

Attachment 4-C Performance Standards Borrower Self-Certification Letter

Date _____

USDA Rural Development Office

Address _____

Address _____

In accordance with the criteria specified in Section 5; Paragraph 4.32 C. of the USDA Rural Development Handbook (HB-2-3560) for the year ended _____ the borrower must self-certify that _____ is in compliance with the nine performance standards. The following is a summary of our compliance with the performance standards.

1. The required accounts are (are not) properly maintained and tracked separately. The accounts we maintain are marked below:

☐ Operating Account(s) ☐ Security Deposit Account
☐ Tax & Insurance Account ☐ Reserve Account
☐ Other Accounts: _____
2. The payments from operating account(s) are (are not) disclosed and accurately represented.
3. The reserve account(s):
 - a. is on (not on) schedule with the Agency required minimum funding requirements;
 - b. is (is not) maintained in a supervised bank account that requires the Agency's countersignature on all withdrawals;
 - c. is on (not on) schedule with contributions to the reserve account for the current year with the Agency required minimum funding; and
 - d. has no (has) encumbrances on the reserve funds.
4. The tenant security deposits accounts are (are not) fully funded and are (are not) maintained in separate accounts.
5. The payment of owner return was:

☐ paid in the amount of \$_____ for 20XX fiscal year and was (was not) in accordance with the Agency's requirements OR
☐ not paid during the reporting year OR
☐ not allowable due to our nonprofit status OR

___not allowable due to our nonprofit status. However, an asset management fee in the amount of \$_____, was paid for 20XX____ fiscal year.

6. The borrower_____ has (has not) maintained proper insurance in accordance with the requirements in 7 CFR 3560.105. Coverage maintained for is as follows:

| | |
|-------------------------|--------------------------|
| ___ Liability Insurance | ___ Flood Insurance |
| ___ Property Insurance | ___ Earthquake Insurance |
| ___ Fidelity Bond | ___ Other: _____ |

7. All financial records_____ are (are not) adequate and suitable for examination.

8. There have been no changes in the ownership of other than those approved by the Agency and identified in the certification. ***For non-profit borrowers:*** The Board of Directors_____ is (is not) active and maintains oversight responsibilities for the project.

The real estate taxes (property taxes) are paid in accordance with state and/or local requirements. As of _____, there are no delinquent real estate taxes (property taxes).

I certify that the above is true, accurate and is properly supported by documentation kept in our files.

Printed Signature
