Continuing Resolution through October 31, 2009. This year's non-recoverable PLCE 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, and SFH inventory property

EXPIRATION DATE:
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FILING INSTRUCTIONS:
Administrative/Other Programs

inspections and interpreter services. No other uses of non-recoverable PLCE funds are allowed without prior National Office permission. Your State's initial "A" funds provided in Attachment 1 should be conserved for emergency SFH needs only during the Continuing Resolution.

To request specific MFH appraisals and/or cost certifications, contact Tom Ale at Thomas.Ale@wdc.usda.gov or (202) 720-1620. For all other emergency needs requiring "A" funds, contact Carl Muhlbauer at Carl.Muhlbauer@wdc.usda.gov or (202) 690-2141.

We will again need your cooperation in stretching our limited non-recoverable funding this year. Please check the accuracy of the Program Authority Codes (PACs) entered into FFIS for your State's PLCEs. Make sure you use the current PAC Tables (effective October 1, 2007) to verify the recoverability of each charge you submit. The SharePoint web site address for the Tables is:

<https://rd.sc.egov.usda.gov/teamrd/RD%20Program%20Loan%20Cost%20Information/Forms/AllItems.aspx?RootFolder=%2fteamrd%2fRD%20Program%20Loan%20Cost%20Information%2fRural%20Development%20PAC%20Codes&FolderCTID=&View=%7b55E32C01%2dBF AF%2d4DD9%2d868F%2d48E5150204E2%7d>

To get to this site, Ctrl-Click this hyperlink. If you have trouble Ctrl-Clicking this hyperlink, or if you have received this memorandum as a hard copy, go to the SharePoint site at the following address:

<https://rd.sc.egov.usda.gov/teamrd/default.aspx>

Then, on the upper left side of the screen, under "Documents," click on the RD Program Loan Cost (PLC) Information link; then, on the next screen, click on "Rural Development PAC Codes."

Under provisions of the Credit Reform Act of 1990, each State has three non-transferable accounts to manage. The Direct Loan Financing Account, also referred to as the "R" Account, is used to pay PLCEs that are chargeable to a direct/insured borrower, property account, or subsidy funds in which the loan was obligated in FY 1992 or subsequent years. The Liquidating Account, also referred to as the "L" Account, is used to pay PLCEs that are chargeable to a direct/insured or guaranteed borrower or property account in which the loan was obligated prior to FY 1992. The oldest outstanding loan provides the basis for determining which recoverable ("L" or "R") Account to charge in the case of multiple loans. The non-recoverable Salaries and Expense ("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.

Funding for PLCEs 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) 457-4192 for instructions.

Program officials are the only staff authorized to certify PLCE funds availability. Administrative officials (Contract Program Managers, Contract Specialists, Budget Analysts, etc.) are not authorized to certify PLCE funds availability. The Program Loan Cost Coordinator is responsible for monitoring obligations/disbursements of PLCE allocations by account to avoid violation of the Anti-Deficiency Act. Specifically, your State Office Housing Program section is responsible for determining and documenting how these funds will best be used to meet your program goals and objectives. It is also accountable for the proper use of these funds. State Offices are required to issue a State Administrative Notice identifying a methodology for controlling their funds, naming the program official designated to certify PLCE fund availability, and, if these funds are sub-allocated, distribute them by program and account. **A State should not request additional funding in any of its three PLCE accounts until it has obligated at least 90 percent of its current account funds.**

If field staff have any questions concerning this memorandum, they should contact their State Office. If State Office officials have questions concerning this memorandum, they should contact Carl Muhlbauer, Program Support Staff, at (202) 690-2141.

Attachments (2)

Sent by electronic mail on 11/2/09 at 10:00am by PSS. State Directors should notify other personnel as appropriate.

PROGRAM LOAN COST EXPENSE FUNDS

Housing Programs (RHIF) - FY 2010

State/Territory	Allocations		
	Salaries & Expense Account	Direct Loan Financing Account	Liquidating Account
Alabama	\$918	\$953,282	\$37,339
Alaska	\$141	\$90,493	\$14,861
Arizona	\$472	\$432,210	\$26,757
Arkansas	\$762	\$879,133	\$33,129
California	\$1,092	\$900,675	\$33,984
Colorado	\$326	\$279,349	\$9,101
Delaware	\$360	\$344,421	\$20,164
Florida	\$947	\$1,019,851	\$49,632
Georgia	\$1,114	\$1,039,400	\$24,714
Hawaii	\$370	\$458,099	\$17,382
Idaho	\$268	\$293,965	\$26,421
Illinois	\$809	\$887,020	\$17,500
Indiana	\$678	\$657,334	\$108,467
Iowa	\$540	\$628,077	\$6,297
Kansas	\$371	\$403,270	\$4,462
Kentucky	\$1,022	\$1,133,006	\$94,907
Louisiana	\$822	\$897,610	\$153,215
Maine	\$417	\$530,612	\$42,964
Massachusetts	\$346	\$331,105	\$4,790
Michigan	\$888	\$810,596	\$702,489
Minnesota	\$509	\$470,287	\$5,489
Mississippi	\$1,440	\$1,881,418	\$152,027
Missouri	\$802	\$880,254	\$9,876
Montana	\$207	\$211,986	\$10,183
Nebraska	\$253	\$266,123	\$7,733
Nevada	\$86	\$75,495	\$887
New Hampshire	\$188	\$173,675	\$3,005
New Jersey	\$190	\$208,310	\$86,396
New Mexico	\$372	\$327,696	\$16,545
New York	\$803	\$645,263	\$145,299
North Carolina	\$1,554	\$1,489,034	\$48,578
North Dakota	\$141	\$187,803	\$5,685
Ohio	\$909	\$708,164	\$86,984
Oklahoma	\$542	\$490,123	\$36,750
Oregon	\$432	\$370,821	\$59,269
Pennsylvania	\$1,072	\$808,690	\$24,662
Puerto Rico	\$924	\$1,322,530	\$170,682
South Carolina	\$876	\$888,169	\$155,135
South Dakota	\$190	\$277,286	\$5,474
Tennessee	\$956	\$940,313	\$61,367
Texas	\$1,976	\$1,676,148	\$107,394
Utah	\$184	\$206,454	\$3,230
Vermont	\$184	\$208,394	\$7,495
Virgin Islands	\$84	\$89,838	\$1,002
Virginia	\$810	\$746,483	\$18,665
Washington	\$464	\$393,482	\$15,323
West Virginia	\$496	\$503,649	\$105,797
Wisconsin	\$591	\$492,873	\$44,964
Wyoming	\$102	\$89,731	\$529
Total	\$30,000	\$30,000,000	\$2,825,000

FISCAL YEAR PROGRAM LOAN COST EXPENSE
RURAL HOUSING SERVICE - COMMUNITY PROGRAMS

State: _____
Contact Person: _____
Telephone Number: _____

Account: _____
Fax No.: _____

Program Authority Code (PAC):
____ (Loan Program) _____ (Program Activity)
____ (General Purpose) _____ (Detail Description)

Program Authority Required: _____ (Indicate Yes/No)
Recoverable _____ Non-recoverable _____

Description of Request:

CONTRACTUAL

NONCONTRACTUAL

Inspections _____
Appraisals _____
Analysis and Audits _____
Information Services _____
Other Services _____
Maintenance & Management _____
Repair/Improvement _____
Exclusive Broker _____
Open Listing Broker _____
Environmental _____
Other Field Contracting _____
Credit Bureau Reports _____
TOTAL _____

Advertising _____
Real Estate Taxes _____
Insurance _____
(including flood) _____
Other (Explain) _____
Utilities * _____
TOTAL _____

* Attach copies of vouchers and/or documents.

State Program Director _____

Concurrence: _____ Date: _____
Associate Administrator/Deputy Administrator

TO BE COMPLETED BY NATIONAL OFFICE:

Account Balance after this obligation: _____
Initials: _____
Date: _____