

UNNUMBERED LETTERS ISSUED FOR THE MONTH OF SEPTEMBER 2009

Dated	Subject	Distribution
09/01/09	Rural Development Audit Program	N.O.O. & S/D
09/01/09	Guidance on Use of American Recovery and Reinvestment Act Funds for Community Facilities Projects	S/D
09/02/09	Under Secretary Tonsager Photographs	S/D & A/SD
09/04/09	Rural Energy for American Program Combination Funding Award Packages July 15, 2009, Reserve Requests	S/D
09/04/09	Rural Energy for America Program Grant of \$20,000 or Less Funding Award Packages July 15, 2009, Reserve Request	S/D
09/04/09	Rural Energy for America Program Energy Audit and Renewable Energy Development Assistance Award Packages	S/D
09/04/09	Rural Energy for American Program Renewable Energy Feasibility Study Grant Award Packages	S/D
09/10/09	Reminder of Tax Service Fee Increase for Fiscal Year 2010 Single Family Housing Direct	S/D
09/17/09	Required Posters for Field Offices	S/D
09/17/09	Interest Rates for Community Facilities	S/D

Dated	Subject	Distribution
09/21/09	Delegation of Authority Payments for Eligible Advanced Biofuel Producers Energy Audits and Renewable Energy Development Assistance Feasibility Studies	S/D
09/22/09	Intermediary Relending Program Fourth Quarter Funding	S/D
09/22/09	Interest Rates for Water and Waste Disposal Loans, Watershed Protection and Flood Prevention Loans, and Resource Conservation and Development Loans	S/D
09/23/09	Obligation and Disbursements of Rural Energy for America Program Loans and Grants for Fiscal Year 2009	S/D
09/23/09	Rural Economic Development Loan and Grant Program Projects Funded for Fourth Quarter Fiscal Year 2009	S/D
09/23/09	Interest Rate for Direct Business and Industry Loans	S/D
09/24/09	Fiscal Year 2009 Survey of Section 515 Multi-Family Housing Transfers and American Recovery and Reinvestment Act of 2009 Funds Used in Transfer Transactions	S/D
09/24/09	Rural Business Enterprise Grant Program National Office Reserve Fiscal Year 2009 Funding Selections	S/D

Dated	Subject	Distribution
09/24/09	Rural Business Enterprise Grant Program Technical Assistance for Rural Transportation Systems Fiscal Year 2009	S/D
09/24/09	Rural Business Enterprise Grant Program Native American Earmark Selections Fiscal Year 2009	S/D
09/24/09	Best Practices for Community Facilities Loans For Childcare Projects	S/D
9/24/09	Interest Rate Changes for Housing Programs and Credit Sales (Nonprogram)	S/D

September 1, 2009

SUBJECT: Rural Development Audit Program

TO: National Office Officials  
Rural Development State Directors

ATTN: Management Control Officers  
Administrative Program Directors

The Rural Development Audit Program has been updated for Fiscal Year 2010 in order to provide audit-related guidance for selected Rural Development programs. The Audit Program is effective for audit periods ending on December 31, 2009, and thereafter. The Audit Program incorporates the Government Auditing Standards issued by the Government Accountability Office.

The following Rural Development programs are included in the Audit Program along with the appropriate Catalog of Federal Domestic Assistance (CFDA) numbers:

CFDA No. 10.415/10.427 – Rural Rental Housing Loans  
CFDA No. 10.766 – Community Facilities Loans and Grants  
CFDA No. 10.768 – Business and Industry Guaranteed Loans  
CFDA No. 10.767 – Intermediary Relending Program  
CFDA No. 10.854 – Rural Economic Development Loans and Grants

If requested, copies of the September 2009 Audit Program should be provided to Rural Development borrowers, their independent auditors, and Rural Development staff.

Copies of the Rural Development Audit Program may be obtained via the Rural Development internet homepage at: <http://www.rurdev.usda.gov/rd/auditprogram.pdf>. Please provide the internet address to all parties interested in obtaining copies of the Audit Program.

EXPIRATION DATE:  
September 30, 2010

FILING INSTRUCTIONS:  
Administrative/Other Programs

Questions concerning the Rural Development Audit Program may be directed to John Purcell, Director, Financial Management Division (FMD) at (202) 692-0328 or [John.Purcell@wdc.usda.gov](mailto:John.Purcell@wdc.usda.gov).

*(Signed by Van B. Jorstad)*

VAN B. JORSTAD  
Chief Financial Officer  
Rural Development

Sent by electronic mail on 9/9/09 at 3:00p.m. by FMD.  
State Directors and National Office Officials should notify other personnel as appropriate.

September 1, 2009

TO: State Directors  
Rural Development

ATTN: Community Programs Directors

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

SUBJECT: Guidance on Use of American Recovery and Reinvestment Act  
Funds for Community Facilities Projects

#### INTRODUCTION

The purpose of this unnumbered letter is to provide a consolidated list of the types of Community Facilities (CF) projects that are not eligible for funding under the American Recovery and Reinvestment Act (ARRA) allocation and a prioritization of available CF funding options

#### PROJECTS THAT SHOULD NOT BE SUBMITTED FOR ARRA FUNDING

There are specific statutory restrictions preventing the use of ARRA funds for the following purposes:

- Pools
- Zoos
- Golf Courses
- Casinos/gambling establishments

We provided further clarification on these items during the CF teleconference in April 2009. Projects receiving ARRA funds cannot have any association with the aforementioned ineligible purposes, even when the ineligible portion was not funded from the ARRA allocation.

EXPIRATION DATE:  
August 31, 2010

FILING INSTRUCTIONS:  
Community/Business Programs

## PRIORITY FOR USE OF FUNDS

In an effort to utilize all available Community Facilities funding, you are encouraged to prioritize the use of state funds in the following order:

1. ARRA funds for all projects that can be immediately implemented and will significantly increase employment.
2. Economic Impact Initiative funds, 2008 CF Disaster funds, or fiscal year (FY) 2009 CF annual appropriated funds for the following types of projects:

- Museums
- Theaters
- Art Councils
- Historic Societies
- Generators
- Storm sirens
- Cemeteries
- Sports equipment and sports facilities for educational organizations
- Playground equipment for child care facilities
- Bike paths
- Sidewalks
- Tasers, revolvers, pistols
- Vehicles
- Small equipment purchases
- Projects that are primarily for the purchase of existing real estate

3. Projects with considerable time constraints or projects that will be significantly impacted by Davis Bacon or Buy America requirements may use Economic Impact Initiative funds, 2008 CF Disaster funds, or FY 2009 CF annual appropriated funds at the Community Program director's discretion.

The utilization of any funding stream is dependent upon funding availability. If the amount of the request is within your State's approval authority, you may utilize the funding sources listed without further National Office review. Disaster funds are held in the National Office, and you will need to submit a request to Andrea Barnett to access those funds.

If you have any questions, please contact Aaron Morris, Community Programs Specialist, (202) 205-0486.

September 2, 2009

SUBJECT: Under Secretary Tonsager Photographs

TO: State Directors  
Acting State Directors

ATTN: Administrative Program Directors

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

Earlier this year, photographs of the Secretary of Agriculture and the President of the United States were distributed to each State Office by the Property and Supply Management Division. Following the distribution of those photographs several states asked for photographs of Under Secretary Tonsager. We support those requests and commit to providing them.

The photographs are 8" x 10" and will be mailed directly to each State Office. Each State Office will receive two photographs for the State Office and one photograph for each Area and Local Office. The State Office is responsible for managing distribution of photos to their Area and Local Offices.

All the photographs listed above are being provided in limited numbers and are being paid for by the National Office. This includes the photographs of the President and Secretary that were sent out earlier this year. Should a field office need additional copies of these photographs for their offices, then those photographs will need to be funded by the requesting office.

If you have any questions, please contact the Rural Development Mail Manager, Rod Williams, at (202) 692-0027 or e-mail to [rod.williams@wdc.usda.gov](mailto:rod.williams@wdc.usda.gov).

EXPIRATION DATE:  
September 30, 2009

FILING INSTRUCTIONS:  
Administrative/Other Programs

Sent by electronic mail on 9/9/09 at 3:30 p.m. by the Support Services Division. State Directors should distribute to other personnel as appropriate.

September 4, 2009

TO: State Directors, Rural Development

ATTN: Business Programs Directors  
State Energy Coordinators

SUBJECT: Rural Energy for America Program  
Combination Funding Award Packages  
July 15, 2009, Reserve Requests

The Rural Energy for America Program, fiscal year 2009 funding selections for combination grant and guaranteed loan applications, submitted to the National Office under the July 15, 2009, reserve request, the selections are attached for your information.

Please notify the above referenced applicants and lenders of their selection in accordance with the unnumbered letter titled, "Rural Energy for America Program Funding Procedures." Rural Energy for America Program funds will not be available until implementation of the automated accounting system for obligating funds. The National Office will notify you when funds become available under the automated system.

If you have any questions, please contact William Smith, Branch Chief, Energy Division, at (202) 205-0903.

*(Signed by Pandor H. Hadjy)*

PANDOR H. HADJY  
Acting Deputy Administrator  
Business Programs

Attachment

EXPIRATION DATE:  
September 30, 2010

FILING INSTRUCTIONS:  
Community/Business Programs

<b>State</b>	<b>Project</b>	<b>Grant Request</b>	<b>Loan Request</b>
CT	Logee's Greenhouses, Ltd.	\$ 195,650	\$ 391,310
IA	Alan Laubenthal	\$ 38,722	\$ 77,444
IA	Ronald Bowman	\$ 23,681	\$ 47,363
IA	Klover Pork, LLC	\$ 34,302	\$ 68,604
IA	Garry Anstoetter	\$ 24,320	\$ 24,320
IA	Dale Zhorne	\$ 38,349	\$ 38,349
IA	McCool Bros., LLC	\$ 30,971	\$ 31,141
IA	Steven Mummelthei	\$ 39,313	\$ 78,625
IA	Jack D. Moulds	\$ 49,982	\$ 99,964
IA	Dean & Sandra, Inc.	\$ 27,388	\$ 27,388
IA	Michael Blake	\$ 49,121	\$ 49,121
IA	Danny Newell	\$ 41,559	\$ 41,559
IA	Jay R. Clasing	\$ 155,794	\$ 311,588
IA	Steve Robinson	\$ 27,500	\$ 27,500
IA	Milford Wind Energy, LLC	\$ 500,000	\$ 1,831,820
IA	Seuntjens Farm, Partnership	\$ 37,240	\$ 37,240
IA	Daniel Lonnevik	\$ 31,912	\$ 63,824
IA	D J Keehner Farms, Inc.	\$ 25,678	\$ 25,678
IA	Franzen Brothers	\$ 50,000	\$ 66,750
IL	Ron Schlesinger	\$ 23,799	\$ 23,799
IL	Daryl Sondgeroth	\$ 49,833	\$ 49,833
MN	Frederic Hiniker	\$ 35,908	\$ 35,908
MN	Gary Sonstegard	\$ 43,455	\$ 43,455
MN	South Branch Farms	\$ 32,943	\$ 32,943
MN	Connelly Farms	\$ 33,215	\$ 33,215
MN	Marquette Farms	\$ 46,948	\$ 46,948
MN	Thomas F. Lorenzen	\$ 32,899	\$ 32,899
MN	McCue Farms, Partnership	\$ 44,831	\$ 44,831
NE	Daniel Kohle	\$ 6,709	\$ 13,418
NE	Donald Fling	\$ 9,796	\$ 19,592
NE	Ruggles Land, LP	\$ 17,822	\$ 35,600
NE	Doug Witte	\$ 7,601	\$ 15,200
NE	McClung Farms, Inc.	\$ 28,976	\$ 55,000
NE	Raymond Keogh	\$ 6,008	\$ 12,016
NE	David Kuszak	\$ 12,579	\$ 25,157
NE	Michael R. Danhauer	\$ 49,818	\$ 99,636
NE	Klute, Inc.	\$ 41,724	\$ 83,449

<b>State</b>	<b>Project</b>	<b>Grant Request</b>	<b>Loan Request</b>
NE	Paul Holt	\$ 23,653	\$ 47,305
NE	Bryan Nitchie	\$ 12,500	\$ 25,000
NE	Bullet, Inc.	\$ 6,446	\$ 12,893
NE	Dennis Wrage	\$ 20,154	\$ 40,307
NE	Mark Scott	\$ 32,622	\$ 32,622
NE	SYS, Inc.	\$ 48,693	\$ 97,386
SD	Allen G. Siefkes	\$ 30,480	\$ 30,480
SD	Anita M. Hilliard	\$ 32,940	\$ 29,500
VA	Unaka Forest Products, Inc.	\$ 435,271	\$ 435,271
	<b>Total</b>	<b>\$2,589,105</b>	<b>\$ 4,793,251</b>

September 4, 2009

TO: State Directors, Rural Development

ATTN: Business Programs Directors  
State Energy Coordinators

SUBJECT: Rural Energy for America Program  
Grants of \$20,000 or Less Funding Award Packages  
July 15, 2009, Reserve Request

The Rural Energy for America Program, fiscal year 2009 funding selections for grant applications of \$20,000, or less, submitted to the National Office under the July 15, 2009, reserve request, selections are attached for your information.

Please notify the referenced applicants of their selection in accordance with the unnumbered letter titled, "Rural Energy for America Program Funding Procedures." Rural Energy for America Program funds will not be available until implementation of the automated accounting system for obligating funds. The National Office will notify you when funds become available under the automated system.

If you have any questions, please contact William Smith, Branch Chief, Energy Division, at (202) 205-0903.

*(Signed by Pandor H. Hadjy)*

PANDOR H. HADJY  
Acting Deputy Administrator  
Business Programs

Attachment

EXPIRATION DATE:  
August 31, 2010

FILING INSTRUCTIONS:  
Community/Business Programs

<b>State</b>	<b>Project</b>	<b>Grant Request</b>
AK	Alascon Precast Shop	\$ 3,700
AK	Heavenly Ridge	\$ 3,800
AK	Bear Creek Winery	\$ 4,500
AZ	Sun Valley Roofing Company	\$ 13,281
GA	Garland Theodore Cowan, Jr.	\$ 11,232
GA	Hanson H. Hudson, Jr.	\$ 16,092
GA	Boyd Hagerson	\$ 7,924
GA	Susan Holt	\$ 7,195
GA	Norman C. Fussell	\$ 19,958
GA	Bart Bradley	\$ 15,642
GA	T & T Sumner Farms	\$ 13,815
GA	J. Paul Wallace Farms	\$ 12,798
IA	Christopher J. Schwarck	\$ 19,902
IA	Jason Meester	\$ 18,450
IA	Joe Duwe	\$ 10,533
IA	Ted Becker	\$ 12,280
IA	Kevin L. Pietig	\$ 12,252
IA	Kurt Steinbronn	\$ 20,000
IA	Keith Franck	\$ 20,000
IA	Milford Helgeson Farms, Inc.	\$ 20,000
IA	Deutmeyer Farms, Inc.	\$ 6,750
IA	Roger Schmitt	\$ 20,000
IA	Neumayer Farm Partnership	\$ 20,000
IA	Michael L. Haubrich	\$ 20,000
IA	Bruce Schultz	\$ 20,000
IA	Boshart & Sons	\$ 20,000
IA	Jason Wiebers	\$ 15,995
IA	Oldham Farms, Inc.	\$ 19,784
IA	Neil Kruger	\$ 19,874
IA	Daniel Bockenstedt	\$ 20,000
IA	Leslie Clampitt	\$ 20,000
IA	Bates Family Farms Corporation	\$ 19,992
IA	Mark Buskohl	\$ 19,836
IL	Steven Haas	\$ 20,000
IL	Terrydale Farms, Inc.	\$ 20,000
IL	Saddle Club Farms Corporation	\$ 19,665

<b>State</b>	<b>Project</b>	<b>Grant Request</b>
IL	Merritt & Merritt, Inc.	\$ 20,000
IN	Larry Peacock	\$ 13,998
IN	Brookview Farms	\$ 19,840
KS	Galen L. Neher	\$ 9,240
MN	Larry Hoffman	\$ 19,987
MN	Bruce Kesteloot	\$ 12,393
MN	Gary Engelby	\$ 16,691
MN	Nancy Schumacher	\$ 12,225
MN	Gregory Guetter	\$ 13,948
MN	Kriene Kramer	\$ 13,624
MN	Peter and Paul Wendinger	\$ 19,850
MN	David Efta	\$ 18,435
MN	Mark Sikkink	\$ 19,975
MN	Lyndon Kunkel	\$ 17,435
MN	Robert Schmidt	\$ 19,464
MN	Paul Gergen	\$ 18,005
MN	Mark Parker	\$ 7,056
MN	Colleen Lamon	\$ 7,203
MN	Allen Weckwerth	\$ 17,685
MN	Farm Boys, LLC	\$ 20,000
MN	Harland E. Nelson	\$ 18,040
MN	Ronald Marzinske	\$ 12,408
MN	Cletus C. & Dennis C. Gregor, Partnership	\$ 12,902
MN	Dan Pettis	\$ 11,658
MN	Dennis Preuss	\$ 20,000
MN	Alan Scheuer	\$ 20,000
MN	Scott Ryan	\$ 19,396
MN	Blake T. Webster	\$ 18,187
MS	Lisa Rushing	\$ 4,910
NC	C.E. McSwain & Son, Inc.	\$ 10,045
NC	Joseph F. Baker Farms, Inc.	\$ 13,850
NC	Wiley B. Gillam, III	\$ 19,888
NC	David Parker	\$ 4,679
NE	Paul Corkle	\$ 3,628
NE	John Kraye	\$ 8,757
NE	Wray Wanches, Inc.	\$ 8,000
NE	Lyle Spangler	\$ 9,054

<b>State</b>	<b>Project</b>	<b>Grant Request</b>
NE	Michael Freeman	\$ 5,625
NE	Phillip Merrill	\$ 12,857
NE	Cottonwood Land & Cattle, LLC	\$ 7,877
NE	Ruggles Farms, Inc.	\$ 14,743
NE	L & M Farms	\$ 10,279
NH	Gale C. Howland Revocable Trust	\$ 5,855
OR	Stephen Sturdivant	\$ 20,000
OR	Redband Resources, LLC	\$ 20,000
OR	Richard Schaeff	\$ 12,441
OR	Glenn Cavender	\$ 7,438
OR	Willow Springs Guest Ranch, LLC	\$ 3,875
OR	Grizzly Peak Winery, LLC	\$ 20,000
OR	Kunert Electric, LLC	\$ 20,000
PA	John K. Davin, Forever Greene House	\$ 7,268
SD	William Becking	\$ 17,600
SD	Darrel Muser	\$ 3,319
TN	Nashville Natives, LLC	\$ 17,077
VT	Wayne Fifield	\$ 4,710
VT	Rodney and Glenda Paradee	\$ 3,316
VT	David L. Steinhour and Norman Fecteau	\$ 7,928
VT	Joseph A. Jordan	\$ 3,459
WI	William Erdenberger	\$ 20,000
WI	Habeck Homestead Farms, LLC	\$ 6,025
WI	Arndt Farms, Inc.	\$ 20,000
WI	Dunn Energy Cooperative	\$ 4,548
WI	Utility Building Corp.	\$ 5,246
	<b>TOTAL</b>	<b>\$ 1,379,192</b>

September 4, 2009

TO: State Directors, Rural Development

ATTN: Business Programs Directors  
State Energy Coordinators

SUBJECT: Rural Energy for America Program  
Energy Audit and Renewable Energy Development Assistance Award Packages

Fiscal Year 2009 funding selections for Rural Energy for America Program, Energy Audit and Renewable Energy Development Assistance grants submitted to the National Office by July 1, 2009, reserve request, are listed below for your information. The selections are as follows:

<b>State</b>	<b>Project</b>	<b>Grant</b>
AZ	Sulfur Springs Valley Electric Cooperative	\$ 99,750
CO	Gunnison County Electric Association, Inc.	\$ 73,890
GA	University of Georgia	\$100,000
IA	Consumers Energy Cooperative	\$100,000
IA	Hawkeye Tri-County Electric	\$100,000
IL	Jo-Carroll Energy, Inc.	\$100,000
IN	Hoosier Energy Rural Electric Cooperative, Inc.	\$100,000
MA	Barnstable County	\$100,000
ME	State of Maine, Public Utilities Commission, Efficiency Maine	\$100,000
MI	Michigan State University	\$100,000
MO	Grundy Electric Cooperative, Inc.	\$100,000
MO	Associated Electric Cooperative, Inc.	\$100,000
NE	Nebraska Public Power District	\$100,000
NE	Omaha Public Power District	\$100,000
NM	Kit Carson Electric Cooperative, Inc.	\$100,000
OH	America Municipal Power - Ohio	\$100,000
OR	Oregon Institute of Technology, Oregon Renewable Energy Center	\$ 99,991
OR	Oregon State University, Energy Efficiency Center	\$100,000
SC	Central Electric Power Cooperative, Inc.	\$100,000
SD	East River Electric Power Cooperative, Inc.	\$100,000
WI	Dairyland Power Cooperative	\$100,000
WV	West Virginia University Research Cooperation	\$100,000
	<b>TOTAL</b>	<b>\$2,173,631</b>

EXPIRATION DATE:  
August 31, 2010

FILING INSTRUCTIONS:  
Community/Business Programs

States with successful applications should process them in accordance with the Notice that was published March 11, 2009. Please notify the referenced applicants of their selection. Applications that were not funded based on the availability of funding will not be carried forward into the next fiscal year and the Agency will notify the applicants in writing. Appeal and review rights should be offered in accordance with 7 CFR, part 11. Process the applications in accordance with Section V, of the March 11, 2009, Notice, which outlines the obligation and processing requirements for grants.

Prior to disbursement of funds, States will need to document in the file for those grantees which are conducting energy audits, that the grantee has collected 25 percent of the cost to complete the audit from the agricultural producer or rural small business. The funds collected will be applied by the grantee to the costs incurred to complete the audit. When determining the cost of an audit, the following expenses should be included: wages for preparatory, analysis, writing and review; travel; and office expenses; all of which are directly related to preparing the audit.

If you have any questions, please contact William Smith, Branch Chief, Energy Division, at (202) 205-0903.

*(Signed by Pandor H. Hadjy)*

PANDOR H. HADJY  
Acting Deputy Administrator  
Business Programs

September 4, 2009

TO: State Directors, Rural Development

ATTN: Business Programs Directors  
State Energy Coordinators

SUBJECT: Rural Energy for America Program  
Renewable Energy Feasibility Study Grant Award Packages

Fiscal Year 2009 funding selections for Rural Energy for America Program, Renewable Energy Feasibility Study grants submitted to the National Office by August 14, 2009, reserve request, selections are attached for your information.

Please notify the referenced applicants of their selection in accordance with the unnumbered letter titled, "Rural Energy for America Program Funding Procedures." Rural Energy for America Program funds will not be available until implementation of the automated accounting system for obligating funds. Applications that were not funded based on the availability of funding will not be carried forward into the next fiscal year and the Agency will notify the applicants in writing. Appeal and review rights should be offered in accordance with 7 CFR, part 11. Process the applications in accordance with Section V, of the March 11, 2009, Notice, which outlines the obligation and processing requirements for grants.

If you have any questions, please contact William Smith, Branch Chief, Energy Division, at (202) 205-0903.

*(Signed Pandor H. Hadjy)*

PANDOR H. HADJY  
Acting Deputy Administrator  
Business Programs

Attachment

EXPIRATION DATE:  
September 30, 2010

FILING INSTRUCTIONS:  
Community/Business Programs

## Attachment

<b>State</b>	<b>Project</b>	<b>Grant request</b>
AK	Alaska Power and Telephone Company	\$ 50,000
AR	Winds of Change Leaseholding, LLC	\$ 41,085
AZ	Mantere, LLC	\$ 10,000
CO	M&M Land Management, LLC	\$ 45,882
CT	Emery Nemeskay Plumbing & Heating, LLC	\$ 24,600
CT	Historic Cargill Falls Mill, LLC	\$ 5,000
CT	Putnam Green Power, LLC	\$ 50,000
IA	3Fueled, LLC	\$ 50,000
IA	LincolnWay Energy, LLC	\$ 10,000
IA	Market Management Services, LLC	\$ 18,000
ID	Arkoosh Hydroelectric, Inc.	\$ 12,500
ID	Innovative Energy, LLC	\$ 50,000
ID	Murphy Flat Wind, LLC	\$ 50,000
ID	Preston Whitney Irrigation Company	\$ 12,500
IN	Pioneer Wind Energy, LLC	\$ 50,000
KS	Danken Energy, LLC	\$ 38,800
KY	EffENERGY, LLC	\$ 50,000
KY	Genesis Development of Kentucky, LLC	\$ 44,577
LA	St. Landry Land Holdings, LLC	\$ 3,750
MA	Allen Farm, Inc.	\$ 10,000
MD	Cascia Vineyards	\$ 2,500
MI	Beebe Community Wind Farm, LLC	\$ 50,000
MN	Craig and Kathy Damstrom	\$ 18,750
MN	Eagle Crest Wind, LLC	\$ 21,250
MN	Heron Lake Bio Energy	\$ 20,000
MN	J & L Hennem, Inc.	\$ 7,173
MN	Joseph Schaffer	\$ 24,350
MN	Larson Products, Inc.	\$ 25,000
MN	Rocky Top Wind	\$ 21,250
MO	Show Me Green Coal Management, LLC	\$ 12,500
ND	W-E WIND, LLC	\$ 8,750
NE	James J. May	\$ 20,000
NE	Malleck Farm and Wind Ventures, LLC	\$ 15,025
NE	Renewable Biomass Energy of Nebraska, LLC	\$ 5,437
NH	Lanciano Wind Energy, LLC	\$ 50,000
OR	A3 Energy Partners, Inc.	\$ 25,000

<b>State</b>	<b>Project</b>	<b>Grant request</b>
OR	Biogreen Sustainable Energy Company	\$ 18,000
OR	Black Cap Solar, LLC	\$ 20,000
OR	Empirical Solar, LLC	\$ 20,000
OR	Sage Renewables, LLC	\$ 20,000
OR	Sprague River Renewables, LLC	\$ 20,000
OR	Tongue Point Investors, LLC	\$ 50,000
SC	Carr Farms, Inc.	\$ 6,750
SD	Harvest Wind, LLC	\$ 50,000
TX	Aongus McManus	\$ 10,000
TX	LoneStar Wind Power Company	\$ 10,276
UT	West Hills Wind Farm	\$ 10,000
UT	Wind-E Ranch, LLC	\$ 42,500
WA	Pacifica Marine, Inc.	\$ 15,000
WI	O'Brien Farms, Inc.	\$ 24,725
WI	Durand Energy Alternatives, LLC	\$ 11,245
	<b>TOTAL</b>	<b>\$ 1,282,175</b>



September 10, 2009

TO: All State Directors  
Rural Development

ATTENTION: Rural Housing Program Directors

FROM: Richard A. Davis (*Signed by Richard A. Davis*)  
Acting Deputy Administrator  
Single Family Housing

SUBJECT: Reminder of Tax Service Fee Increase for Fiscal Year 2010  
Single Family Housing Direct

The purpose of this memorandum is to remind the states of the increase in the tax service fee for Fiscal Year 2010. The applicable tax service fee for the period of October 1, 2009, through September 30, 2010, is \$122 as outlined in HB-1-3550, Chapter 7, Attachment 7-B.

The parameters for the Good Faith Estimate and the Closing Item Default screens in UniFi will be updated at the national level.

If you have any questions regarding this memorandum, please contact Brooke Baumann of the Single Family Housing Direct Loan Division at (202) 690-4250.

EXPIRATION DATE:  
September 30, 2010

FILING INSTRUCTIONS:  
Housing Programs



September 17, 2009

SUBJECT: Required Posters for Field Offices

TO: National Office Officials  
State Directors

ATTN: Administrative Program Directors  
Management Control Officers

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

The attached list of required posters for field offices is provided for your use and information. This revised list will assist states in monitoring poster requirements and in conducting reviews of Area, Sub-Area, and Satellite Offices.

The list indicates the title of the poster, the item number, where it is referenced in regulations or Rural Development Instructions, if the reference makes a specific or general requirement for the poster, where copies may be obtained, and whether it is for public or in-house display. The posters with no item number indicated may be obtained directly from the National Office contact. We suggest that State Management Control Officers (MCOs) in coordination with your State Civil Rights Manager or Coordinator inventory their field offices and compile a comprehensive list of needed posters and submit one complete order for their state.

Most of the posters included in the list are not mentioned specifically by name. Each agency has the responsibility to keep employees informed of their rights, any new programs, their safety, non-discrimination, etc. We have attempted to cross-reference each poster with the Rural Development Instructions, Departmental Regulations, or other references if available.

EXPIRATION DATE:  
September 30, 2010

FILING INSTRUCTIONS:  
Administrative/Other Programs

The "Equal Housing Opportunity," "And Justice for All," and "Equal Employment Opportunity is THE LAW," posters are mentioned specifically by name in several of our regulations as indicated in the attached list.

The National Appeals Division (NAD) has developed a poster (AD 1192 (English version) and (AD 1192S (Spanish version)), "Face to Face Fairness." Both versions of the poster were distributed to all field offices. The previous poster, "You Have the Right to Appeal," is obsolete and should no longer be displayed. NAD has also developed a brochure (AD 1191 (English version) and (AD 1191S (Spanish version)), "Face to Face Fairness," to replace the pamphlet, "If you disagree ...." Both versions of the brochure were also distributed to all field offices and should be distributed for informational purposes to let customers know about their appeal rights. The brochures do not replace the agencies' requirements to issue adverse action letters. There is no regulation that specifically mentions the poster or brochure; however, Public Law 103-354, Department of Agriculture Reorganization Act of 1994, requires all agencies to inform the customer of their appeal rights within 10 days of the date an adverse decision is rendered.

The U.S. Department of Labor Form CA-10, "What a Federal Employee Should Do When Injured at Work," referenced in RD Instruction 2069-A is obsolete. The reference will be removed the next time the Instruction is revised.

It is our intent to provide an annual update of the list for your use and information.

If you have any questions or comments, please contact John Purcell, Director, Financial Management Division, at (202) 692-0080.

#### Attachment

Sent by electronic mail on 09/22/09 at 2:00 p.m. by FMD.

The National Office Official and State Director should advise other personnel as appropriate.

# Required Posters for Field Offices

Financial Management Division (FMD)

September 2009

TITLE	ITEM #	REFERENCE	REQUIREMENT/AVAILABILITY
Equal Housing Opportunity (Fair Housing Poster)	HUD 928.1 (Rev. 2/03) (English),  HUD 928.1A (2/03) (Spanish)	<b>1901-E</b> , §§ 1901.203(c)(3)(iv) and 1901.205(e)(1)(i); <b>HB-1-3560</b> , Ch. 8 (Pgs. 8-12 & 8-13), 8.11 A; App. 1 (Pg. 72), § 3560.103(a)(3)(xiv) and (Pg. 76), § 3560.104(b)(4)(ii)(A)(2); and App. 4 (HB Letter 102); <b>HB-2-3560</b> , Ch. 6 (Pg. 6-47), 6.36 and App. 1 (Pg. 72), § 3560.103(a)(3)(xiv) and (Pg. 76), § 3560.104(b)(4)(ii)(A)(2); <b>HB-3-3560</b> , App. 1 (Pg. 72), § 3560.103(a)(3)(xiv) and (Pg. 76), § 3560.104(b)(4)(ii)(A)(2); <b>HB-1-3565</b> , Ch. 8 (Pg. 8-12), 8.15	Mentioned specifically and generally/ Rural Development Warehouse or HUD-ONLINE (ENGLISH) <a href="http://www.hud.gov/offices/adm/hudclips/forms/files/928-1.pdf">http://www.hud.gov/offices/adm/hudclips/forms/files/928-1.pdf</a> (SPANISH) <a href="http://www.hud.gov/offices/adm/hudclips/forms/files/928-1a.pdf">http://www.hud.gov/offices/adm/hudclips/forms/files/928-1a.pdf</a> (PUBLIC)
And Justice For All	AD-475-A (Rev. 9/06)  AD-475-C (Rev. 9/06) (for loan/grant recipients)	<b>1901-E</b> , §§ 1901.202(f) and 1901.205(e)(1)(i); <b>HB-1-3560</b> , Ch. 8 (Pgs. 8-12 & 8-13 ), 8.11 A; App. 1 (Pg. 72), § 3560.103(a)(3)(xiv); App. 4 (HB Letter 102); <b>HB-2-3560</b> , Ch. 6 (Pg. 6-47), 6.36; App. 1 (Pg. 72), § 3560.103(a)(3)(xiv); <b>HB-3-3560</b> , App. 1 (Pg. 72), § 3560.103(a)(3)(xiv)	Mentioned specifically and generally/ Rural Development Warehouse (PUBLIC)
USDA Hotline	Item 434	<b>5 USC 2301(b)(9)</b>	Mentioned generally/ Rural Development Warehouse or National Office - FMD, Contact Demetries (Dee) Moore (202) 692-0087 (PUBLIC)
Equal Employment Opportunity is THE LAW	Item 620 (English), OFCCP 1420 (Rev. 8/08)  ONLY ON-LINE (Spanish) (Rev. 8/08)	<b>1901-E</b> , § 1901.205(b)(3)(i)(A) and (e)(1)(i); <b>1980-D</b> , § 1980.317(c)(2)(iii) and (c)(5); <b>2045-X</b> , § 2045.1153(b)(8) <b>HB-1-3550</b> , Ch. 5 (Pg. 5-38), 5.25 B <b>HB-1-3560</b> , App. 4 (HB Letter 102)	Mentioned specifically and generally/ Rural Development Warehouse or DOL-ONLINE (ENGLISH) <a href="http://www.dol.gov/esa/ofccp/regs/compliance/posters/pdf/eeopost.pdf">http://www.dol.gov/esa/ofccp/regs/compliance/posters/pdf/eeopost.pdf</a> (SPANISH) <a href="http://www.dol.gov/esa/ofccp/regs/compliance/posters/pdf/eeosp.pdf">http://www.dol.gov/esa/ofccp/regs/compliance/posters/pdf/eeosp.pdf</a> (PUBLIC)
EMPLOYEE RIGHTS Under the DAVIS-BACON ACT for Laborers and Mechanics Employed on Federal or Federally Assisted Construction Projects	WH-1321 (Rev. 4/09)	<b>1940-C</b> , § 1940.106(d)(5) and Exh. A (Pg. 1), a(1)(i)	Mentioned specifically/ Rural Development Warehouse or DOL-ONLINE <a href="http://www.dol.gov/esa/whd/regs/compliance/posters/fedprojc.pdf">http://www.dol.gov/esa/whd/regs/compliance/posters/fedprojc.pdf</a> (PUBLIC)
EEO Counseling Program	Item 431	<b>2045-X</b> , § 2045.1153(b)(8); <b>29 CFR 1614</b>	Mentioned generally/ Rural Development Warehouse (IN-HOUSE)
Sexual Harassment is Illegal!	AD-1085 (Rev. 9/03)	<b>29 CFR 1604.11</b>	Mentioned generally/ Rural Development Warehouse (IN-HOUSE)
USDA Occupational Safety and Health	AD-1010	<b>2069-A</b> , § 2069.8(d)(10)(i); <b>29 CFR 1900-1990</b>	Mentioned generally/ Rural Development Warehouse (IN-HOUSE)

# Required Posters for Field Offices

Financial Management Division (FMD)

September 2009

Page 2

TITLE	ITEM #	REFERENCE	REQUIREMENT/AVAILABILITY
Work Place Violence	AD-1135A (Rev. 3/99)	<b>DR 4200-001</b>	Mentioned generally/ Rural Development Warehouse <b>(IN-HOUSE)</b>
EAP Serves You (Flyer)	None	<b>5 USC 7901(a)</b>	Mentioned generally/ National Office - HR, Sylvester Pope, (202) 692-0196 <b>(IN-HOUSE)</b>
National Appeals Division Face to Face Fairness (Brochure)	AD-1191 (5/05) (English),  AD-1191S (5/05) (Spanish)	<b>1900-B;</b> <b>HB-1-3565</b> , Ch. 8 (Pg. 8-12), 8.15; <b>7 CFR 11</b>	Mentioned generally/ Rural Development Warehouse <b>(PUBLIC)</b>
National Appeals Division Face to Face Fairness	AD-1192 (5/05) (English),  AD-1192S (5/05) (Spanish)	<b>1900-B;</b> <b>HB-1-3565</b> , Ch. 8 (Pg. 8-12), 8.15; <b>7 CFR 11</b>	Mentioned generally/ Rural Development Warehouse <b>(PUBLIC)</b>

September 17, 2009

SUBJECT: Interest Rates for Community Facilities

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

Effective from October 1, 2009, through December 31, 2009, the interest rates for direct community facility loans are as follows:

Poverty Line..unchanged at..... 4.500%  
Intermediate...unchanged at.....4.375%  
Market..... decreased to.....4.250%

For this quarter, all loans may be obligated at the lower market rate. Please notify appropriate personnel of these rates.

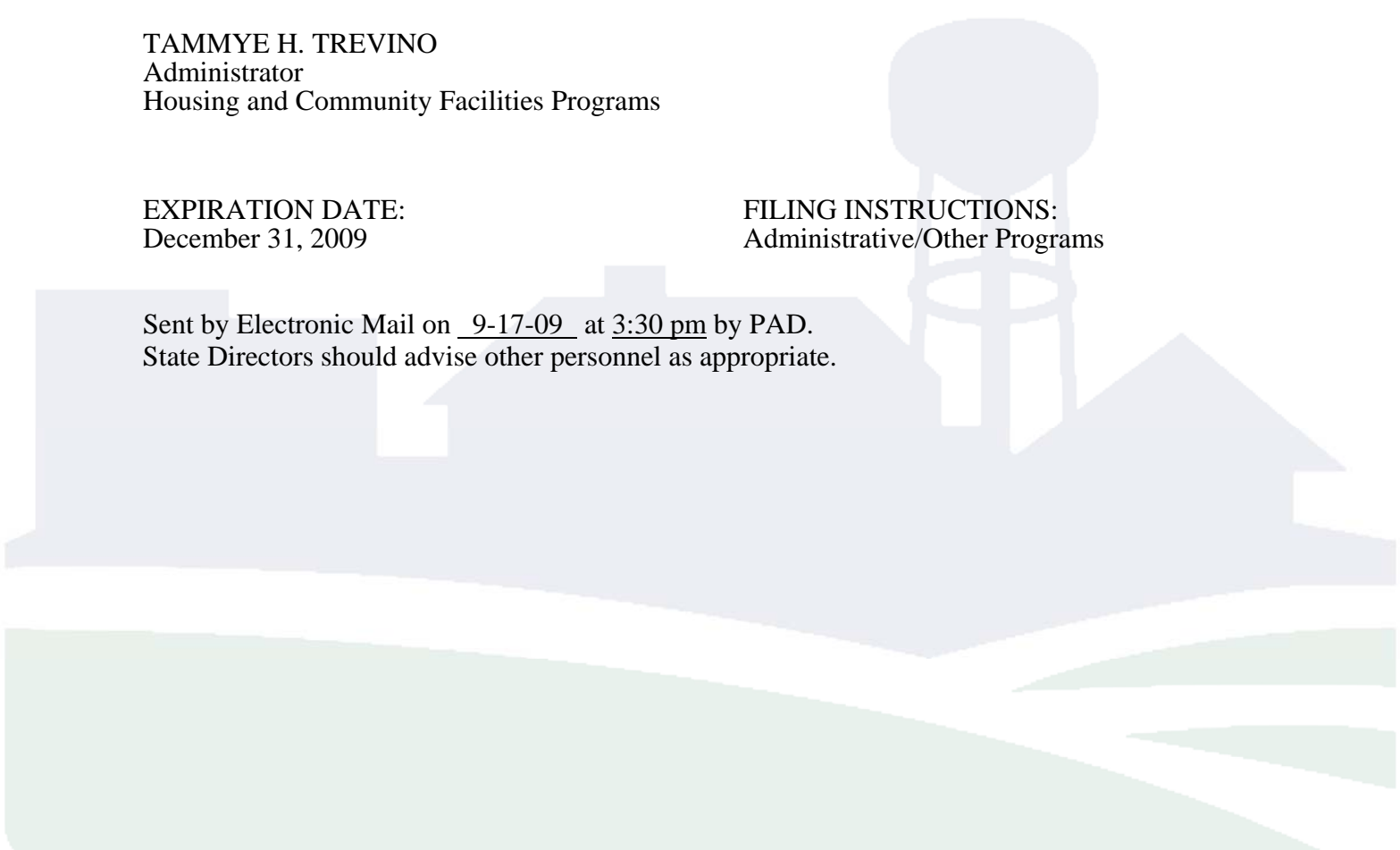
*(Signed by Tammye H. Trevino)*

TAMMYE H. TREVINO  
Administrator  
Housing and Community Facilities Programs

EXPIRATION DATE:  
December 31, 2009

FILING INSTRUCTIONS:  
Administrative/Other Programs

Sent by Electronic Mail on 9-17-09 at 3:30 pm by PAD.  
State Directors should advise other personnel as appropriate.



September 21, 2009

TO: State Directors  
Rural Development

ATTN: Business Programs Directors

SUBJECT: Delegation of Authority  
Payments for Eligible Advanced Biofuel Producers  
Energy Audits and Renewable Energy Development Assistance  
Feasibility Studies

By the authority delegated to me as Administrator of Rural Business-Cooperative Service, I hereby delegate the processing and servicing of the Payments for Eligible Advanced Biofuel Producers Program, Energy Audits and Renewable Energy Development Assistance, and Feasibility Study Grants under the Rural Energy for America Program, to the State Directors of Rural Development. This delegation is in accordance with RD instruction 2006-F, and the published notices with the exclusion of the following servicing actions:

- Approving changes to the application or contract form;
- Fraud, negligence, or misrepresentation;
- Transfers and Assumption;
- Changes in contractor/key personnel;
- Change to the work plan

This delegation will immediately be in effect until revocation or other change is made in writing.

If you have any questions, please contact the Energy Division, at (202) 720-1400.

*(Signed by Judith A. Canales)*

JUDITH A. CANALES  
Administrator  
Business and Cooperative Programs

EXPIRATION DATE:  
September 30, 2010

FILING INSTRUCTIONS:  
Community/Business Programs

September 22, 2009

TO: State Directors, Rural Development  
ATTN: Business Programs Directors  
SUBJECT: Intermediary Relending Program  
Fourth Quarter Funding

The fiscal year (FY) 2009 fourth quarter funding selections for the Intermediary Relending Program (IRP) non-earmarked funds are listed below for your information. The priority points for each project are inclusive of any Administrator points that were awarded. The selections are as follows:

<b>State</b>	<b>Project Name</b>	<b>Priority Amount</b>	<b>Points</b>
W Pac	National Development Bank of Palau	\$ 750,000	180
SD	West River Foundation	\$ 750,000	176
CO	Colorado Housing and Finance Authority	\$ 750,000	171
CA	State Assistance Fund for Enterprise, Business and Industrial Development Corporation	\$ 500,000	170
CA	Sierra Economic Development Corporation	\$ 500,000	165
PA	Community First Fund	\$ 495,000	163
IA	Cresco Industrial Development Corporation	\$ 400,000	160
VT	Vermont Small Business Development Corporation	\$ 750,000	156
NC	East Carolina Development Company, Inc.	\$ 750,000	156
VT	Vermont 504 Corporation	\$ 750,000	156
ME	Coastal Enterprises, Inc.	\$ 750,000	156
AL	Alabama Department of Agriculture & Industries	\$ 500,000	155
VT	Vermont Community Loan Fund	\$ 500,000	155

EXPIRATION DATE:  
September 30, 2010

FILING INSTRUCTIONS:  
Community/Business Programs

<u>State</u>	<u>Project Name</u>	<u>Priority Amount</u>	<u>Points</u>
NJ	Cooperative Business Assistance Corporation	\$ 750,000	154
TX	Alamo Economic Development Corporation	\$ 750,000	152
MT	Ravalli County Economic Development Authority	\$ 335,000	151
OR	South Central Economic Development District	\$ 300,000	150
NC	Dunn Area Committee of 100, Inc.	\$ 750,000	149
WV	Natural Capital Investment Fund, Inc.	\$ 750,000	149
MA	Cape and Islands Community Development, Inc.	\$ 750,000	149
TX	Development Corporation of Mercedes	\$ 750,000	147
SC	Appalachian Development Corporation	\$ 328,219	146
IA	Grow Iowa Foundation, Inc.	\$ 328,219	146
	<b>Total</b>	<b>\$ 13,936,438</b>	

Unused earmarked funds totaling \$11,563,560.33 were pooled on June 30, 2009, and made a part of the unrestricted reserve. There was a total of \$13,936,439.64 available for this quarter funding.

Please provide appropriate notification to applicants that did not receive an allocation. Applications that have been considered for an allocation of funds in four quarterly funding cycles will receive no further consideration, in accordance with RD Instruction 4274-D, section 4274.344(b). Applications that have been considered in less than four quarterly funding cycles will be considered again next fiscal year. You are reminded that this is the final round of funding for the IRP unrestricted reserve.

*(Signed by Pandor H. Hadjy)*

PANDOR H. HADJY  
Acting Deputy Administrator  
Business Programs

September 22, 2009

**SUBJECT:** Interest Rates for Water and Waste Disposal  
Loans, Watershed Protection and Flood  
Prevention Loans, and Resource Conservation  
and Development Loans

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

Language in the Consolidated Farm and Rural Development Act requires that the poverty rate and the intermediate rate be determined based on the approval date of the loan. For those loans approved on or after May 23, 2008, the poverty rate will be set at 60 percent of the market rate and the intermediate rate set at 80 percent of the market rate, adjusted to the nearest one-eighth of one percent. Following are the new interest rates for water and waste disposal loans approved on or after May 23, 2008:

Poverty Line...decreased to.....2.500%  
Intermediate...decreased to.....3.375%  
Market..... decreased to..... 4.250%

For loans approved but not closed on or before May 22, 2008, the poverty rate will remain fixed at 4.500 percent and the intermediate rate will continue to be set at one-half of the difference between the poverty line rate and the market rate. Following are the new interest rates for water and waste disposal loans approved on or before May 22, 2008:

Poverty Line...unchanged at.....4.500%  
Intermediate...unchanged at.....4.375%  
Market..... decreased to.....4.250%

**EXPIRATION DATE:**  
December 31, 2009

**FILING INSTRUCTIONS:**  
Administrative/Other Programs

For this quarter, all loans approved or obligated before May 22, 2008 may be obligated at the lower market rate. These rates will be effective from October 1, 2009, through December 31, 2009.

Also, the rate for watershed protection and flood prevention loans and resource conservation and development loans is as follows:

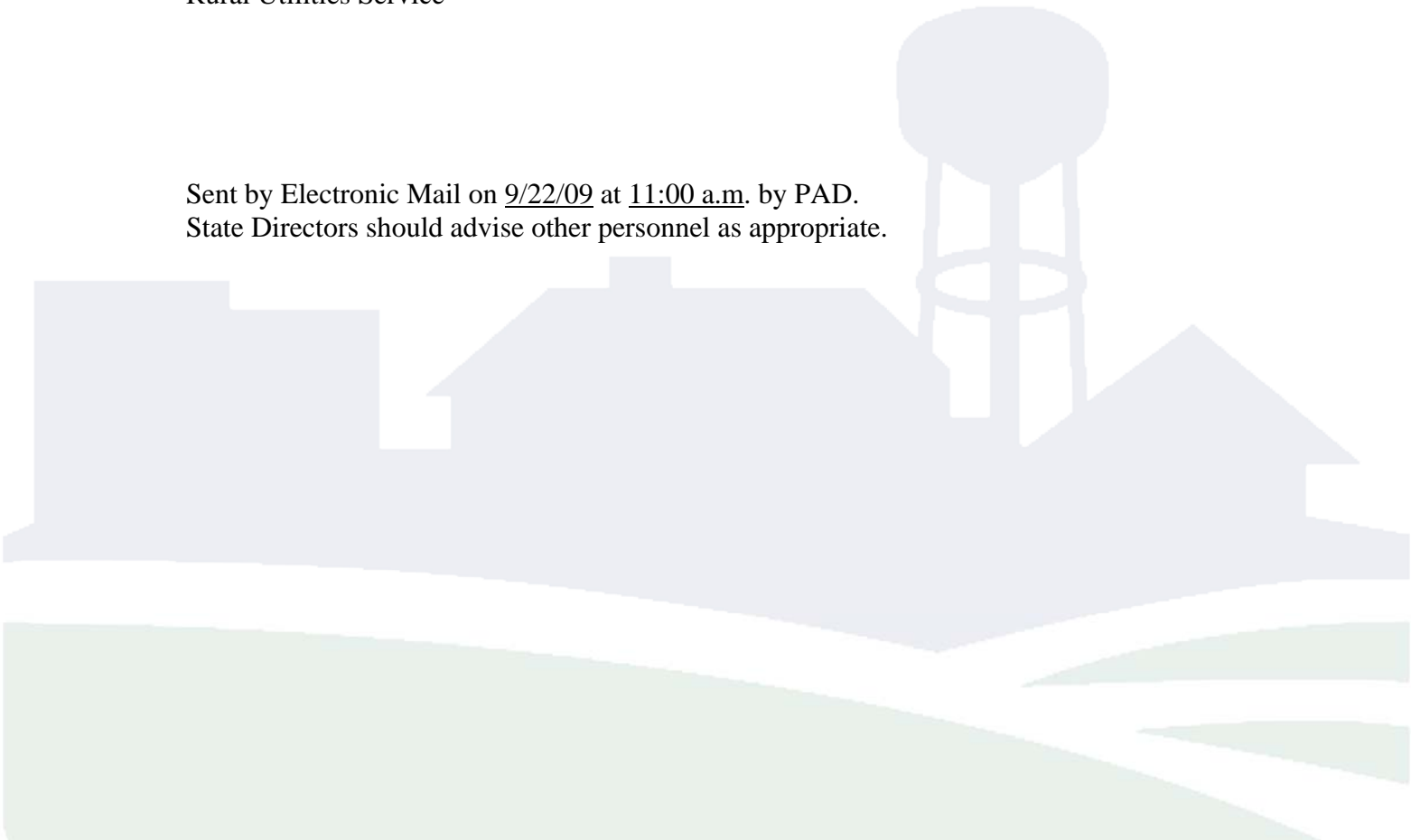
CURRENT RATE	NEW RATE
4.375%	4.250%

Please notify appropriate personnel of these rates.

*(Signed by Jonathan Adelstein)*

Jonathan Adelstein  
Administrator  
Rural Utilities Service

Sent by Electronic Mail on 9/22/09 at 11:00 a.m. by PAD.  
State Directors should advise other personnel as appropriate.



September 23, 2009

TO: State Directors  
Rural Development

ATTN: Business Program Directors  
Rural Energy Coordinators

SUBJECT: Obligation and Disbursements  
of Rural Energy for America Program  
Loans and Grants for Fiscal Year 2009

The obligation and disbursement of Rural Energy for America Program (REAP) loans, grants, and combinations will be processed differently than in prior years. The obligation for the REAP program will not be interfaced with the Program Loan Accounting System. The automation system that will be used for the REAP grant programs is the Rural Utilities Loan Servicing System (RULSS). It will be implemented on September 23, 2009. The processing of the grants, guaranteed loans, and combinations is as follows:

- a. The grant obligations will be processed through RULSS. The grants and grant portion of combinations will be obligated by the Direct Loan and Grant Branch in St. Louis using RULSS as the new system.
- b. The guaranteed loans, either single loan or the guaranteed loan portion of a combination, will be processed through the Guaranteed Loan System (GLS) and interface directly with the Program Funds Control System (PFCS).

The following are the procedures required to process the obligations:

1. All applications must be in GLS. Applications not entered into GLS can not be obligated. All data fields in GLS, such as environmental, project type, energy type, biomass type (energy subcategory), and energy savings or generated, etc. must be completed.

EXPIRATION DATE:  
September 30, 2010

FILING INSTRUCTIONS:  
Community/Business Programs

2. For grant only and the grant portion of the combination:
  - Go to the Request List screen, input the borrower's ID number, and click on the submit button.
  - On the Action Dropdown box, highlight the BP Fund Request Maintenance screen and click on the TOA code for the grant.
  - The user must update the grants in GLS to the status code of 300, update the status date, the approval date, and amount; click on the "Submit" button which will bring the user to the BP Fund Request View Screen.
  - Then click on the Request Information hyperlink under Section Bookmarks. This will bring the user to the Request Information section of the view screen. The user will click on the GLS/RULSS Submission hyperlink, instead of the "Obligation Button, which will bring the user to the GLS Direct and Grant Obligation Request (RULSS) screen; review it to ensure all the information is correct, input the obligation date of September 30, 2009, and click on the button "Submit to RULSS."
  - When the user clicks on the submit button, a message box will be provided indicating the grant has been submitted to RULSS. Click OK and it will bring you back to the Direct Loan and Grant Obligation Request screen.
  - Click on the "Exit" button and it will bring the user to the BP Request View page.
  - If the grant portion is a combination of a guaranteed loan, scroll down to the bottom of the screen, click on the Request List hyperlink and continue the process as indicated below.
  
3. For the guaranteed loan only and the loan portion of the combination:
  - Go to the Request List screen, input the borrower's ID number, and click on the submit button.
  - On the Action Dropdown box, highlight the BP Fund Request Maintenance screen and click on the TOA code for the guaranteed loan.
  - The user must update the loans in GLS to the status code of 300, update the status date, the approval date, and amount; click on the "Submit" button which will bring the user to the BP Fund Request View Screen.
  - Then click on the Request Information hyperlink under Section Bookmarks. This will bring the user to the Request Information section of the view screen. Click on the "Obligation Button", which will bring the user to the GLS Guaranteed Obligation Request (PFCS) screen; review it to ensure all the information is correct, update any missing information, and click on the button "Submit to PFCS."

- When the user clicks on the submit button, a message box will be provided indicating the grant has been submitted to PFCS. Click OK and it will bring you back to the Guaranteed Obligation Request screen.
  - Click on the “Exit” button and it will bring the user to the BP Request View page.
4. For grant only and the grant portion of a combination package, the States must copy Form RD 1940-1, “Request for Obligation” (signed both by the applicant and the approval official), remove the Tax Identification Number (ID) on the copy and put the system generated borrower ID number on the top, scan and e-mail it to [RD.DCFO.CPU@stl.usda.gov](mailto:RD.DCFO.CPU@stl.usda.gov). This is required due to Personal Identifiable Information on this form, which can not be e-mailed with the Tax ID number on it. **THE APPROVING OFFICIAL MUST NOT SIGN THE 1940-1 UNTIL NATIONAL OFFICE PROVIDES NOTIFICATION THAT THE FUNDS HAVE BEEN ALLOTTED TO THE PROGRAM.**
  5. The States east of the Mississippi River must fax the Electronic Funds Transfer (EFT) information to Diane Berger at (202) 720-2213. The States west of the Mississippi River must fax the EFT information to the Cash Management Branch, at (314) 457-4371.
  6. As in prior years, the 6-day waiting period has been waived on all obligations. The obligation date will be September 30, 2009.
  7. In accordance with the unnumbered letter dated August 4, 2009, Rural Energy for America Program Funding Procedures, a written notification must be sent to each borrower or grantee that the system has been implemented and the process will continue subject to all conditions stated in either the Letter of Conditions or Conditional Commitment. If all conditions are met, there has been no adverse change in the borrower’s or grantee’s financial condition or eligibility, and no change in the project’s purpose or technology, the Agency can issue the Grant Agreement or the Loan Note Guarantee after September 30, 2009.

Once the signed form is returned by the grantee, please scan and e-mail only this document to [RD.DCFO.CPU@stl.usda.gov](mailto:RD.DCFO.CPU@stl.usda.gov). All tax ID numbers should be redacted and replaced with the system generated borrower ID number.

8. All check requests for partial or full disbursement should be faxed to:
  - a. Diane Berger at (202) 720-2213 for States east of the Mississippi River;
  - b. The Cash Management Branch, at (314) 457-4371 for States west of the Mississippi River; and
  - c. Form SF 270, Request for Advancement or Reimbursement, signed by the approval official, must accompany the request (the supporting documentation should **NOT** be sent with the SF 270 form).

If you have any questions, please contact Diane Berger, Loan Specialist, Energy Division, at (202) 260-1508 or [diane.berger@wdc.usda.gov](mailto:diane.berger@wdc.usda.gov).

*(Signed by Judith A. Canales)*

JUDITH A. CANALES  
Administrator  
Business and Cooperative Programs



September 23, 2009

TO: State Directors, Rural Development

ATTN: Business Programs Directors

SUBJECT: Rural Economic Development Loan and Grant Program  
Projects Funded for Fourth Quarter  
Fiscal Year 2009

Business Programs has announced loan and grant selections for the fourth quarter of fiscal year (FY) 2009 under the Rural Economic Development Loan and Grant program. A listing of loan and grant awards is attached for your information.

During the fourth quarter of FY 2009, seven zero-interest loan applications totaling \$4,846,250 were considered by Business Programs. Based on the availability of funds, all applications submitted were selected for funding. These funds will be leveraged by \$17,280,250 of private and public financing, directly create 806 jobs in rural areas, and help save 95 existing positions.

In addition to the loan selections, five grants totaling \$1,321,156 to finance revolving loan fund programs that will be operated by rural electric utilities were selected for funding. The initial zero-interest loans from the revolving loan fund programs, leveraged by \$6,835,866 in private and public financing, will provide financing to construct a 29,040 sq. ft. public safety center, a classroom for a school district, replace water distribution pipes and street curbs and gutters, and purchase a Class A pumper fire truck. An estimated 751 new jobs will be created and 93 existing jobs retained as a result of these grants.

EXPIRATION DATE:  
September 30, 2010

FILING INSTRUCTIONS:  
Community/Business Programs

If you have any questions, please contact Melvin Padgett, Loan Specialist, at (202) 720-1495 or Cindy Mason, Loan Specialist, at (202) 690-1433, Specialty Programs Division, Processing Branch.

(Signed by Pandor H. Hadjy

**PANDOR H. HADJY**  
Acting Deputy Administrator  
Business Programs

Attachments



**RURAL ECONOMIC DEVELOPMENT LOAN AND GRANT PROGRAM  
REQUEST FOR LOAN FUNDS – Fourth Quarter FY 2009**

Total Available FY 2009	\$ 37,515,315.94
Less 1 <sup>st</sup> Quarter FY 2009	\$ 14,232,000.00
Less 2 <sup>nd</sup> Quarter FY 2009	\$ 12,028,720.00
Less 3 <sup>rd</sup> Quarter FY 2009	\$ 7,244,400.00
Funds Added back in from Deobligations	\$ 2,180,000.00
Less 4 <sup>th</sup> Quarter FY 2009	<u>\$ 4,846,250.00</u>
Balance Remaining	\$ 1,343,945.94

<u>State</u>	<u>Project</u>	<u>Loan Amount</u>	<u>REDL Number</u>
VA 531	Highland Telephone Cooperative	\$ 480,000	1228
SC 26	Pee Dee Electric Cooperative, Inc.	\$ 740,000	1229
IA 96	Western Iowa Power Cooperative	\$ 666,250	1230
MS 25	Southwest Mississippi Electric Power Association	\$ 740,000	1231
TN 32	Meriwether Lewis Electric Cooperative	\$ 740,000	1232
KS 552	The Golden Belt Telephone Association, Inc.	\$ 740,000	1233
MN 537	Consolidated Telephone Company	\$ 740,000	1234

**7 Loans**

**Total**

**\$4,846,250.00**

**Balance of Loan Funds After Above Request:**

**\$1,343,945.94**

**RURAL ECONOMIC DEVELOPMENT LOAN AND GRANT PROGRAM  
REQUEST FOR GRANT FUNDS – Fourth Quarter FY 2009**

Total Available FY 2009	\$10,000,000
Less 1 <sup>st</sup> Quarter FY 2009	\$ 3,900,000
Less 2 <sup>nd</sup> Quarter FY 2009	\$ 2,990,000
Less 3 <sup>rd</sup> Quarter FY 2009	\$ 2,003,000
Funds Added back in from Deobligations	\$ 300,000
Less 4 <sup>th</sup> Quarter FY 2009	<u>\$ 1,321,156</u>
Balance Remaining	\$ 85,844

<u>State</u>	<u>Project</u>	<u>Grant Amount</u>	<u>REDG Number</u>
SC 26	Pee Dee Electric Cooperative, Inc.	\$ 300,000	474
IA 109	Osage Municipal Utilities	\$ 300,000	475
SD 30	Kingsbury Electric Cooperative, Inc.	\$ 300,000	476
KS 55	Midwest Energy, Inc.	\$ 171,156	477
MN 562	Federated Telephone Cooperative	\$ 250,000	478
	<b>5 Grants Total</b>	<b>\$1,321,156</b>	
	<b>Balance of Grant Funds After Above Request:</b>	<b>\$ 85,844</b>	

September 23, 2009

SUBJECT: Interest Rate for Direct Business  
and Industry Loans

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

The following interest rate is in effect October 1, 2009, through December 31, 2009.

<u>Loan Type</u>	<u>Existing Rate</u>	<u>New Rate</u>
Direct Business and Industry	3.250%	3.250%

Please notify appropriate personnel of this rate.

*(Signed by Judith A. Canales)*

JUDITH A. CANALES  
Administrator  
Business and Cooperative Programs

EXPIRATION DATE:  
December 31, 2009

FILING INSTRUCTIONS:  
Administrative/Other Programs

Sent by Electronic Mail on 9/24/09 at 11:00 am by PAD.  
State Directors should advise other personnel as appropriate.

September 24, 2009

TO: State Directors  
Rural Development

ATTN: Multi-Family Housing  
Program Managers

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

SUBJECT: Fiscal Year 2009 Survey of Section 515 Multi-Family Housing Transfers  
and American Recovery and Reinvestment Act of 2009 Funds Used in  
Transfer Transactions

The Multi-Family Housing Preservation and Direct Loan Division (P&DLD) is conducting a National survey of all Section 515 transfers that were approved and closed between October 1, 2008, and September 30, 2009. In addition, we are tracking the American Recovery and Reinvestment Act (ARRA) of 2009 funds made available to borrowers, in conjunction with transfers, through the Tax Credit Assistance Program (TCAP) and Tax Credit Exchange Program (EXCHANGE).

The results of the survey will assist the P&DLD in understanding:

- The transfer workload in the States,
- The type of transfers being underwritten,
- The type and amount of third-party funds,
- The type and amount of ARRA: TCAP and EXCHANGE funds approved and obligated,
- Help identify potential training needs of the Field Offices.

In an effort to assist the P&DLD in completing this survey, we are asking States to provide a copy of Form RD 3560-20, "*Multi-Family Housing Transfer and Assumption Review and Recommendation*" for each transfer that was approved and closed between October 1, 2008, and September 30, 2009. For all ARRA: TCAP and EXCHANGE funds which are approved and funded prior to September 30, 2009, we ask you to provide a copy of the borrower selection notification of ARRA - TCAP or EXCHANGE from the State Housing Tax Credit Agency.

EXPIRATION DATE:  
September 30, 2010

FILING INSTRUCTIONS:  
Housing Programs

Copies of Form RD 3560-20 and the ARRA - TCAP or EXCHANGE notifications are to be faxed to (614) 255-2563, Attention: Melinda Price by close of business October 30, 2009. The information will be tracked and analyzed by Ms. Price. This data assists as a measurement in achieving P&DLD program objectives.

We would like to remind Multi-Family Housing personnel of the need to track transfer activity in Multi-Family Information System (MFIS). Specific servicing actions include date of the transfer request, date of follow-up, date approved and date completed. It is imperative for States to make certain MFIS data is accurate and current. We encourage each State Director to insure a process is in place to review transfer data in MFIS.

If you have any questions regarding this survey, please refer them to Melinda Price at (614) 255-2403 or [Melinda.Price@wdc.usda.gov](mailto:Melinda.Price@wdc.usda.gov).

Thank you for your attention to this matter.



September 24, 2009

TO: State Directors, Rural Development  
ATTENTION: Business Programs Directors  
SUBJECT: Rural Business Enterprise Grant Program  
National Office Reserve  
Fiscal Year 2009 Funding Selections

We have recently completed the funding cycle for the National Office Reserve. We are pleased to announce that the following requests were selected for a funding total of \$7,997,697.

<u>State</u>	<u>Applicant</u>	<u>Amount</u>
OR	Oregon Small Business Development Center Network	\$99,999
MN	Hubbard County Regional Economic Development Commission	\$99,590
MS	Coahoma County Board of Supervisors	\$60,614
MT	Snowy Mountain Development Corporation	\$50,000
ID	Ketchum Community Development Corporation	\$49,999
KS	Heartland Center for Leadership Development	\$99,000
KS	Wichita County Economic Development, Inc.	\$53,400
NY	Snow Belt Housing Company, Inc.	\$99,000
PA	Main Street Gettysburg, Inc.	\$99,000
TN	City of Columbia	\$99,000
MO	National Center for Beef Excellence	\$297,000
OH	Gallia County Board of Commissioners	\$99,000
IA	Chamber & Development Council of Crawford County	\$65,000
MA	Massachusetts Woodlands Institute, Inc.	\$99,000
NE	Region V Foundation	\$99,900
UT	Friends of Green River	\$88,800
WV	Fairmont Community Development Partnership, Inc.	\$99,500
AL	MOWA Band of Choctaw Indians	\$80,000
VT	Central Vermont Economic Development Corporation (CVEDC)	\$73,725
VA	Staunton Creative Community Fund, Inc.	\$98,000

EXPIRATION DATE  
September 30, 2010

FILING INSTRUCTIONS:  
Community/Business Programs

State	Applicant	Amount
FL	City of Cedar Key	\$164,100
ME	Town of Milo	\$500,000
NH	Coastal Economic Development Corporation (CEDC)	\$25,000
WP	The Latte Stones Foundation	\$10,000
AK	Ketchikan Gateway Borough	\$99,000
MD	Maryland Hawk Corporation	\$500,000
ND	Minot State University - Bottineau College	\$90,750
TX	Alamo EDC	\$250,000
CA	New Season Community Development Corporation	\$229,970
IL	Lake Land College	\$148,250
WI	CAP Services, Inc.	\$70,832
CO	Southeast Colorado RC&D	\$90,300
KY	Mountain Association for Community Economic Development, Inc. (MACED)	\$198,787
SD	Glacial Lakes Area Development, Inc.	\$99,000
MI	Target Alpena	\$99,000
WA	Institute for Washington's Future	\$36,400
HI	County of Maui	\$369,918
PR	Municipality of Coamo	\$500,000
GA	Hampton Downtown Development Authority	\$90,000
NC	Town of Franklinton	\$75,000
NE	Center for Rural Affairs	\$99,000
AR	Independence County	\$450,000
MN	Windustry	\$200,000
OK	Ada Industrial Development Corporation	\$500,000
LA	Acadiana RC&D, Inc.	\$123,991
RI	Rhode Island Rural Development Council	\$20,000
ID	Framing Our Community, Inc.	\$36,732
MN	Worthington Regional Economic Development Corp.	\$99,900
OR	Economic Development Council of Tillamook County	\$50,000
MO	City of Mansfield	\$117,000
IA	Upper Iowa University	\$99,000
KS	Smoky Hill Development Corporation	\$40,000
MT	Snowy Mountain Development Corporation	\$13,500
NE	Nebraska Venture Capital Forum dba Invest Nebraska Corporation	\$92,000
TN	Greater Van Buren County - Spencer Chamber of Commerce	\$99,500
VA	Scott County Economic Development Authority	\$80,000
VT	Vermont Cheese Council, Inc.	\$71,740
WV	Glenville State College Research Corporation	\$249,500
<b>Total</b>	<b>58</b>	<b>\$7,997,697</b>

All applications remaining on the National Office Reserve list will be removed. Your efforts and continued support for the Rural Business Enterprise Grant program is appreciated.

*(Signed by Pandor H. Hadjy)*

PANDOR H. HADJY  
Acting Deputy Administrator  
Business Programs

September 24, 2009

TO: \* Selected State Directors, Rural Development

ATTENTION: Business Programs Directors

SUBJECT: Rural Business Enterprise Grant Program  
Technical Assistance for Rural Transportation Systems  
Fiscal Year 2009

We have recently completed the Technical Assistance for Rural Transportation Systems funding cycle. A notice was published in the Federal Register on May 29, 2009, announcing that a single \$500,000 grant would be available from the funds appropriated under the Rural Business Enterprise Grant program and another single \$250,000 grant from the Federally Recognized Native American Tribes earmark for improving passenger transportation services or facilities. One application competed for the \$500,000 earmark and one application competed for the \$250,000 Native American earmark. The Community Transportation Association of America was selected for both grant awards.

Rural Transportation projects include:

NC	Centralia Foundation
NY	United Way of Delaware and Otsega
OK	Enid/Garfield County Development Alliance
VI	Virgin Islands Advocacy

Native American Tribes earmark projects include:

NC	Eastern Band of Cherokee Nation
OK	Ponca Tribe of Oklahoma
WA	Kalispel Tribe of Indians

EXPIRATION DATE:  
September 30, 2010

FILING INSTRUCTIONS:  
Community/Business Programs

\* NC, NY, OK, VI, WA, NV

In addition to the three projects listed above, the Native American earmark will also assist three short-term projects which include:

NV	Pyramide Lake Paiute Tribe
OK	Ponca Tribe of Oklahoma
WA	Lummi Nation

*(Signed by Pandor H. Hadjy)*

PANDOR H. HADJY  
Acting Deputy Administrator  
Business Programs

September 24, 2009

TO: State Directors, Rural Development  
ATTN: Business Programs Directors  
SUBJECT: Rural Business Enterprise Grant Program  
Native American Earmark Selections  
Fiscal Year 2009

We have recently completed the fiscal year 2009 Native American earmark funding cycle. The National Office received 34 requests for funds totaling \$4,912,943. We are pleased to announce that 22 projects were selected for \$3,360,047. Attached is the list of awardees.

This completes the Native American funding cycle established in RD Instruction 1940-L. Projects selected under the Native American earmark must use the type of assistance code "310" when obligating. All earmarked funds allocated must have an obligation date of no later than September 30, 2009. Any funds not obligated by that date will be carried over to the next fiscal year.

*(Signed by Pandor H. Hadjy)*

PANDOR H. HADJY  
Acting Deputy Administrator  
Business Programs

Attachment

EXPIRATION DATE:  
September 30, 2010

FILING INSTRUCTIONS:  
Community/Business Programs

**Rural Business Enterprise Grant Program Native American  
Fiscal Year 2009**

<u>State</u>	<u>Applicant</u>	<u>Amount</u>
SD	The Harvest Initiative, Inc.	\$99,528
AK	Chilkoot Indian Association	\$99,000
MT	Fort Peck Assiniboine & Sioux Tribes	\$19,449
SC	Catawba Indian Nation (CIN)	\$99,999
CA	Tuolumne Band of MeWuk Indians	\$95,586
MI	Grand Traverse Band of Ottawa and Chippewa Indians	\$99,000
OR	Siletz Tribal Business Corporation	\$169,000
AZ	Moenkopi Developers Corporation, Inc.	\$199,125
ME	The Aroostook Band of Micmacs	\$492,363
NE	Ho-Chunk Community Development Corporation (HCCDC)	\$107,829
ND	Turtle Mountain Community College	\$150,000
WI	Northwoods NiiJii Enterprise Community, Inc.	\$497,414
AK	UAF, Bristol Bay Campus	\$88,100
OR	Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians	\$99,900
SD	Rosebud Economic Development, Corp.	\$75,405
CA	Tule River Economic Development Corporation	\$99,680
AZ	Arizona Board of Regents for & behalf of Northern Arizona University	\$95,746
ME	Four Directions Development Corporation	\$301,605
SD	Pine Ridge Area Chamber of Commerce	\$82,265
OR	Confederated Tribes of the Warm Springs Reservation	\$60,000
CA	Hoop Valley Indian Tribe	\$99,000
AK	Central Council Tlingit and Haida Indian Tribes of Alaska (CCTHITA)	\$230,053
<b>Total</b>	<b>22</b>	<b>\$3,360,047</b>

September 24, 2009

TO: State Directors  
Rural Development

ATTN: Community Program Directors

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

SUBJECT: Best Practices for Community Facilities Loans  
For Childcare Projects

PURPOSE/INTENDED OUTCOME:

This unnumbered letter is being reissued to provide guidance on best practices for making Community Facilities (CF) loans to childcare projects. We have compiled information from several states regarding their best practices in making and maintaining successful loans for childcare. We are providing this guidance to assist in the development of viable loans.

IMPLEMENTATION RESPONSIBILITIES:

We recommend utilizing any and all of the following practices when making and maintaining loans for childcare facilities.

- Educate yourself by developing a statewide task force consisting of appropriate State and Federal agencies and Extension Service. State agencies would include those responsible for licensing requirements and possible funding sources, i.e., the agency responsible for administering Community Development Block Grants in your State. Find out if your State has any monies specifically earmarked for childcare.
- Educate your applicant by developing a manual or brochure to assist them in getting started. Help them to contact the right people and agencies.

EXPIRATION DATE:  
September 30, 2010

FILING INSTRUCTIONS:  
Community/Business Programs

- Know your market. In some cases, enrollment is not the issue; instead it is having a sufficient number of families who have the ability to pay for childcare services. There are many programs that provide assistance to families to help pay childcare costs. Often the operators are not aware of these programs. Health and Human Services offers assistance to individuals in Welfare to Work and back-to-school programs. Food and Nutrition Services offers a program similar to the school lunch program. Be prepared to provide this information to your applicants and borrowers.
- Organize a community meeting. The participants should include members of the school system, business, government, health care, organizations and individuals currently providing childcare services, and individual citizens. A facilitator from outside the community or a staff person from Rural Development can lead the discussion on early childhood needs and facility development. This setting ensures that all participants are heard and a consensus is reached. Community support and participation is imperative for a successful project.
- If possible, get commitments prior to loan approval from community organizations and businesses to provide financial support if there are shortfalls in revenue. If there is strong community support and commitment from the beginning, there will be resources if the project needs assistance.
- Community support can also be provided through in-kind services that would result in cost savings to the facility. These services could include janitorial, lawn mowing, snow removal, and administrative/bookkeeping services.
- The project needs to be marketed differently to different entities to enlist their support. The availability of quality childcare can benefit the city by attracting and retaining young families and the ripple effect that will have on the community's economy. Schools will benefit because their reimbursements are based on enrollment. Hospitals and local industry will benefit because their employees will have a childcare resource.
- Require a borrower contribution to reduce overall debt service. This can be accomplished through community fundraising activities.
- Leverage debt by identifying other funding sources. In addition to Federal and State Agencies, consider foundations and large, local businesses that may benefit from the availability of childcare.

- Encourage nonprofit organizations to partner with public body entities such as a school district, city, county, or hospital. In these cases the public body is the borrower and the nonprofit is the operator through a management agreement. Long-term financial viability is enhanced when a public body is the borrower.
- The retention of quality staff is dependent on hours, benefits and salary. An advantage to a public body owner/operator is that they are typically able to provide employment benefits including health insurance and retirement programs.
- If the entity is a nonprofit childcare organization, the nonprofit's board should be structured with a majority of representation from public body groups including schools, city/county government, hospital, and economic development organizations. This should be required in the Letter of Conditions. The board should also include representation from parents, the operating organization, and interested individuals from the community.
- Correlate the level of financial feasibility required to the dollar amount, enrollment size, and quality of the security.
- Location, location, location. Location is a key factor. Is the facility convenient and accessible? Is it enroute to major employers? Childcare facilities tend to be more successful if they are located closer to higher population areas, i.e., 18,000 vs. 1,800.
- The staff needs to be experienced. In addition to program operations, there needs to be a staff person with a financial background to monitor cash flow and budgeting.
- State licensing and staffing requirements affect the design of the facility and actual square footage. Staffing and space requirements vary depending on the age of the children and are an important consideration in making the project cash flow.
- Guarantee a specific number of slots. If a childcare center will primarily provide childcare services for employees of a particular business, or businesses, you can request the business, or businesses, to guarantee payment of a specific number of slots. The number of occupied slots needed to cash flow must be determined. If the census drops below the number needed to cash flow, the business would need to pay for slots not utilized up to the number of slots they guaranteed e.g., the childcare center has a capacity of 38 and needs 30 children to cash flow: If a business has guaranteed 8 slots and they are only using 6, they would have to pay for the 2 vacant slots only if the center's census dropped below 30.

- Control the center's food costs. In existing facilities, review the amount being spent on food, especially raw food costs. The facility should establish a food budget and ordering practices, e.g., purchase raw foods weekly to avoid spoilage and waste. Their goal should be to prepare nutritious meals, and stay within their budget framework.
- Research the types of childcare options available in the service area. Centers that offer a preschool or nursery school program are more likely to remain open. They are able to charge higher tuition based on demand. However, some states offer free public preschool education that could adversely affect enrollment in a center offering this service. The center, and Rural Development, must be aware of what is available in the service area.
- Develop a written marketing plan, and track marketing efforts.

Please contact Beth Jones, Community Programs, (202) 720-1498, if you have any questions.

September 24, 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 October 1, 2009, are changed as follows:

<u>Loan Type</u>	<u>Existing Rate</u>	<u>New Rate</u>
<b>ALL LOAN TYPES</b>		
Treasury Judgement Rate	0.490%	0.450%

The new rate shown above is as of the week ending August 28, 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](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	5.000
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EXPIRATION DATE:  
October 31, 2009

FILING INSTRUCTIONS:  
Administrative/Other Programs

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

Please notify appropriate personnel of these rates.

*(Signed by Tammye H. Trevino)*

TAMMYE H. TREVINO  
Administrator  
Housing and Community Facilities Programs

Sent by electronic mail on 9/25/09 at 2:00 pm by PAD.  
State Directors should advise other personnel as appropriate.