United States Department of Agriculture

2012 Rural Business-Cooperative Service Annual Report

PROVIDING CAPITAL TO RURAL AMERICA

MESSAGE FROM SECRETARY VILSACK

In 2012, the U.S. Department of Agriculture (USDA) celebrated the 150th anniversary of our founding in 1862, when President Abraham Lincoln signed into law an act of Congress establishing the United States Department of Agriculture.

Two and one-half years later, in what would be his final annual message to Congress, Lincoln called USDA "The People's Department." At that time, about half of all Americans lived on farms, compared with about 2 percent today. But through our work on food, agriculture, economic development, science, natural resource conservation and a host of issues, USDA still fulfills Lincoln's vision - touching the lives of every American, every day.

As we commemorate 150 years of accomplishments, USDA is learning from experiences and looking to the future. In the years to come, we must help address the changing needs of agriculture and rural America. We must continue to help provide a safe, ample food supply for our nation and the world. To meet those goals, we are working to make USDA a more modern and effective service provider and to deliver the best possible results for all of the American people.

Over the course of the year, I hope that Americans will acknowledge and join in our commemoration of 150 years of USDA. It is a great time to learn about our contributions to the strength and health of this nation, and to see how we can continue to partner with Americans working to provide a better life for their families.

Thanks for joining us in this celebration.

Thomas J. Vilsack
Secretary

MESSAGE FROM THE ADMINISTRATOR

As Administrator for Rural Business-Cooperative Service (RBCS), I am proud to present the 2012 Annual Report, which highlights the Agency's outstanding achievements. The successes gained are only possible thanks to the hard work and dedication of the USDA's National and State office staffs as well as our partners throughout rural America who help us deliver our important programs.

In the face of significant challenges, we continued to make significant progress. I commend all of you for continuing to deliver on our Agency's mission - to help rural communities prosper. While there are further uncertainties ahead for RBCS, we ended 2012 much stronger than we had expected.

We continued to provide vital funding for loans and grants in rural America that would otherwise not be available. Although our agency is working with a reduced amount of staff, we maintain our vigilance in providing the best we can for our constituents.

In Fiscal Year 2012, RBCS successfully delivered approximately $1.74 billion in funding to rural America that helped 13,000 businesses create or save over 56,000 jobs. Our program accomplishments are as follows:

1. $1.053 billion in loan guarantees through our Business and Industry Guaranteed Loan Program
2. $94.3 million in Specialty Lending Division loans and grants
3. $537.6 million in Energy Division loans, grants, and direct payments
4. $51.4 million in Cooperative Programs grants

Our path forward is to stay focused on the things we can control, which is our ability to provide government services to the best of our capability. Thanks again to everyone who played a part in our Agency's success.

Sincerely,

Lillian E. Salerno
Acting Administrator
Rural Business-Cooperative Service

TABLE OF CONTENT

Rural Business-Cooperative Service 2

Accomplishments 3

Business Programs 4

Business and Industry Guaranteed Loan Program 6

Specialty Programs Division 12

Intermediary Relending Program 13

Rural Business Enterprise Grant Program 16

Rural Economic Development Loan and Grant Program 20

Rural Microentrepreneur Assistance Program 25

Energy Division 30

Biorefinery Assistance Program 31

Repowering Assistance Program 32

Advanced Biofuel Payment Program 33

Rural Energy for America Program 35

Cooperative Programs 41

Grant Programs 42

Rural Business Opportunity Grant Program 44

Rural Cooperative Development Grant Program 45

Small Socially-Disadvantaged Producer Grant Program 46

Value-Added Producer Grant Program 47

Publications 48

Education and Research 49

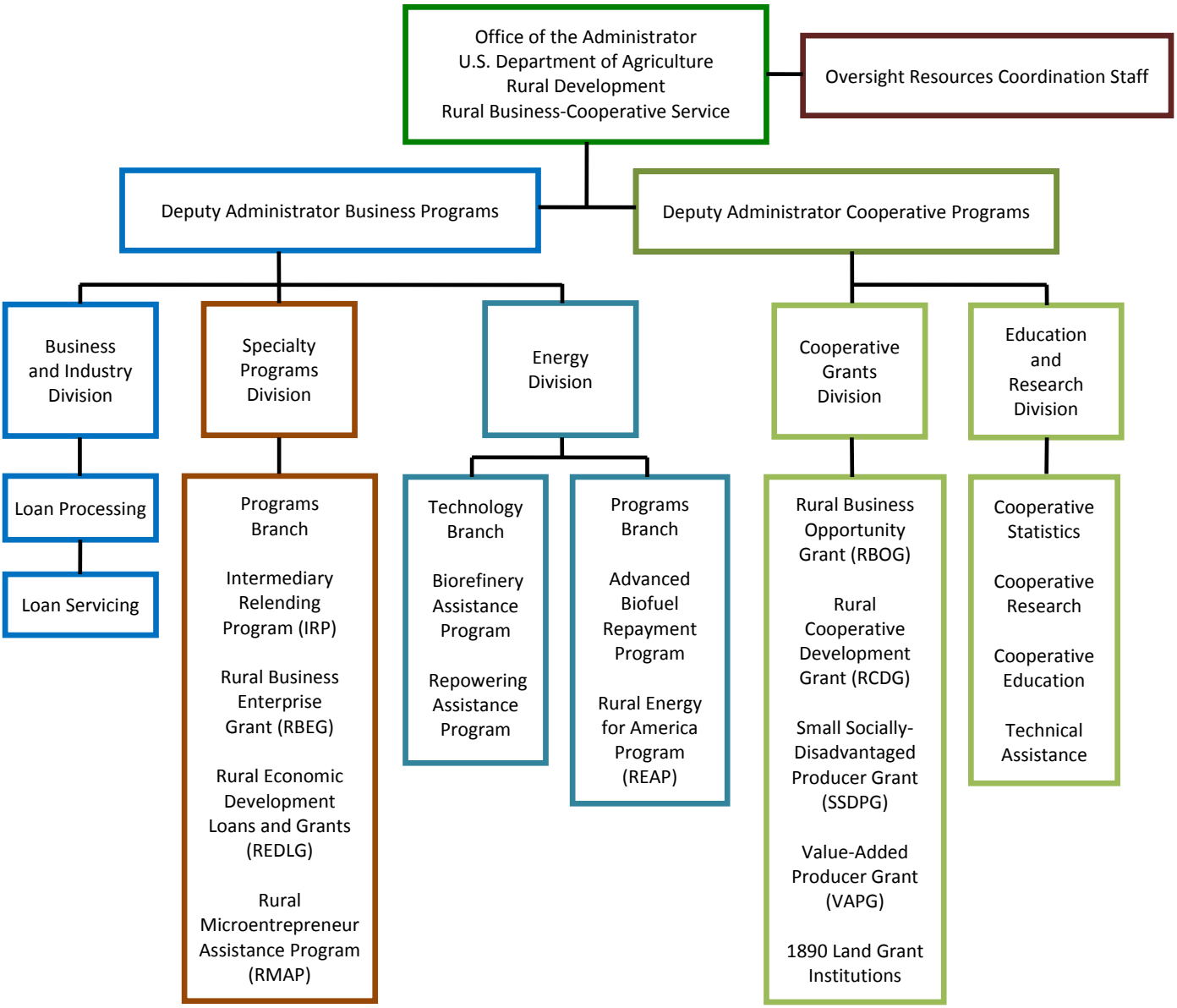
Cooperative Statistics 52

Oversight Resources Coordination Staff 54

USDA Rural Development State and Territory Offices 56

Acronyms 59

RURAL BUSINESS-COOPERATIVE SERVICE ORGANIZATION CHART



"Ensuring rural small businesses have access to capital is one of the most effective ways to help them create jobs."

Thomas J. Vilsack
Secretary

RURAL BUSINESS-COOPERATIVE SERVICE ACCOMPLISHMENTS

Through its Rural Business-Cooperative Service (RBCS), the U.S. Department of Agriculture's Rural Development mission area provides loan guarantees, direct loans, and grants to rural businesses, cooperatives, farmers, and ranchers that help improve the quality of life in rural America. Our programs also promote America's energy independence through the development of clean, renewable forms of energy. Our Fiscal Year (FY) 2012 accomplishments are as follows:

- Over the past four years, USDA Rural Development provided $132 billion in loans and grants to rural America. During the same period, RBCS provided $8.2 billion in loans and grants to rural businesses, farmers, and ranchers, which helped create and/or save more than 300,000 jobs in rural communities throughout the United States.
- In FY 2012, RBCS provided $1.74 billion in the form of 2,800 loan guarantees, direct loans, grants, and payments to rural communities. These funds helped approximately 13,000 rural businesses create and/or save over 56,000 jobs.
- In FY 2012, RBCS awarded approximately $62 million in the form of 1,450 energy-related grants and direct assistance payments to agricultural producers, rural small businesses, and advanced biofuels producers. These funds will help generate or save over 7.8 billion kilowatt hours of energy and contribute almost 1.2 billion gallons of advanced biofuels toward the Renewable Fuels Standard (RFS2).
- Throughout FY 2012, USDA Rural Development, in partnership with the U.S. Small Business Administration, met with institutional investors to discuss capital investments in rural America. These meetings support President Obama's jobs initiative by promoting increased access to capital and private investment for rural America.
- In FY 2012, USDA Rural Development and the U.S. Department of Treasury's Community Development Financial Institutions Fund developed important guidelines for lenders interested in financing rural businesses through the USDA's Business and Industry and Rural Energy for America Program guaranteed loan programs, and U.S. Treasury's New Markets Tax Credit program.
- USDA Rural Development entered into a Memorandum of Understanding with Farmer Mac to cross-train staff and stakeholders on the Business and Industry Guaranteed Loan Program and Farmer Mac programs. USDA and Farmer Mac will also discuss joint project financing.

THRIVING RURAL BUSINESSES LEAD TO THRIVING RURAL COMMUNITIES

Through its Business Programs, USDA Rural Development provides financial assistance in under-served rural areas, often in partnership with private-sector lenders.

BUSINESS PROGRAMS

Through its Business Programs divisions, RBCS provides loan guarantees, direct loans, and grants to businesses, farmers, and ranchers located in under-served rural communities.

Business Programs partners with lenders, private sector businesses, and community-based organizations to provide financial assistance and business planning services to rural small businesses. Our programs also fund projects that create or preserve quality jobs and promote a clean rural environment.

Business Programs often leverages its financial resources with those of public and private lenders to the meet business and credit needs of rural areas. Recipients of these programs include individuals, corporations, partnerships, cooperatives, public bodies, nonprofit corporations, Native American tribes, and private companies.

LOANS

- Business and Industry Guaranteed Loans (B&I) Program
- Intermediary Relending Program (IRP)
- Rural Business Investment Program (RBIP)
- Rural Economic Development Loan (REDLoan)
- Rural Microentrepreneur Assistance Program (RMAP)
- Biorefinery Assistance Program
- Rural Energy for America Program Guaranteed Loan Program (REAP Loans)

GRANTS

- Rural Business Enterprise Grant Program (RBEG)
- Rural Economic Development Grant (REDGrant)
- Repowering Assistance Program
- Advanced Biofuels Payment Program
- Rural Energy for America Program Grants (REAP Grants)

BUSINESS PROGRAMS ANNUAL PREFORMANCE MEASURES – FY 2012

Program	Loans and Grants	Dollars Obligated	Jobs Created and Saved	Businesses Assisted
Business and Industry Guaranteed Loan Program	401	1,052,955,496	21,750	479
Intermediary Relending Program	61	17,584,563	13,452	597
Rural Business Enterprise Grants	426	25,503,182	11,749	7,236
Rural Economic Development Loans	65	40,799,170	2,585	60
Rural Economic Development Grants	36	9,573,436	2,163	165
Rural Microentrepreneur Assistance Program - Loans	-	-	-	-
Rural Microentrepreneur Assistance Program - Grants	21	903,371	228	80
Rural Microentrepreneur Assistance Program - Technical Assistance Grants	-	-	-	-
Biorefinery Assistance Program	4	461,500,000	237	4
Repowering Assistance Program	1	5,000,000	Direct Payment	1
Advanced Biofuel Payment Program	601	35,206,145	Direct Payment	189
Rural Energy for America Program - Loans	18	14,278,112	18	18
Rural Energy for America Program - Grants	854	21,634,127	1,144	2,056
Total	**2,488**	**1,684,937,602**	**53,326**	**10,885**

BUSINESS AND INDUSTRY (B&I) GUARANTEED LOAN PROGRAM

The Business and Industry (B&I) Guaranteed Loan Program helps improve the economic conditions in rural communities by providing loan guarantees to lenders for business projects that create and save jobs and promote clean rural environments.

The B&I Guaranteed Loan Program helps lenders offer loans to borrowers at lower, fixed, or variable interest rates. These fully amortized loans have longer repayment terms, no balloon payments, and no renewal requirements. The B&I Guaranteed Loan Program provides guarantees up to 90 percent of a loan made by commercial lenders.

Borrowers use B&I guaranteed loans for working capital, machinery, equipment, buildings, real estate, and certain types of debt financing.

RBCS administers the B&I Guaranteed Loan Program through its 47 USDA State Offices located throughout the United States.

A $3.45 million B&I loan guarantee helped fund Pitts Enterprises, a trailer manufacturer located in Pittsview, Alabama

B&I GUARANTEED LOAN PROGRAM PROJECT ELIGIBILITY

WHAT TYPES OF PROJECTS ARE ELIGIBLE?

Projects eligible for funding through the B&I Guaranteed Loan Program include the following:

- Purchasing a business or industry to expand job opportunities, keep the business from closing, or keep the business from losing jobs
- Converting, enlarging, repairing, modernizing, or developing a business
- Purchasing and developing land, easements, rights-of-way, buildings, or facilities
- Purchasing equipment, leasehold improvements, machinery, supplies, or inventory
- Providing working capital and debt refinancing

B&I GUARANTEED LOAN PROGRAM FACTS

WHO MAY BORROW?

A borrower may be a cooperative, corporation, partnership, or other legal entity that operates as a for-profit or nonprofit organization. A borrower can also be a Native American tribe on a Federal or State reservation, Federally recognized Tribal group, public body, or individual.

A borrower must be engaged in or proposing to engage in a business that will do any one of the following:

- Provide employment
- Improve the economic or environmental climate
- Promote the conservation, development, and use of water for aquaculture
- Reduce reliance on nonrenewable energy resources by encouraging the development and construction of solar energy systems and other renewable energy systems

A borrower must be a citizen of the United States (U.S.) or a legally admitted permanent resident. Corporations and other nonpublic body organization-type borrowers must be at least 51 percent owned by persons who are citizens of the U.S. or reside in the U.S. after being legally admitted for permanent residence.

B&I guaranteed loans are normally available in rural areas—areas other than cities or towns of more than 50,000 people and the urbanized areas adjacent to those cities or towns.

B&I GUARANTEED LOAN PROGRAM BENEFITS LENDERS

The B&I Guaranteed Loan Program is a "win-win" for rural American businesses and their banks. The program provides loan guarantees to commercial lenders, which effectively increases their legal lending limits and expands their lending portfolio. With increased lending capabilities, banks can provide more loans and larger loans.

The B&I Guaranteed Loan Program helps lenders boost their legal lending limit and expand their lending portfolio through the sale of the guaranteed portion of loans in the secondary market.

The B&I program also provides protection against loan losses, which can encourage lenders to extend credit to borrowers so they can establish, expand, or modernize their rural businesses. Most loan guarantees issued by Rural Develop-ment are for 80 to 90 percent of the amount of the loan.

Investors choose to work with USDA Rural Development for the following reasons:

1. Investors receive the full faith and credit of the U.S. Treasury on each loan guarantee
2. Many lenders consider the B&I program to be a relatively risk-free way to expand their portfolio
3. The B&I Guaranteed Loan Program helps lenders achieve Community Reinvestment Act requirements
4. The partnership between USDA Rural Development and private lenders creates investment opportunities, which helps improve the economic health of rural communities

B&I GURARNTEED LOAN PROGRAM LENDERS PORTFOLIO AS OF SEPTEMBER 30, 2012

Top 10 Lenders in 2012

Lender	Dollar Amount	Loans
Cedar Rapids Bank & Trust	$38,400,000	4
JP Morgan Chase Bank, N.A.	$23,360,135	1
Citizens Bank & Trust	$22,916,667	3
Bank of Montgomery	$21,936,000	5
South Dakota Economic	$20,000,000	1
PBI Bank Inc	$15,405,000	2
PNC Mortgage	$15,000,000	2
Ridgestone Bank	$14,000,000	2
Ameristate Bank	$13,673,400	4
Hancock Bank & Trust	$13,600,000	3

B&I Caseload

B&I Caseloads	Number of Lenders	Total Caseload
1	997	997
2	315	630
03 – 05	242	858
06 – 10	64	483
11 – 20	22	309
21 – 50	11	299
51 – 100	1	57
101 – 200	1	119
Total	**1,653**	**3,752**

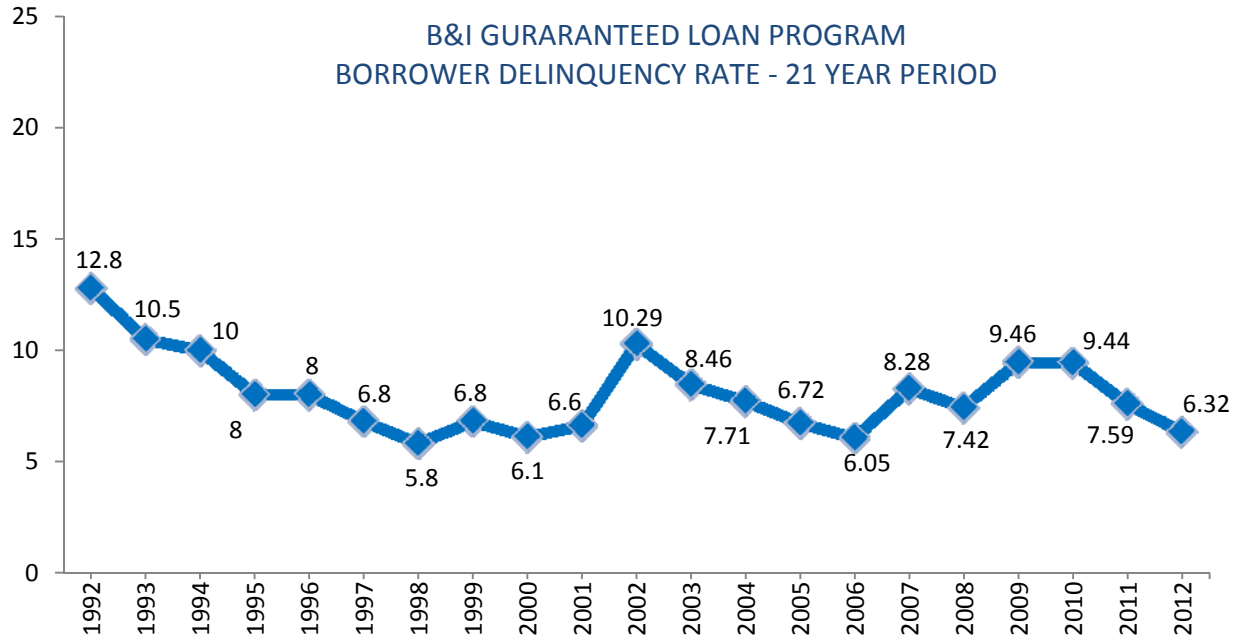
B&I Active Lenders from 2009-2012

Year	Number of Lenders
2009	1,256
2010	1,585
2011	1,728
2012	1,653

SERVICING ACTIONS THAT DECREASED THE B&I GUARANTEED LOAN PROGRAM BORROWER DELINQUENCY RATE

The portfolio delinquency rate for the B&I Guaranteed Loan Program has been under 9.5 percent for the past ten years. Specific steps that helped reduce the delinquency rate are as follows:

1. Requiring a higher quality of credit from lenders
2. Continuous training for Agency staff and lenders to ensure effective and efficient program delivery
3. Using a proactive rather than a reactive approach to problems and delinquent borrowers when necessary



B&I GUARANTEED LOAN PROGRAM DELINQUENCY RATE - FY 1991 - 2012			
Year	Percentage	Year	Percentage
1991	15.8	2002	10.29
1992	12.8	2003	8.46
1993	10.5	2004	7.71
1994	10.0	2005	6.72
1995	8.0	2006	6.05
1996	8.0	2007	8.28
1997	6.8	2008	7.42
1998	5.8	2009	9.46
1999	6.8	2010	9.44
2000	6.1	2011	7.59
2001	6.6	2012	6.32

SUCCESS STORY

B&I LOAN HELPS MANUFACTURING PLANT CREATE JOBS

OUTLINE OF NEED:
In 2009, Skana Aluminum Company planned to reopen a aluminum cookware manufacturing facility. The facility, located in Manitowoc, Wisconsin, had closed several times since 2002.

HOW RURAL DEVELOPMENT HELPED:
Thanks to USDA Rural Development, the company received a B&I guarantee on a $10 million loan from Community Bank & Trust of Sheboygan, Wisconsin, to purchase the plant and buy equipment.

RESULTS:
Today, Skana Aluminum Company employs 106 full-time workers, casts over 18 million pounds of aluminum, and ships products to more than 40 customers.

FAST FACTS:
- Area served: Wisconsin 6th Congressional District
- Impact: $10 million in new private sector investment
- Jobs created: 106

President Barack Obama tours the Skana Aluminum Company facility located in Manitowoc, Wisconsin

SUCCESS STORY

GEORGIA BIOFUEL COMPANY HELPS PROMOTE RENEWABLE ENGERGY

OUTLINE OF NEED:
Demand for petroleum and natural gas make wood pellets the fuel of choice in most European countries. However, Europe cannot produce enough wood pellets to meet its energy needs.

The owners of SEGA Biofuels, a wood pellet manufacturer located in Nahunta, Georgia, used this opportunity to convert a manufacturing facility to one that could produce wood pellets for export to the European Union.

HOW RURAL DEVELOPMENT HELPED:
USDA Rural Development provided SEGA Biofuels with a $8.37 million B&I guaranteed loan and a $1.3 million Rural Energy for America Program guaranteed loan, which allowed the company to purchase land, building, equipment, and provide working capital.

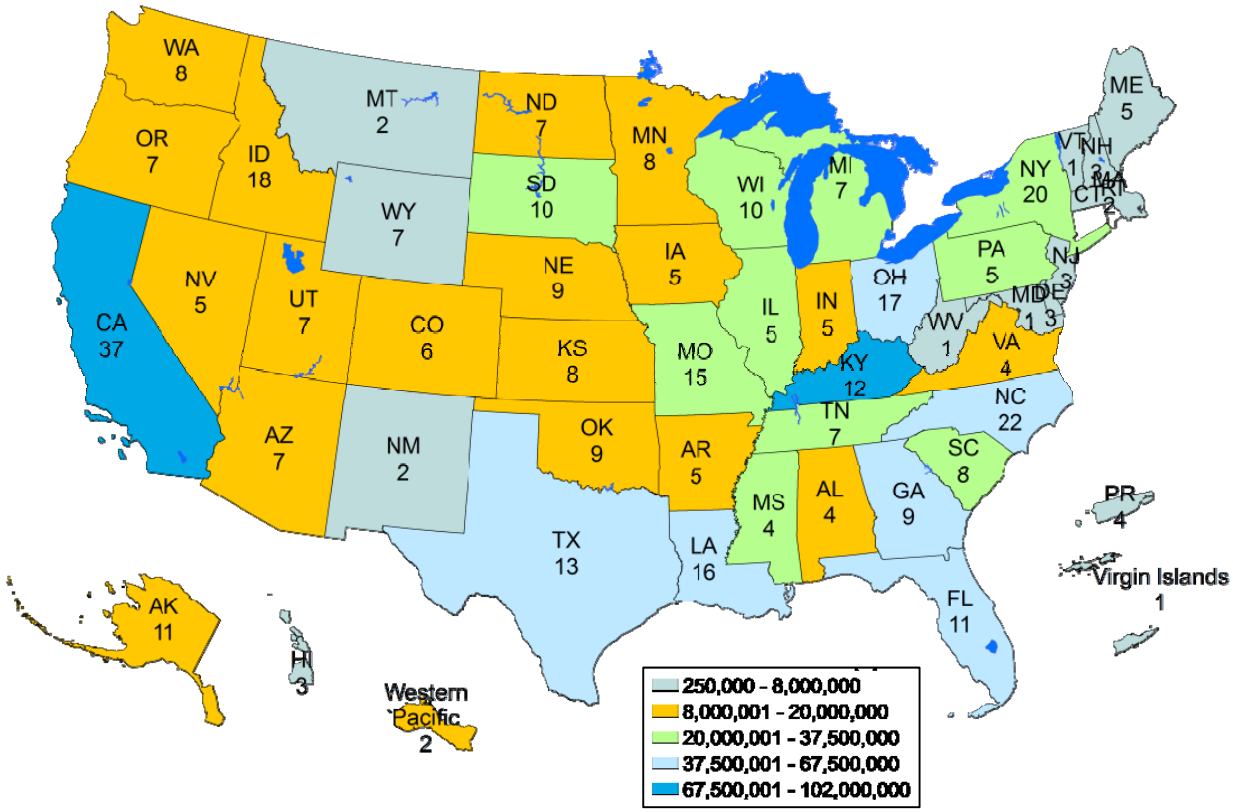
RESULTS:
SEGA secured a contract to supply wood pellets to Europe. Facilities located within 80 miles of the plant supply the feedstock. The company will retain the existing plant management team and most of the production staff, which will create 35 jobs in the biofuels industry.

FAST FACTS:
- Area served: Georgia 1st Congressional District
- Impact: Almost $9.7 million in private sector investment in renewable energy technology
- Jobs created: 35

Wood pellets manufactured at the SEGA Biofuels' facility in Nahunta, Georgia, help European countries meet their renewable energy needs

B&I GUARANTEED LOAN PROGRAM - 3 YEAR FUNDING						
	2010		2011		2012	
State/Territory	Amount	Number of Loans	Amount	Number of Loans	Amount	Number of Loans
Alabama	75,448,184	22	36,759,800	9	15,832,300	4
Alaska	26,917,611	19	3,506,478	5	13,001,077	11
Arizona	28,719,893	11	19,638,714	8	14,218,531	7
Arkansas	39,304,000	10	30,084,500	10	13,768,500	5
California	173,100,011	70	44,396,991	31	101,393,750	37
Colorado	30,849,800	9	13,883,500	5	13,892,338	6
Connecticut	19,000,000	4	6,380,000	3	-	-
Delaware	850,000	1	420,000	1	4,070,000	3
Florida	79,745,464	21	28,821,327	9	40,706,318	11
Georgia	155,379,004	45	82,394,000	22	41,914,610	9
Hawaii	26,672,000	3	4,400,000	2	8,000,000	2
Idaho	54,127,517	33	28,004,675	15	17,215,184	18
Illinois	68,385,013	23	36,851,600	7	20,981,500	5
Indiana	38,549,362	18	29,746,100	9	14,773,100	5
Iowa	110,580,331	41	24,133,140	10	14,897,400	5
Kansas	56,724,900	19	18,004,900	12	16,556,241	8
Kentucky	87,528,177	21	41,170,000	6	68,427,500	12
Louisiana	115,108,700	25	126,976,800	20	45,502,577	16
Maine	8,322,800	5	14,920,245	8	3,123,500	5
Maryland	19,988,385	9	17,413,100	5	250,000	1
Massachusetts	16,427,250	7	18,330,000	4	3,350,000	2
Michigan	135,856,375	54	36,898,080	15	24,583,000	7
Minnesota	38,155,133	17	11,375,000	9	10,794,065	8
Mississippi	51,538,474	14	29,998,000	5	26,175,000	4
Missouri	86,415,000	41	40,453,000	29	21,730,000	15
Montana	31,996,698	12	14,367,000	3	6,909,700	2
Nebraska	68,743,969	21	17,188,999	12	13,082,713	9
Nevada	21,563,800	8	9,058,500	4	9,383,380	5
New Hampshire	14,079,920	5	2,800,000	2	3,417,500	3
New Jersey	11,100,000	2	9,440,000	4	3,655,680	3
New Mexico	9,500,876	5	10,692,000	3	6,550,000	2
New York	123,912,317	52	35,532,302	18	36,543,153	20
North Carolina	94,518,212	50	46,352,000	24	55,251,000	22
North Dakota	22,178,200	21	22,769,949	11	19,050,795	7
Ohio	84,519,210	29	48,365,150	21	42,437,226	17
Oklahoma	101,689,883	25	44,209,950	14	18,653,000	9
Oregon	63,059,617	30	43,845,108	25	9,206,184	7
Pennsylvania	81,121,629	22	23,496,000	8	26,988,315	5
Puerto Rico	14,779,134	5	9,836,250	5	2,948,500	4
Rhode Island	1,766,000	1	-	-	-	-
South Carolina	62,974,987	24	42,595,000	17	34,360,000	8
South Dakota	4,608,160	7	8,838,000	4	33,256,200	10
Tennessee	102,346,845	30	57,827,304	12	26,175,025	7
Texas	134,259,920	27	43,000,281	14	56,860,181	13
Utah	11,598,375	6	14,495,301	8	10,488,318	7
Vermont	16,471,940	4	13,336,000	4	930,000	1
Virgin Islands	13,750,000	2	4,750,000	1	1,000,000	1
Virginia	47,384,129	22	30,018,000	7	9,884,000	4
Washington	47,497,953	15	21,396,000	13	16,391,368	8
West Virginia	46,659,700	16	32,472,300	9	4,600,000	1
Western Pacific	6,512,500	3	-	-	12,740,000	2
Wisconsin	145,847,033	39	35,089,000	8	31,664,280	10
Wyoming	9,731,000	5	656,000	1	5,372,487	7
Total	**$2,937,865,391**	**1,030**	**$1,387,386,344**	**511**	**1,052,955,496**	**400**

Business and Industry Guaranteed Loan Program – FY 2012 Funding



Rural Business-Cooperative Service's team leaders meet to discuss program opportunities and new initiatives

SPECIALTY PROGRAMS DIVISION

The Specialty Programs Division (SPD) supports rural communities by improving economic opportunities, community infrastructure, environmental health, and sustainable agricultural production.

SPD provides loans and grants for technical assistance, business development studies, educational material development, and other economic and business development projects.

SPD offers several specialized programs that provide smaller-scale financial support for a variety of initiatives through Intermediaries, such as utilities or telecom providers.

SPD offers the following grant and loan programs:

- Intermediary Relending Program (IRP)
- Rural Business Enterprise Grant (RBEG)
- Rural Economic Development Loan (REDLoan)
- Rural Economic Development Grant (REDGrant)
- Rural Microentrepreneur Assistance Program (RMAP) -Loans
- Rural Microentrepreneur Assistance Program (RMAP) - Grants

Cottage Grove residents stand under the arch of their newly restored downtown area funded by a USDA Rural Development Rural Business Enterprise Grant

APPLICATIONS	2010		2011		2012	
Specialty Programs Year-End Applications Pending	Amount	Applications	Amount	Applications	Amount	Applications
Intermediary Relending Program	31,048,030	47	11,250,000	18	1,200,000	3
Rural Business Enterprise Grant	64,834,062	223	37,968,268	329	21,336,543	212
Rural Economic Development Loan	6,703,472	13	1,944,800	7	3,966,000	4
Rural Economic Development Grant	1,148,000	4	5,238,850	12	900,000	3
Rural Microentrepreneur Assistance Program - Loans	-	-	1,620,000	4	-	-
Rural Microentrepreneur Assistance Program - Grants	900,439	9	3,308,081	29	-	-
Total	**$104,634,003**	**296**	**$61,329,999**	**399**	**$30,397,901**	**244**

INTERMEDIARY RELENDING PROGRAM

The Intermediary Relending Program (IRP) provides capital to rural areas through low interest, direct loans made to nonprofit corporations, public agencies, Native American groups, and certain corporations (intermediaries). These intermediaries then establish revolving loan funds so they can relend the money to businesses in economically and socially disadvantaged rural communities.

As businesses repay their loans, the intermediaries relend the money to other businesses. This process creates a source of capital that promotes job growth and economic development. The resulting new jobs help alleviate poverty, increase economic activity, and increase employment in rural areas.

Most loans made to businesses under the Intermediary Relending Program do not fit the lending criteria of traditional lenders.

In FY 2012, the Intermediary Relending Program made 61 loans to intermediaries totaling $17.7 million. Intermediaries leveraged these loans with an additional $8.7 million.

In FY 2012, intermediaries made 690 loans to rural businesses totaling over $61.1 million. These loans helped create or save 8,265 jobs.

Going into FY 2013, the total amount of capitalization of these IRP revolving loan funds is approximately $650 million.

Smude's Natural Sunflower Oil used an IRP loan to finance their startup business

SUCCESS STORY

GROW SOUTH DAKOTA USES IRP LOANS TO PROMOTE ECONOMIC DEVELOPMENT

OUTLINE OF NEED:

Since 1978, GROW South Dakota, also known as NESDEC, a 501 (c)(3) nonprofit corporation, has managed a revolving loan fund that serves new and existing business owners in northeast South Dakota. However, the organization needed additional capital to meet loan demand.

HOW RURAL DEVELOPMENT HELPED:

For the past 18 years, USDA Rural Development's Intermediary Relending Program (IRP) has funded the expansion of GROW South Dakota's revolving loan fund. In August 2012, the organization received its tenth IRP loan.

THE RESULTS:

Since 2009, ninety-eight businesses in twenty-eight different South Dakota communities received more than $6 million in financing through GROW South Dakota's relending program.

One business used its IRP loan to purchase a new packaging machine, which helped increase their profits by 11 percent.

In another part of the state, one community had five different businesses apply and receive IRP loan funds. Today, these businesses provide jobs and services to the community.

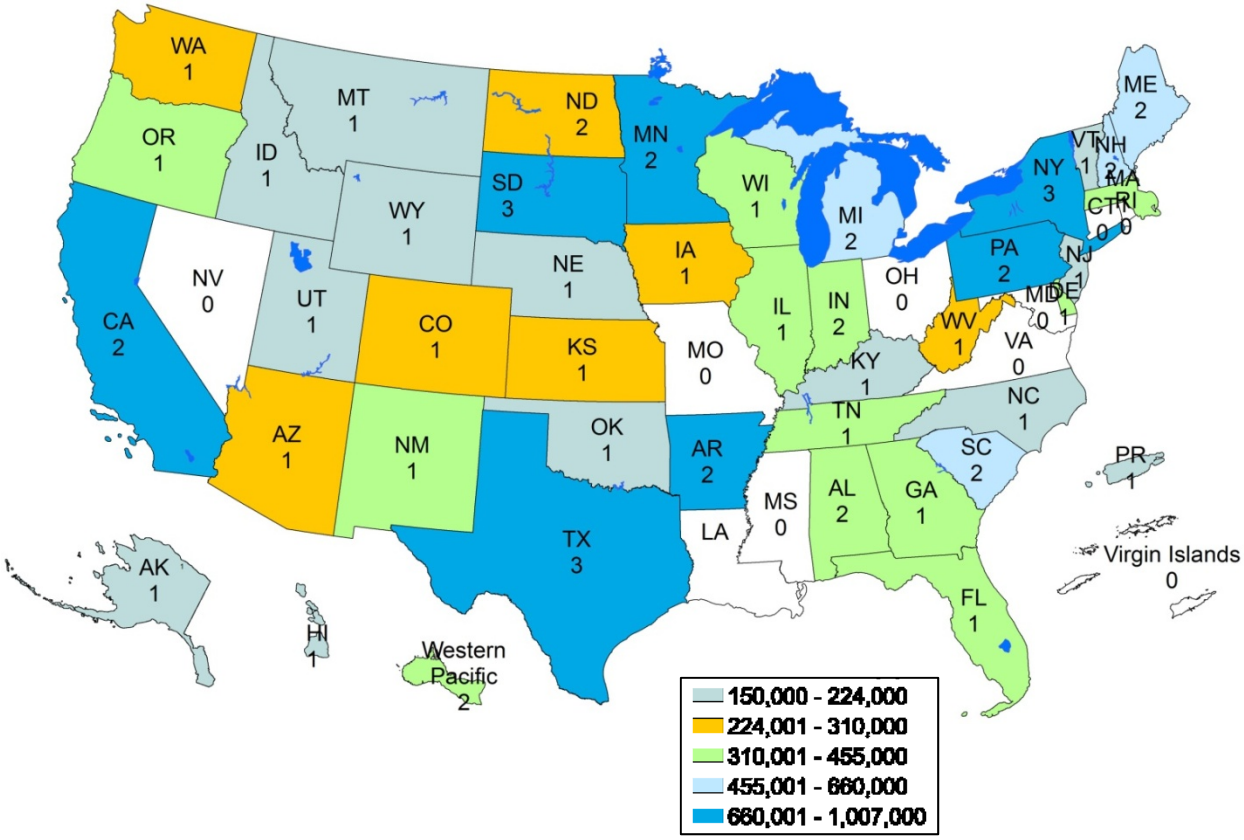
FAST FACTS:

- Area served: Northeast South Dakota
- Impact: $6 million
- Jobs created: 760

GROW South Dakota

INTERMEDIARY RELENDING LOAN PROGRAM - 3 YEAR FUNDING						
State/Territory	2010		2011		2012	
	Amount	Number of Loans	Amount	Number of Loans	Amount	Number of Loans
Alabama	-	-	216,000	1	455,000	2
Alaska	-	-	159,000	1	191,000	1
Arizona	-	-	183,000	1	305,000	1
Arkansas	-	-	193,000	1	751,000	2
California	2,140,000	5	970,000	2	800,000	2
Colorado	812,296	3	175,000	1	266,000	1
Connecticut	500,000	1	-	-	-	-
Delaware	-	-	156,000	1	364,437	1
Florida	-	-	218,000	1	400,000	1
Georgia	-	-	589,000	2	400,000	1
Hawaii	-	-	-	-	180,000	1
Idaho	-	-	166,000	1	224,000	1
Illinois	1,000,000	1	505,000	2	400,000	1
Indiana	-	-	-	-	350,000	2
Iowa	1,128,000	3	183,000	1	306,000	1
Kansas	-	-	172,000	1	253,000	1
Kentucky	750,000	1	968,000	2	158,000	1
Louisiana	-	-	750,000	1	-	-
Maine	-	-	174,000	1	660,000	2
Massachusetts	-	-	161,000	1	400,000	1
Maryland	-	-	169,000	1	-	-
Michigan	-	-	200,000	1	552,000	2
Minnesota	750,000	1	1,446,000	3	748,563	2
Mississippi	-	-	-	-	-	-
Missouri	675,000	2	-	-	-	-
Montana	2,000,000	3	165,000	1	221,000	1
Nebraska	750,000	1	900,000	2	223,000	1
Nevada	700,000	1	-	-	-	-
New Hampshire	1,000,000	2	1,913,000	4	612,000	2
New Jersey	-	-	-	-	198,000	1
New Mexico	-	-	167,000	1	400,000	1
New York	2,100,000	3	966,000	2	856,000	3
North Carolina	2,416,480	4	-	-	161,000	1
North Dakota	-	-	158,000	1	302,000	2
Ohio	1,250,000	2	734,000	2	-	-
Oklahoma	750,000	1	188,000	1	150,000	1
Oregon	-	-	677,000	3	400,000	1
Pennsylvania	1,750,000	3	979,000	2	800,000	2
Puerto Rico	-	-	165,000	1	152,000	1
Rhode Island	-	-	-	-	-	-
South Carolina	1,800,000	3	750,000	1	585,563	2
South Dakota	4,500,000	6	1,661,000	3	1,003,000	3
Tennessee	750,000	1	-	-	400,000	1
Texas	750,000	1	998,000	2	1,007,000	3
Utah	-	-	160,000	1	196,000	1
Vermont	1,500,000	2	162,000	1	206,000	1
Virginia	500,000	1	207,000	1	-	-
Virgin Islands	-	-	-	-	-	-
Washington	2,750,000	4	184,000	1	310,000	1
W. Pacific Areas	-	-	-	-	281,000	1
West Virginia	250,000	1	-	-	400,000	2
Wisconsin	262,296	1	200,000	1	380,000	1
Wyoming	-	-	-	-	177,000	1
Total	**$33,534,072**	**57**	**$19,087,000**	**57**	**$17,584,563**	**61**

Intermediary Relending Program – FY 2012 Funding



INTERMEDIARY RELENDING PROGRAM FACTS

HOW MUCH CAN INTERMEDIARIES BORROW?

An intermediary may borrow up to $2 million under its initial financing and up to $1 million at a time thereafter for a total cap of $15 million.

WHO IS ELIGIBLE?

Provided they do not have a delinquent debt with the Federal Government, the following entities may apply for loans from intermediary lenders:

- Individual citizens
- Individuals legally admitted to the U.S.
- Businesses located in rural areas
- Entities that can incur debt, give security, and repay a loan
- Corporations, partnerships, limited liability company (LLC), individuals, non-profit corporations, and public bodies

WHAT PROJECTS ARE ELIGIBLE?

A project must be located in a rural area—any area that is not inside a city with a population of 25,000 or more according to the latest decennial census. Eligible projects include the following:

- Start up costs and working capital
- Pollution control and reduction
- Transportation services
- Feasibility studies
- Rural businesses including hotels, motels, bed and breakfast lodgings, and convention centers

RURAL BUSINESS ENTERPRISE GRANT PROGRAM

The Rural Business Enterprise Grant (RBEG) Program provides grants for rural projects that fund and facilitate the development of small and emerging businesses, business incubators, employment, and related adult education programs.

There is no maximum level of grant funding; however, smaller projects receive a higher priority. Generally, grant awards range from $10,000 up to $100,000.

Eligible organizations include rural public entities (towns, communities, state agencies, and authorities), Native American tribes, and non-profit corporations.

U.S. citizens or resident aliens must own at least 51 percent of the outstanding interest in any project.

In FY 2012, the RBEG Program awarded 426 grants totaling $25.5 million, helped create or save 11,749 jobs, and assisted 7,236 small and emerging businesses.

RBEG recipient Crow Creek Fresh Food Initiative displays its products at a local farmer's market

SUCCESS STORY

RBEG HELPS LOUISIANA TOWN CREATE JOBS

OUTLINE OF NEED:

The people of Simmesport, Louisiana desperately needed jobs. The Avoyelles Parish Port Commission identified 50 acres of land that could support economic development opportunities for small and emerging businesses at the Port of Avoyelles.

The Avoyelles Parish Port Commission connected with Brudd Construction, a highway construction company that was looking to construct a new building so it could grow and diversify its business.

HOW RURAL DEVELOPMENT HELPED:

In 2010, the Avoyelles Parish Port Commission received a $200,000 USDA Rural Development Rural Business Enterprise Grant (RBEG) to purchase fifty acres of land for economic development opportunities for small and emerging businesses.

USDA Rural Development also provided Brudd Construction Company with a $380,000 B&I loan guarantee to construct a new office facility on the land.

THE RESULTS:

The purchase of these fifty acres is already bringing local jobs and new businesses to the Simmesport community.

Brudd Construction Company recently broke ground on its new 3,700 square-foot corporate headquarters. Presently, the company has 35 employees and anticipates hiring an additional 27 new workers.

FAST FACTS:

- Area served: Louisiana 5th Congressional District
- Impact: $580,000
- Jobs created: 35 jobs saved and 27 new jobs created

Brudd Construction Company's highway construction team rebuilding roads

TECHNICAL ASSISTANCE FOR RURAL TRANSPORTATION - FY 2012		
State	Applicant	Grant Amount
Maryland	Community Transportation Association of America	500,000
Maryland	Community Transportation Association of America (Native American)	250,000
Total		**$750,000**

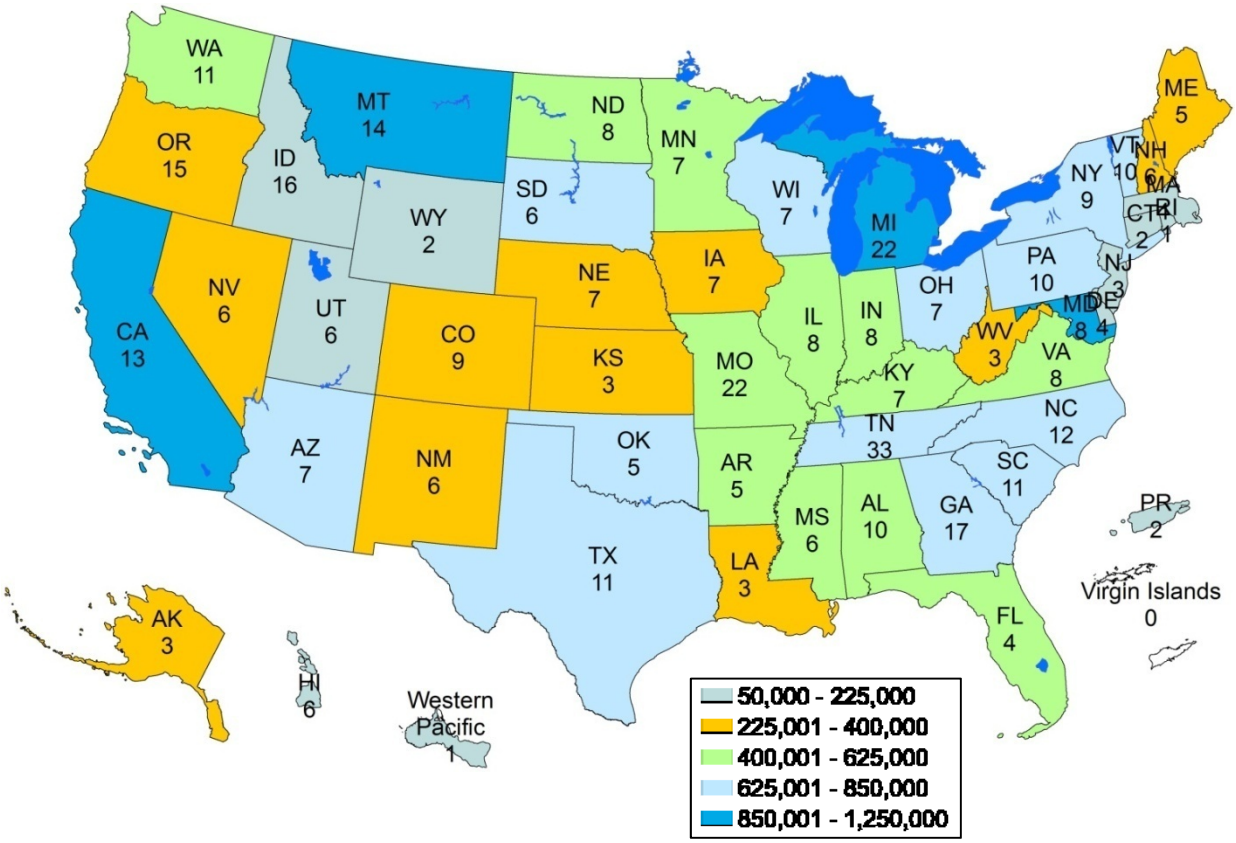
RURAL ECONOMIC AREA PARTNERSHIP FUNDING – FY 2012		
State	Applicant	Grant Amount
North Dakota	Bowman County Development Corporation	73,500
North Dakota	Maddock Opera House Association	62,000
Vermont	Northeast Organic Farming Association of Vermont	55,500
Vermont	Northern Community Investment Corporation	99,000
Vermont	Saint Johnsbury Works Inc.	100,000
Vermont	The Center for An Agricultural Economy	191,849
Vermont	Vermont State College	129,429
Total		**$711,278**

NATIVE AMERICAN FUNDING – FY 2012		
State	**State**	**State**
Alaska	University of Alaska Anchorage	250,000
Arizona	Northern AZ Tech & Business Incubator	96,594
Arizona	Red Feather Development Group	33,520
Arizona	Sipaulovi Development Corporation	199,500
California	California Indian Manpower Consortium	114,143
California	Yurok Economic Development Corp	99,000
Montana	Native American Development Corp	194,235
Montana	Northern Cheyenne Tribal Housing Authority	500,000
Nebraska	First Ponca Financial Inc	60,189
Nebraska	HO-CHUNK Community	54,541
Nebraska	Little Priest Tribal College	40,000
Nevada	Moapa Band of Paiutes	65,000
Nevada	Wells Band Council	52,800
New Mexico	Ramah Navajo School Board, Inc	50,000
North Dakota	Coalition of Indian Housing Authorities	160,000
North Dakota	Standing Rock Sioux Tribe	50,000
Oklahoma	Cherokee Nation	252,185
Oregon	Grand Ronde Confed. tribes	30,000
Oregon	Warm Springs	30,000
South Carolina	Catawba Cultural Preservation Project	99,000
South Dakota	Four Bands Comm Fund Inc	99,000
South Dakota	Lakota Fund	99,900
South Dakota	Sisseton Wahpeton Oyate	300,000
Washington	Affiliated Tribes of NW Indians-EDC	78,250
Washington	Lower Elwha Klallam Tribe	37,329
Wisconsin	Great Lakes Inter-Tribal Council, Inc	99,999
Wisconsin	Niijii Capital Partners, Inc.	85,770
Total		**$3,230,955**

RURAL BUSINESS ENTERPRISE GRANT PROGRAM - 3 YEAR FUNDING						
State/Territory	2010		2011		2012	
	Amount *	Number of Grants	Amount	Number of Grants	Amount	Number of Grants
Alabama	1,186,831	13	1,110,000	11	586,000	10
Alaska	273,837	4	751,000	6	391,000	3
Arizona	721,500	7	372,440	5	662,614	7
Arkansas	825,834	6	480,650	5	410,000	5
California	1,343,694	14	1,271,000	23	936,143	15
Colorado	411,662	9	368,700	11	366,950	7
Connecticut	256,749	6	223,000	4	159,000	2
Delaware	129,000	3	248,000	6	116,000	4
Florida	1,081,091	7	997,888	6	605,655	4
Georgia	1,397,925	17	1,371,999	15	767,000	17
Hawaii	188,056	3	161,000	4	123,000	6
Idaho	373,784	17	337,500	19	209,500	16
Illinois	921,955	10	911,000	11	600,000	8
Indiana	923,000	14	910,500	13	514,000	8
Iowa	656,250	9	572,800	8	387,880	7
Kansas	612,000	9	452,000	9	293,250	3
Kentucky	1,511,000	10	1,092,000	10	605,000	7
Louisiana	832,956	5	631,000	4	395,000	3
Maine	541,330	7	409,000	7	355,999	5
Maryland	312,000	5	1,571,767	7	1,141,579	8
Massachusetts	236,313	9	263,716	9	155,000	4
Michigan	1,371,000	36	1,399,488	37	1,000,000	22
Minnesota	1,171,999	13	771,000	8	530,990	7
Mississippi	1,085,785	13	898,074	12	534,000	6
Missouri	1,062,000	23	959,170	25	521,795	22
Montana	306,000	14	427,585	17	1,005,235	14
Nebraska	522,030	8	828,177	10	349,730	7
Nevada	245,000	8	504,000	8	289,800	6
New Hampshire	276,000	6	277,560	7	276,000	6
New Jersey	246,900	3	167,308	3	154,000	3
New Mexico	386,999	4	529,177	10	283,000	6
New York	988,150	13	1,383,233	16	787,821	9
North Carolina	1,514,000	19	1,465,542	21	842,000	12
North Dakota	259,991	3	281,225	4	478,500	8
Ohio	1,345,000	10	1,302,000	13	735,000	7
Oklahoma	795,000	7	1,171,686	13	626,185	5
Oregon	618,136	42	867,392	32	317,000	15
Pennsylvania	1,268,900	14	1,227,102	14	692,000	10
Puerto Rico	566,704	3	609,313	4	130,000	2
Rhode Island	73,000	2	94,000	1	85,000	1
South Carolina	1,183,900	14	1,029,500	16	738,550	11
South Dakota	311,000	5	622,327	7	759,900	6
Tennessee	1,204,000	46	1,191,000	34	667,000	33
Texas	1,739,000	11	1,402,000	10	842,000	11
Utah	287,999	4	505,900	5	219,980	6
Vermont	311,257	11	862,483	15	741,778	10
Virginia	954,999	10	857,895	9	-	-
Virgin Island	-	-	-	-	518,000	8
Washington	626,000	8	734,000	14	486,579	11
West Virginia	647,000	5	502,000	7	292,000	3
West Pacific	135,373	2	50,000	1	50,000	1
Wisconsin	836,000	10	1,174,721	15	651,769	7
Wyoming	129,925	4	183,384	4	117,000	2
Total	**$37,762,510**	**561**	**$38,785,202**	**585**	**$25,503,182**	**426**

*FY 2010 RBEG grant amounts do not include ARRA funding and set aside

Rural Business Enterprise Grant Program – FY 2012 Funding



RURAL BUSINESS ENTERPRISE GRANT PROGRAM FACTS

WHO IS ELIGIBLE:

Eligible organizations include rural public entities (towns, communities, state agencies, and authorities) Native American tribes, and non-profit corporations.

WHAT TYPES OF PROJECTS ARE ELIGIBLE?

The Rural Business Enterprise Grant (RBEG) program is a broad-based program that reaches to the core of rural development in a number of ways. Examples of eligible fund use include the following:

- Acquiring or developing land, easements, or rights of way
- Constructing, converting, and renovating buildings, plants, machinery, equipment, access streets and roads, parking areas, and utilities
- Providing pollution control and reduction
- Capitalizing revolving loan funds including funds that will make loans for start ups and working capital
- Training and technical assistance
- Providing distance adult learning for job training and advancement
- Improving rural transportation
- Planning project

Any project funded under the RBEG program should benefit a micro and emerging private businesses located in a rural area. These types of businesses employ fifty or fewer employees and have less than $1 million in projected gross revenues.

RURAL ECONOMIC DEVELOPMENT LOAN AND GRANT PROGRAM

The Rural Economic Development Loan and Grant (REDLG) Program funds rural projects through local utility organizations.

REDLOAN PROGRAM

The REDLoan program provides zero interest loans to local utilities, which the utilities provide to local businesses (ultimate recipients) for projects that will create and retain employment in rural areas. The ultimate recipients repay the lending utility directly, and the utility repays the loan to the Agency.

In FY 2012, the REDLoan program issued 65 loans totaling $40.8 million, assisted 60 small businesses, and helped create or save 2,585 jobs

REDGRANT PROGRAM

The REDGrant program provides grant funds to local utility organizations, which they use to establish revolving loan funds. Each utility provides loans through a revolving loan fund for projects that will create or retain rural jobs.

In FY 2012, the REDGrant program issued 36 grants totaling $9.6 million, assisted 165 small businesses, and helped create or save 2,163 jobs.

Dedication ceremony for a new grain elevator funded by a Rural Economic Development Loan

SUCCESS STORY

REDLOAN PROGRAM HELPS MIDWEST RURAL AREAS THRIVE

THE NEED:

Like many rural areas in the United States, businesses in eastern South Dakota and western Minnesota had trouble finding capital to finance their projects. However, thanks to USDA Rural Development and Rural Electric Economic Development, Inc. (REED), a nonprofit foundation operated by 21 electric cooperatives, business capital soon became available.

HOW RURAL DEVELOPMENT HELPED:

Over the past 16 years, REED has received more than $14 million in USDA Rural Development Rural Economic Development loans and grants (REDLG) and Intermediary Relending Program (IRP) loans. Without this funding, REED would not exist and small businesses would not have access to much needed financing.

THE RESULTS:

REED used its REDLG funds to create a well-capitalized, high performing revolving loan fund. Eighty-seven percent of the funded projects are in communities with populations of 4,000 or less, with ninety-eight percent of the businesses locally owned and operated.

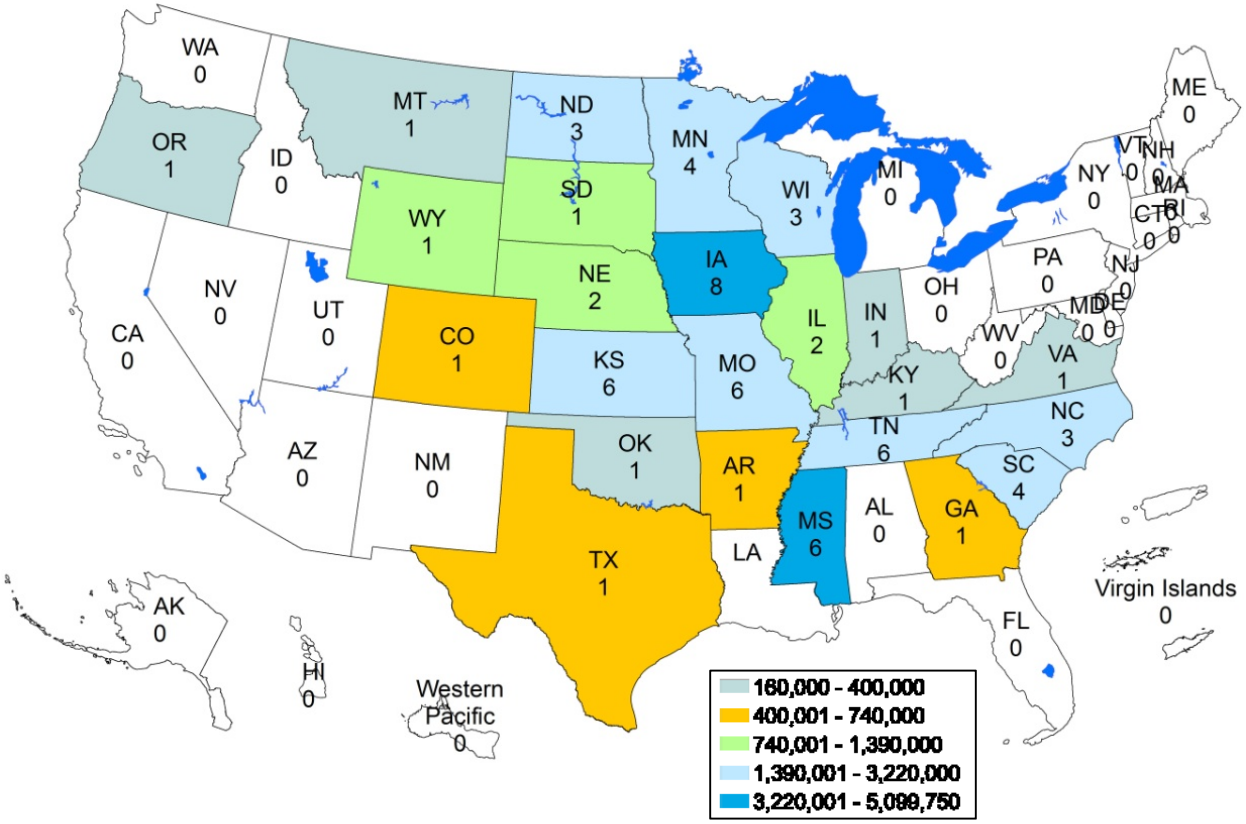
FAST FACTS:

- Areas served: South Dakota and Minnesota
- Program: Rural Economic Development Loan
- Impact: $14.75 million
- Jobs created: More than 6,500 jobs since 1997

Dakota Style, LLC purchased this packaging machine with assistance from REED fund

RURAL ECONOMIC DEVELOPMENT LOAN PROGRAM - 3 YEAR FUNDING						
State/Territory	2010		2011		2012	
	Amount	Number of Loans	Amount	Number of Loans	Amount	Number of Loans
Alabama	1,290,000	2	-	-	-	-
Alaska	-	-	-	-	-	-
Arizona	-	-	-	-	-	-
Arkansas	-	-	-	-	500,000	1
California	-	-	-	-	-	-
Colorado	-	-	720,000	1	740,000	1
Connecticut	-	-	-	-	-	-
Delaware	-	-	-	-	-	-
Florida	-	-	-	-	-	-
Georgia	-	-	740,000	1	740,000	1
Hawaii	-	-	-	-	-	-
Idaho	-	-	-	-	-	-
Illinois	1,240,000	2	1,480,000	2	1,390,000	2
Indiana	-	-	740,000	1	320,000	1
Iowa	1,440,000	3	2,042,000	3	5,099,750	8
Kansas	3,152,000	5	4,367,500	8	2,680,500	6
Kentucky	1,002,000	2	2,220,000	3	214,100	1
Louisiana	-	-	-	-	-	-
Maine	-	-	-	-	-	-
Maryland	-	-	-	-	-	-
Massachusetts	-	-	-	-	-	-
Michigan	600,000	1	-	-	-	-
Minnesota	1,480,000	2	3,395,228	6	2,490,000	4
Mississippi	1,480,000	2	2,220,000	3	4,960,000	6
Missouri	2,220,000	3	740,000	1	3,220,000	6
Montana	144,000	1	817,472	2	160,000	1
Nebraska	740,000	1	740,000	1	1,129,000	2
Nevada	-	-	-	-	-	-
New Hampshire	-	-	-	-	-	-
New Jersey	-	-	-	-	-	-
New Mexico	-	-	-	-	-	-
New York	-	-	-	-	-	-
North Carolina	740,000	1	1,440,000	2	2,500,000	3
North Dakota	450,000	1	1,820,000	3	2,480,000	3
Ohio	-	-	-	-	-	-
Oklahoma	350,000	2	900,000	2	400,000	1
Oregon	1,100,000	2	-	-	184,000	1
Pennsylvania	-	-	109,812	1	-	-
Puerto Rico	-	-	-	-	-	-
Rhode Island	-	-	-	-	-	-
South Carolina	1,980,000	3	1,980,000	3	3,140,000	4
South Dakota	740,000	1	1,460,000	2	1,000,000	1
Tennessee	1,027,572	2	1,480,000	2	3,016,820	6
Texas	-	-	-	-	740,000	1
Utah	-	-	-	-	-	-
Vermont	-	-	-	-	-	-
Virgin Islands	-	-	-	-	-	-
Virginia	250,000	1	-	-	175,000	1
Washington	-	-	-	-	-	-
W. Pacific Areas	-	-	-	-	-	-
West Virginia	-	-	-	-	-	-
Wisconsin	500,000	1	-	-	2,500,000	3
Wyoming	-	-	-	-	1,000,000	1
Total	**$21,925,572**	**38**	**$29,412,012**	**47**	**$40,779,170**	**65**

Rural Economic Development Loan Program – FY 2012 Funding



SUCCESS STORY

REDGRANT PROGRAM FUNDS MUCH NEEDED DAYCARE CENTER

THE NEED:

Two daycare providers in Berthold, North Dakota went out of business, leaving the community without childcare services. To meet the growing demand for daycare, Kids Academy, ABC Child Care Center, and Zion Lutheran Church joined forces to provide the community with this important service. For the time being, the community would use the church as a temporary daycare facility.

HOW RURAL DEVELOPMENT HELPED:

USDA Rural Development provided a $300,000 Rural Economic Development Grant (REDGrant) to Verendrye Electric, a local cooperative, to establish a revolving loan fund that it used to build a new childcare center. The estimated project cost was $430,000, which included a prefabricated building, playground, and indoor equipment.

THE RESULTS:

On May 25, 2012, Kids Academy opened its new childcare center. The new facility, which holds up to 65 children, has a kitchen; dining area; and a spacious environment that supports preschool, youth, and after school programs. The new childcare center will help alleviate the demand for daycare services and create 20 new jobs.

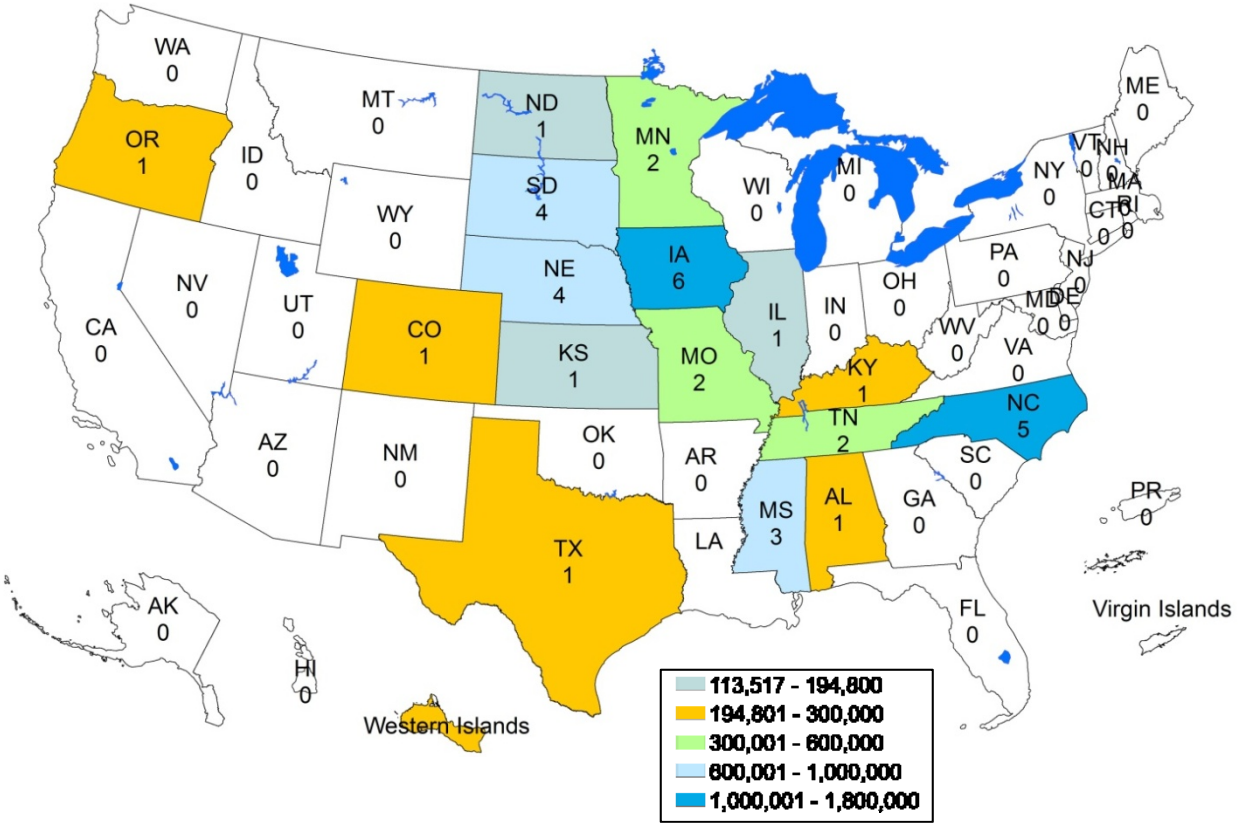
FAST FACTS:

- Areas served: North Dakota
- Impact: $300,000
- Jobs created: 20

Children enjoying lunch at the new daycare center

RURAL ECONOMIC DEVELOPMENT GRANT PROGRAM - 3 YEAR FUNDING						
	2010		2011		2012	
State/Territory	Amount	Number of Grants	Amount	Number of Grants	Amount	Number of Grants
Alabama	300,000	1	-	-	300,000	1
Alaska	-	-	300,000	1	-	-
Arizona	-	-	-	-	-	-
Arkansas	-	-	-	-	-	-
California	-	-	-	-	-	-
Colorado	-	-	-	-	300,000	1
Connecticut	-	-	-	-	-	-
Delaware	-	-	-	-	-	-
Florida	-	-	-	-	-	-
Georgia	-	-	300,000	1	-	-
Hawaii	-	-	-	-	-	-
Idaho	-	-	-	-	-	-
Illinois	-	-	100,000	1	120,000	1
Indiana	-	-	300,000	1	-	-
Iowa	3,165,000	11	2,526,000	9	1,800,000	6
Kansas	777,200	3	-	-	194,800	1
Kentucky	600,000	2	-	-	227,000	1
Louisiana	-	-	-	-	-	-
Maine	-	-	-	-	-	-
Maryland	-	-	-	-	-	-
Massachusetts	-	-	-	-	-	-
Michigan	300,000	1	-	-	-	-
Minnesota	653,000	3	300,000	1	523,000	2
Mississippi	300,000	1	-	-	900,000	3
Missouri	600,000	2	300,000	1	600,000	2
Montana	-	-	300,000	1	-	-
Nebraska	900,000	3	-	-	920,119	4
Nevada	-	-	-	-	-	-
New Hampshire	-	-	-	-	-	-
New Jersey	-	-	-	-	-	-
New Mexico	-	-	-	-	-	-
New York	-	-	-	-	-	-
North Carolina	-	-	-	-	1,415,000	5
North Dakota	300,000	1	683,333	3	113,517	1
Ohio	-	-	-	-	-	-
Oklahoma	91,370	1	-	-	-	-
Oregon	-	-	300,000	1	300,000	1
Pennsylvania	-	-	-	-	-	-
Puerto Rico	-	-	-	-	-	-
Rhode Island	-	-	-	-	-	-
South Carolina	-	-	-	-	-	-
South Dakota	300,000	1	300,000	1	1,000,000	4
Tennessee	250,000	1	548,000	2	560,000	2
Texas	-	-	-	-	300,000	1
Utah	-	-	-	-	-	-
Vermont	-	-	-	-	-	-
Virginia	-	-	-	-	-	-
Virgin Islands	-	-	-	-	-	-
Washington	200,000	1	-	-	-	-
W. Pacific Areas	-	-	-	-	-	-
West Virginia	-	-	-	-	-	-
Wisconsin	300,000	1	-	-	-	-
Wyoming	-	-	-	-	-	-
Total	**$9,036,570**	**33**	**$6,257,333**	**23**	**$9,573,436**	**36**

Rural Economic Development Grant Program – FY 2012 Funding



RURAL ECONOMIC DEVELOPMENT LOAN AND GRANT PROGRAM FACTS

WHO IS ELIGIBLE?

To receive funding under the Rural Economic Development Loan (REDLoan) and Rural Economic Development Grant (REDGrant), programs, an entity must meet the following conditions:

- Borrowed and repaid or pre-paid an insured, direct, or guaranteed loan received under the Rural Electrification Act
- Be a not-for-profit utility eligible to receive assistance from the Rural Development Electric or Telecommunication Program
- Be a current Rural Development Electric of Telecommunication Programs borrower

WHAT TYPES OF PROJECTS ARE ELIGIBLE?

Entities use REDLoans and REDGrants to capitalize revolving loan funds, then lend the funds to eligible borrowers for the following projects:

- Technical assistance in conjunction with projects funded under a zero interest REDLoan
- Business incubators
- Community Development Assistance to non-profits, public bodies, or Native American tribes (particularly job creation or enhancement)
- Facilities and equipment for education and training for rural residents to facilitate economic development
- Facilities and equipment for medical care to rural residents
- Telecommunications/computer networks for distance learning or long distance medical care

RURAL MICROENTREPRENEUR ASSISTANCE PROGRAM

The Rural Microentrepreneur Assistance Program (RMAP) provides direct loans and grants to select Microenterprise Development Organizations (MDOs) who support the development of microentrepreneurs and micro-enterprises.

MDOs use direct loans to establish revolving loan funds then make fixed rate interest microloans to rural microentrepreneurs for startup and growing microenterprises. The maximum direct loan to an MDO is $500,000 in a fiscal year.

In lieu of setting up a revolving loan fund, a MDO may apply for a technical assistance only grant, which it will use to provide technical assistance to microentrepreneurs and micro-enterprises even if the recipient has a loan with the MDO.

MDOs use grants to provide technical assistance and training to micro-enterprises and microentrepreneurs receiving microloans from a MDO's revolving loan fund. Once an MDO receives a RMAP loan to establish the revolving loan fund, grants are provided annually thereafter to the MDO based on their lending performance.

A microentrepreneur is an owner and operator, or prospective owner and operator of a microenterprise that employs 10 people or fewer. The owner is unable to obtain sufficient training, technical assistance, or credit from sources other than the Rural Microentrepreneur Assistance Program.

In FY 2012, the RMAP grant program issued 21 grants totaling $903,372, helped create or save 228 jobs, and assisted 80 micro businesses. USDA Rural Development did not issues RMAP loans in FY 2012.

SUCCESS STORY

MICRO-LENDERS PROVIDE FUNDING TO RURAL IOWA

THE NEED:

Approximately eighty-six percent, or 232,000 businesses in Iowa, are micro-enterprises. The majority of these businesses have less than five employees. These small entrepreneurs can apply for financial assistance through the Rural Microenterprise Assistance Program (RMAP).

HOW RURAL DEVELOPMENT HELPED:

USDA Rural Development provided a $130,000 RMAP grant to North Iowa Area Community College. USDA also provided a $400,000 RMAP loan and $100,000 RMAP grant to the Iowa Foundation for Microenterprise and Community Vitality, doing business as Iowa MicroLoan. Both micro-lenders will provide financial assistance to Iowa's small businesses.

THE RESULTS:

Many of Iowa's micro-businesses support the state's regional, national, or international food industry (production, processing, service, storage, and transportation). The micro-loan program helps them develop regional foods systems, provide fresh food to the local communities, support regional economic development, and create jobs.

FAST FACTS:

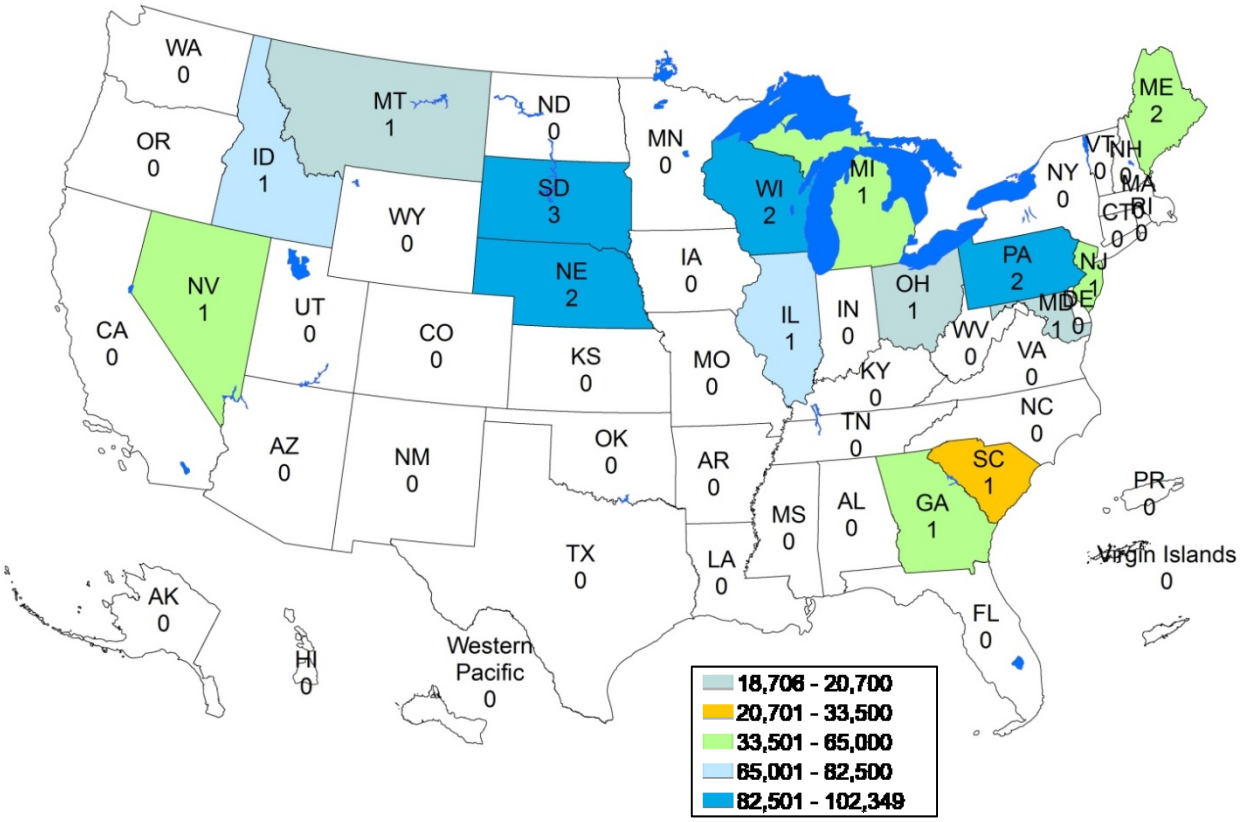
- Program: Rural Microentrepreneur Assistance Program
- Area served: Iowa
- Impact: $630,000 in loan and grant funds

USDA Rural Development microloans help Iowa's small businesses create jobs

RURAL MICROENTREPRENEUR ASSISTANCE PROGRAM - LOANS 3 YEAR FUNDING						
State/Territory	2010		2011		2012 (no loans issued due to lack of funding)	
	Amount	Number of Loans	Amount	Number of Loans	Amount	Number of Loans
Alabama	-	-	250,000	1	-	-
Alaska	-	-	-	-	-	-
Arizona	500,000	1	500,000	1	-	-
Arkansas	-	-	-	-	-	-
California	1,000,000	2	1,000,000	2	-	-
Colorado	300,000	1	-	-	-	-
Connecticut	-	-	-	-	-	-
Delaware	-	-	-	-	-	-
Florida	281,250	1	250,000	1	-	-
Georgia	900,000	2	-	-	-	-
Hawaii	400,000	1	-	-	-	-
Idaho	900,000	2	300,000	1	-	-
Illinois	1,450,000	4	-	-	-	-
Indiana	-	-	-	-	-	-
Iowa	500,000	1	-	-	-	-
Kansas	500,000	1	-	-	-	-
Kentucky	1,000,000	2	-	-	-	-
Louisiana	-	-	500,000	1	-	-
Maine	1,750,000	4	1,650,000	4	-	-
Maryland	500,000	1	500,000	1	-	-
Massachusetts	631,250	2	500,000	1	-	-
Michigan	400,000	1	-	-	-	-
Minnesota	-	-	1,050,000	3	-	-
Mississippi	-	-	-	-	-	-
Missouri	-	-	950,000	3	-	-
Montana	450,000	2	687,500	2	-	-
Nebraska	1,200,000	3	-	-	-	-
Nevada	500,000	1	-	-	-	-
New Hampshire	-	-	-	-	-	-
New Jersey	500,000	1	-	-	-	-
New Mexico	-	-	900,000	2	-	-
New York	400,000	1	1,090,000	3	-	-
North Carolina	500,000	1	-	-	-	-
North Dakota	-	-	500,000	1	-	-
Ohio	-	-	750,000	2	-	-
Oklahoma	1,000,000	2	-	-	-	-
Oregon	500,000	1	-	-	-	-
Pennsylvania	1,600,000	5	700,000	2	-	-
Puerto Rico	-	-	500,000	1	-	-
Rhode Island	-	-	-	-	-	-
South Carolina	400,000	1	335,000	1	-	-
South Dakota	1,370,000	4	550,000	2	-	-
Tennessee	400,000	1	-	-	-	-
Texas	500,000	1	-	-	-	-
Utah	-	-	-	-	-	-
Vermont	-	-	-	-	-	-
Virgin Islands	-	-	-	-	-	-
Virginia	500,000	1	-	-	-	-
Washington	1,000,000	2	650,000	2	-	-
West Virginia	500,000	1	-	-	-	-
W. Pacific Areas	-	-	-	-	-	-
Wisconsin	2,200,000	6	500,000	1	-	-
Wyoming	450,000	2	-	-	-	-
Total	**$24,982,500**	**62**	**14,612,500**	**38**	-	-

RURAL MICROENTREPRENEUR ASSISTANCE PROGRAM – GRANTS 3 YEAR FUNDING						
State/Territory	2010		2011		2012	
	Amount	Number of Grants	Amount	Number of Grants	Amount	Number of Grants
Alabama	-	-	62,500	1	-	-
Alaska	-	-	-	-	-	-
Arizona	105,000	1	105,000	1	-	-
Arkansas	-	-	-	-	-	-
California	210,000	2	205,000	2	-	-
Colorado	75,000	1	-	-	-	-
Connecticut	-	-	-	-	-	-
Delaware	-	-	-	-	-	-
Florida	70,312	1	62,500	1	-	-
Georgia	205,000	2	-	-	63,978	1
Hawaii	100,000	1	-	-	-	-
Idaho	205,000	2	75,000	1	77,565	1
Illinois	272,500	4	-	-	82,280	1
Indiana	-	-	-	-	-	-
Iowa	105,000	1	-	-	-	-
Kansas	105,000	1	-	-	-	-
Kentucky	205,000	2	-	-	-	-
Louisiana	-	-	105,000	1	-	-
Maine	372,500	5	352,500	4	58,864	2
Maryland	105,000	1	105,000	1	20,441	1
Massachusetts	137,812	2	105,000	1	-	-
Michigan	100,000	1	-	-	33,552	1
Minnesota	-	-	242,500	3	-	-
Mississippi	-	-	-	-	-	-
Missouri	-	-	212,500	3	-	-
Montana	105,500	2	151,875	2	20,586	1
Nebraska	280,000	3	-	-	95,465	2
Nevada	103,000	1	-	-	52,053	1
New Hampshire	-	-	-	-	-	-
New Jersey	105,000	1	-	-	64,407	1
New Mexico	-	-	205,000	2	-	-
New York	100,000	1	210,000	3	-	-
North Carolina	105,000	1	-	-	-	-
North Dakota	-	-	105,000	1	-	-
Ohio	-	-	167,500	2	18,706	1
Oklahoma	210,000	2	-	-	-	-
Oregon	125,000	2	-	-	-	-
Pennsylvania	305,000	4	112,000	2	102,349	2
Puerto Rico	-	-	105,000	1	-	-
Rhode Island	-	-	-	-	-	-
South Carolina	100,000	1	40,000	1	20,748	1
South Dakota	297,500	4	135,647	2	97,554	3
Tennessee	100,000	1	-	-	-	-
Texas	105,000	1	-	-	-	-
Utah	-	-	-	-	-	-
Vermont	-	-	-	-	-	-
Virgin Islands	-	-	-	-	-	-
Virginia	100,000	1	-	-	-	-
Washington	210,000	2	162,500	2	-	-
W. Pacific Areas	-	-	-	-	-	-
West Virginia	104,106	1	-	-	-	-
Wisconsin	415,619	6	104,900	1	94,842	2
Wyoming	112,500	2	-	-	-	-
Total	**$5,356,349**	**63**	**$3,159,672**	**39**	**903,371**	**21**

Rural Microenterprise Assistance Program Grants - FY 2012 Funding



RURAL MICROENTREPRENEUR ASSISTANCE GRANT PROGRAM FACTS

WHAT TYPE OF MDO IS ELIGIBLE?

- A non-profit entity
- A Federally recognized Native American Tribe
- A public institution of higher education

WHAT TYPES OF MICROENTERPRISE OR MICROENTREPRENEUR IS ELIGIBLE?

An eligible microenterprise is a sole proprietorship or business located in a rural area that employs 10 people or less, needs $50,000 or less in business capital, and/or needs business-based technical assistance and training.

WHAT TYPES OF PROJECTS ARE ELIGIBLE FOR RECEIVING A MICROLOAN?

- Working capital
- The purchase of furniture, fixtures, supplies, inventory, or equipment
- Debt refinancing
- Business acquisitions
- The purchase or lease of real estate that is already improved and will be used for the location of the subject business only – construction of any kind is strictly prohibited

WHAT TYPES OF TECHNICAL ASSISTANCE DOES THE PROGRAM PROVIDE?

Technical assistance grants, whether as part of a direct loan or a technical assistance only grant, are used by the MDO to provide education, guidance, or instruction to rural microentrepreneurs for the following reasons:

- Prepare them for self-employment
- Improve the state of their existing rural microenterprises
- Increase their capacity in a specific technical aspect of the subject business
- Help them achieve a degree of business preparedness so they can independently obtain a business loan

RURAL MICROENTREPRENEUR TECHNICAL ASSISTANCE PROGRAM GRANTS FY 2010 – FY 2011				
State	2010		2011	
	Amount	Number of Grants	Amount	Number of Grants
Alabama	-	-	-	-
Alaska	-	-	-	-
Arizona	-	-	-	-
Arkansas	-	-	-	-
California	205,000	2	120,000	3
Colorado	-	-	-	-
Connecticut	-	-	-	-
Delaware	-	-	-	-
Florida	-	-	-	-
Georgia	-	-	40,000	1
Hawaii	130,000	1	-	-
Idaho	-	-	-	-
Illinois	-	-	40,000	1
Indiana	-	-	-	-
Iowa	130,000	1	-	-
Kansas	-	-	-	-
Kentucky	-	-	40,000	1
Louisiana	-	-	-	-
Maine	-	-	-	-
Maryland	-	-	-	-
Massachusetts	-	-	-	-
Michigan	-	-	-	-
Minnesota	-	-	75,000	2
Mississippi	-	-	27,750	1
Missouri	-	-	-	-
Montana	130,000	1	27,750	1
Nebraska	-	-	-	-
Nevada	-	-	-	-
New Hampshire	-	-	-	-
New Jersey	-	-	-	-
New Mexico	-	-	-	-
New York	-	-	40,000	1
North Carolina	130,000	1	-	-
North Dakota	-	-	-	-
Ohio	130,000	1	-	-
Oklahoma	-	-	-	-
Oregon	-	-	-	-
Pennsylvania	85,000	1	-	-
Puerto Rico	-	-	-	-
Rhode Island	-	-	-	-
South Carolina	-	-	-	-
South Dakota	-	-	-	-
Tennessee	-	-	-	-
Texas	130,000	1	-	-
Utah	-	-	-	-
Vermont	-	-	-	-
Virginia	219,500	3	-	-
Washington	-	-	-	-
West Virginia	-	-	-	-
W. Pacific Areas	-	-	-	-
Wisconsin	-	-	-	-
Wyoming	-	-	-	-
Totals	**$1,289,500**	**12**	**$410,500**	**11**

ENERGY PROGRAMS

HELPING SECURE AMERICA'S ENERGY FUTURE

Energy Division programs provide grants, loan guarantees, and payment assistance to encourage the production of advanced biofuels, support the installation of renewable energy systems, and promote energy efficiency improvements. Our programs are as follows:

- Biorefinery Assistance Program
- Repowering Assistance Program
- Advanced Biofuel Payment Program
- Rural Energy for America Program

In FY 2012, the USDA Rural Development Energy Division provided $14.3 million in guaranteed loans to 18 agricultural producers and rural small businesses, and 4 guaranteed loans totaling $461.5 million for the construction of biorefineries that produce advanced biofuels.

The Energy Division also awarded almost $62 million in grants and assistance payments to encourage the installation of renewable energy systems and energy efficiency improvement projects.

Our funding supports the production of advanced biofuels, and helps existing biorefineries repower their facilities with fuel produced from renewable biomass.

Throughout FY 2012, 2,268 businesses received assistance from Energy Division programs for projects that help create or save almost 1,400 jobs. These energy projects will generate or save an estimated 8 billion kilowatt hours of energy, enough to power almost 696,000 homes for a year, and produce of 1.2 billion gallons of biofuels.

ENERGY DIVISION ACCOMPLISHMENTS – FY 2012

Program	Loans and Grants	Dollars Obligated	Jobs Created and Saved	Businesses Assisted	Projected kilowatt hours of energy produced/saved	Projected gallons of fuel contributing to RFS2
Biorefinery Assistance Program	4	461,500,000	237	4	-	61,300,000
Repowering Assistance Program	1	5,000,000	Direct Payment	1	269,577,960	-
Advanced Biofuel Payment Program	601	35,206,145	Direct Payment	189	6,986,504,257	1,744,347,988
Rural Energy for America Program - Loans	18	14,278,112	18	18	290,632,669	-
Rural Energy for America Program - Grants	854	21,634,127	1,114	2,056	523,611,975	1,100,180
Total	**1,478**	**$537,618,384**	**1,399**	**2,268**	**8,070,326,861**	**1,234,034,028**

BIOREFINERY ASSISTANCE PROGRAM

The Biorefinery Assistance Program provides loan guarantees for the development, construction, and retrofitting of new and emerging technologies for the development of advanced biofuels. The goals of the Biorefinery Assistance Program are:

- Increase the energy independence of the United States
- Promote resource conservation, public health, and safe environment
- Diversify markets for agricultural and forestry products and agricultural waste materials
- Create jobs and enhance economic development in rural America

BIOREFINERY ASSISTANCE PROGRAM – 3 YEAR FUNDING

Year	State	Biorefinery	Loan Guarantee Amount	Jobs Created and Saved	Fuel Produced	Advanced Biofuel Produced (1,000 of gallons)	Electricity Generated (Megawatts)
2010	New Mexico	Sapphire Energy	$54,500,000	30	Advanced aviation fuel and hydrotreated diesel	1,000	-
2011	Alabama	Coskata	$87,850,000	39	Cellulosic ethanol	12,000	
2011	Florida	INEOS New Planet Bioenergy	$75,000,000	50	Cellulosic ethanol and electric generation	8,000	6.0
2011	Michigan	Freemont Community Digester	$12,825,000	6	Electric Generation	--	2.9
2011	Mississippi	Enerkem	$80,000,000	70	Cellulosic ethanol	10,000	-
2012	Iowa	Fiberight, LLC	$25,000,000	38	Cellulosic ethanol	5,800	-
2012	Nevada	Fulcrum Sierra Biofuels, LLC	$105,000,000	53	Cellulosic ethanol	10,500	-
2012	North Carolina	Chemtex International, Inc.	$99,000,000	65	Cellulosic ethanol	20,000	-
2012	Oregon	ZeaChem Boardman Biorefinery, LLC	$232,500,000	65	Cellulosic ethanol	25,000	-
Total	**-**	**-**	**$771,675,000**	**416**	**-**	**92,300**	**8.9**

SUCCESS STORY

FIRST COMMERCIAL SCALE CELLULOSIC ETHANOL FACILITY TO BEGIN PRODUCTION

THE NEED:

In "Blueprint for a Secure Energy Future," President Obama commits the nation to creating at least four advanced biofuel refineries within the next two years. INEOS New Planet Energy, LLC, (INEOS) needed funding from the Federal Government to build its advanced biofuel biorefinery in Vero Beach, Florida.

HOW RURAL DEVELOPMENT HELPED:

In August 2011, USDA Rural Development issued a $75 million loan guarantee to support the construction of INEOS' biorefinery. INEOS also received a $50 million grant from the U.S. Department of Energy.

THE RESULTS:

In October 2012, INEOS completed construction of its cellulosic ethanol facility, making it the first commercial scale cellulosic ethanol biorefinery in the United States. At full capacity, the plant will process 300 dry tons per day of municipal solid waste, into 8 million gallons per year of cellulosic ethanol. The plant will also generate 6 megawatts of renewable electricity each year—enough energy to power the plant and 1,400 homes. Compared to gasoline, the ethanol production alone will reduce greenhouse gas emissions by an estimated 90 percent.

FAST FACTS:

- Area Served: Florida 15th Congressional District
- Investment: $75,000,000 loan guarantee
- Jobs created: 50 full-time jobs and 380 indirect jobs

INEOS New Planet Bioenergy Facility in Vero Beach, Florida

REPOWERING ASSISTANCE PROGRAM

The Repowering Assistance Program provides payments to biorefineries in existence as of June 18, 2008. These biorefineries use renewable biomass to replace the fossil fuel used to produce heat or power biorefineries.

REPOWERING ASSISTANCE PROGRAM – 3 YEAR FUNDING

Year	State	Biorefinery	Award Amount	Capacity (dekatherms)	Feedstock
2010	Iowa	Lincolnway Energy, Inc.	$1,955,272	983,436	Wood waste
2012	Kansas	Western Plains Energy	$5,000,000	1,696,678	Manure / distiller grains

SUCCESS STORY

ANAEROBIC DIGESTER PRODUCES 1.6 MILLION DEKATHERMS OF RENEWABLE ENERGY

THE NEED:
Founded in 2001, Western Plains Energy, LLC (WPE) operates a 52 million gallon per year ethanol facility in a rural area of northwestern Kansas. WPE wanted to reduce its energy costs in a significant way. The company applied for payments from the Repowering Assistance Program to replace the fossil fuels (natural gas) it used to produce heat and power for the facility. The replacement system would use renewable biomass to heat and power the plant.

HOW RURAL DEVELOPMENT HELPED:
In April 2012, USDA Rural Development approved a $5 million Repowering Assistance Program payment to WPE to support the construction of a biogas anaerobic digester at their ethanol facility.

THE RESULTS:
WPE recently completed construction of its biogas anaerobic digester. The biogas from the digester comes from manure from a local cattle feedlot, grain dust, and food waste from industrial and municipal facilities. The digester, which becomes operational in 2013, will offset almost 90 percent of the natural gas currently consumed by WPE, and should generate over 1.6 million dekatherms of renewable power.

The project will create 15 full-time positions and 100 construction jobs.

FAST FACTS:
- Area served: Kansas 1st Congressional District
- Investment: $5,000,000 payment
- Results: 1.6 million dekatherms of renewable power
- Jobs created: 15 full-time jobs created and 100 construction jobs

Western Plains Energy, LLC's anaerobic digester

ADVANCED BIOFUEL PAYMENT PROGRAM

The Advanced Biofuel Payment Program provides payments to producers to support and expand production of advanced biofuels refined from sources other than corn kernel starch.

NEW ENERGY INITIATIVE

WOOD-TO-ENERGY INITIATIVE – USDA AGENCIES COLLABORATE TO RESTORE OUR NATION'S FORESTS AND HELP COMMUNITIES DIVERSIFY THEIR ENERGY USE

USDA Rural Development, in partnership with the Farm Services Agency and the Forest Service, is working collaboratively to support biomass projects. These projects help manage the health of our nation's forest, reduce the threat of wildfires, and serve as economic engines for rural communities.

Across rural America, biomass processing into wood pellets and wood chips helps communities diversify their energy sources, create jobs, and save on utility bills. Our nation's forests face challenges associated with drought, wildfire, invasive species, and unprecedented out breaks of insects and disease. In 2012, the Forest Service estimated that between five and eighty-two million acres of national forests and grasslands are in urgent need of restoration – more than four out of every ten acres.

Building relationships and longstanding partnerships with Native American tribes, states, private landowners, and other stakeholders help address issues facing the nation's landscape. Working collaboratively with its USDA partners, the Forest Service has announced a schedule to boost restoration and thinning programs by 20 percent each year in areas that face the greatest danger of catastrophic fire.

Making full use of woody biomass for heat, power, electricity, and advanced biofuels will significantly bolster this restoration effort. In 2012, the USDA's Rural Development Energy Division awarded over $235 million in loan guarantees, grants, and assistance payments that contributed directly to the USDA's Wood-to-Energy Initiative.

The USDA's Rural Energy for America Program awarded $900,439 in grants and $1.3 million in loan guarantee authority for 15 woody biomass solid fuel (pellets) and thermal conversion projects.

Lignetics of Idaho, Inc., participated in the Advanced Biofuels Payment Program, contributing significantly to the USDA's Wood-to-Energy Initiative

ADVANCED BIOFUEL PAYMENTS PROGRAM 3 YEAR FUNDING			
State	2010	2011	2012
Alaska	-	2,204	-
Alabama	-	765	-
Arkansas	714,775	2,251,417	851,037
Arizona	1,691,533	2,866,280	81,889
California	88,126	1,542,321	1,975,960
Colorado	-	33,579	3,572
Connecticut	-	223,951	16,615
Florida	14,635	364,463	758,977
Georgia	426,391	1,348,107	158,978
Hawaii	10,947	112,420	38,140
Iowa	2,403,347	13,499,571	2,838,271
Idaho	257,701	442,381	43,137
Illinois	795,701	8,146,862	2,981,360
Indiana	273,131	10,935,160	2,059,365
Kansas	4,692,517	16,578,279	8,400,364
Kentucky	21,851	3,740,310	1,013,723
Maine	516,171	389,802	29,603
Massachusetts	-	16,462	11,329
Michigan	15,663	111,433	44,446
Minnesota	1,341,367	7,631,087	1,697,512
Missouri	957,304	11,261,219	2,542,192
Mississippi	157,986	1,186,143	399,671
Montana	-	-	-

ADVANCED BIOFUEL PAYMENTS PROGRAM 3 YEAR FUNDING			
State	2010	2011	2012
North Carolina	26,569	363,720	52,062
Nebraska	1,863,114	5,322,685	1,278,839
New Hampshire	-	432,989	73,423
New Mexico	-	51,633	9,537
Nevada	10,537	67,156	10,799
New York	107,059	243,417	48,573
Ohio	5,639	213,340	338,353
Oklahoma	501,713	4,364,762	2,461,940
Oregon	2,189	2,405,402	258,580
Pennsylvania	26,423	19,768,247	1,757,179
Rhode Island	-	64,692	13,060
South Carolina	-	-	117,704
South Dakota	-	84,228	6,364
Tennessee	3,556	94,713	28,337
Texas	653,143	15,905,453	1,629,184
Utah	-	-	17,170
Virginia	53,577	431,491	105,814
Vermont	-	34,594	5,376
Washington	557,257	2,165,902	842,331
Wisconsin	347,136	1,305,504	194,635
West Virginia	-	120,129	10,744
Wyoming	-	1,193	-
Total	**$18,537,058**	**$136,125,466**	**$35,206,143**

RURAL ENERGY FOR AMERICA PROGRAM

The Rural Energy for America Program (REAP) provides loan guarantees and grants to agricultural producers and rural small businesses so they can install renewable energy systems, make energy efficiency improvements, conduct energy audits, provide renewable energy development assistance, and conduct feasibility studies for renewable energy systems.

OUTREACH INITIATIVE

USDA RURAL DEVELOPMENT STATE OFFICES HOLD ENERGY STAKEHOLDER MEETINGS THROUGHOUT THE COUNTRY

Throughout the first quarter of 2012, the 47 USDA Rural Development State Offices held energy stakeholder meetings across the country to discuss ways the Rural Energy for America Program (REAP) can assist rural businesses with their energy needs. Meeting participants included local lenders, grant writers, small business owners, state and local government representatives, and Federal Government agencies.

Over the past nine years, REAP has helped over 13,000 businesses install renewable energy systems. REAP has also helped stimulate economic growth and prosperity in rural America by creating and saving thousands of jobs. Since 2008, the amount of renewable energy produced in the U.S., from wind, solar, and geothermal sources, has nearly doubled thanks in part to REAP.

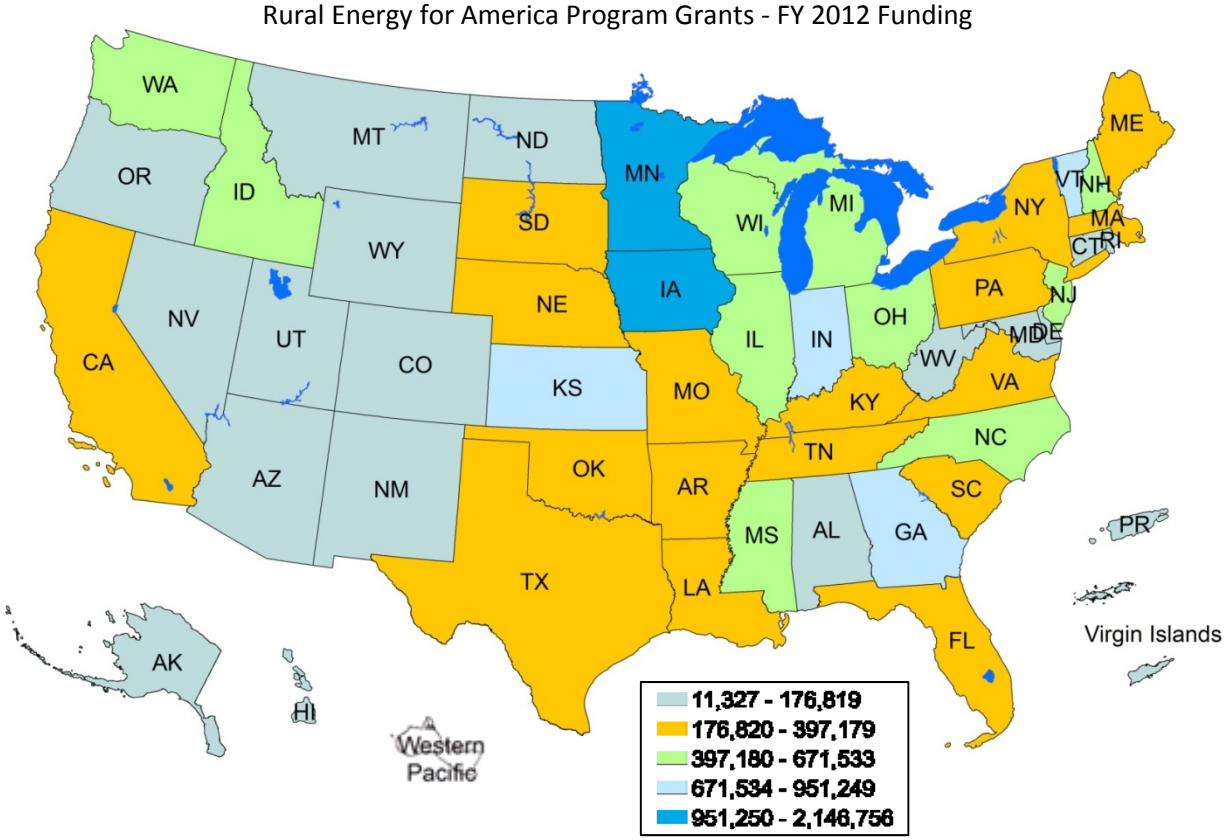
HIGHLIGHTS FROM 2012 ENERGY STAKEHOLDER MEETINGS

- In February 2012, USDA Rural Development Under Secretary Dallas Tonsager hosted a stakeholders meeting in Sioux Falls, South Dakota to discuss renewable energy funding opportunities with a group of 25 participants
- On March 20, 2012, Agriculture Secretary Vilsack released a forty-four page report highlighting the ways REAP contributes to U.S. energy independence and helps rural small businesses and farmers become energy efficient
- On April 10, 2012, Minnesota Senator Al Franken, along with farmers, small business owners, and energy partners, gathered in Mankato, Minnesota to discuss the REAP opportunities. Since 2003, 674 projects received REAP funding in Minnesota.

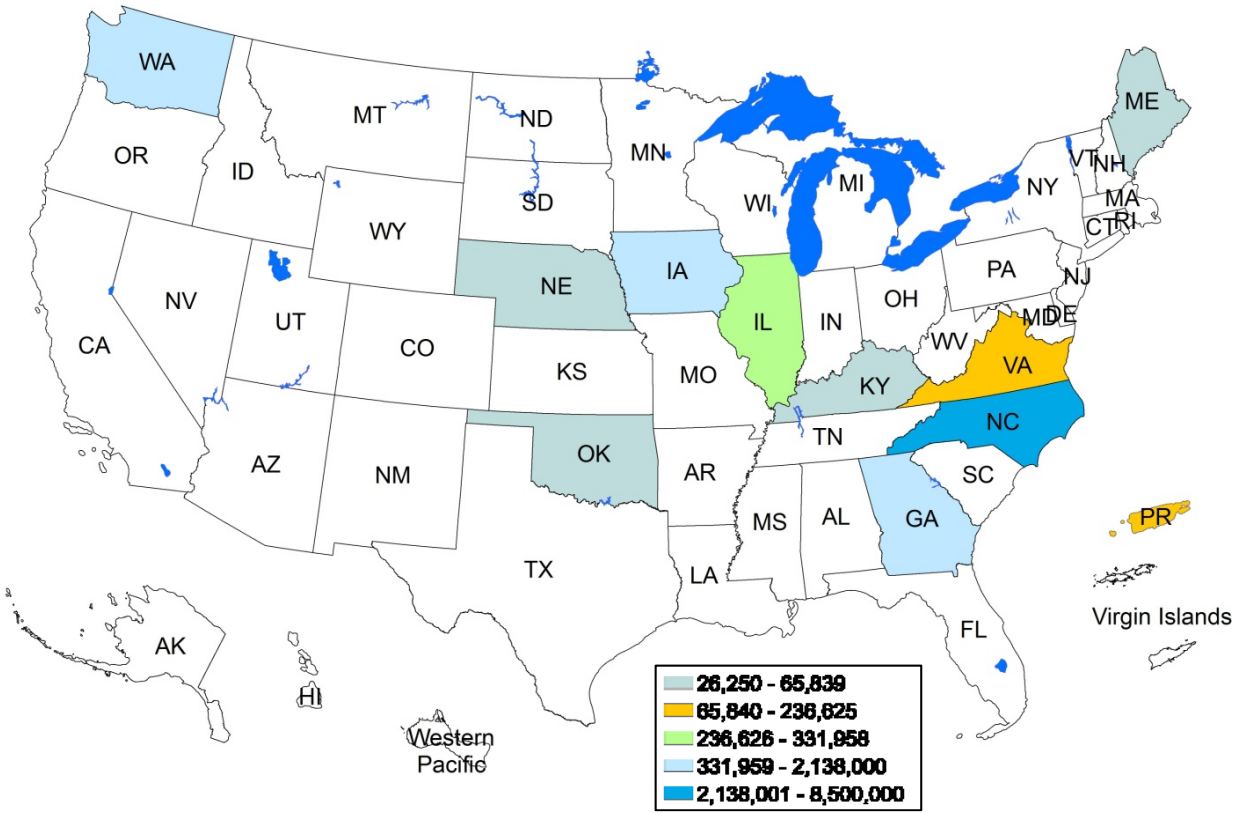
Senator Al Franken and Minnesota Rural Development State Director Colleen Landkamer participate in a roundtable meeting on the USDA Rural Energy for America Program

RENEWABLE ENERGY SYSTEMS AND ENERGY EFFICIENCY IMPROVEMENT GRANTS AND LOAN GUARANTEES - 3 YEAR FUNDING						
State/Territory	2010		2011		2012	
	Grants	Loans	Grants	Loans	Grants	Loans
Alabama	1,096,161	593,791	931,604	-	175,788	-
Alaska	254,123	-	759,426	-	128,000	-
Arizona	502,333	-	442,925	-	135,163	-
Arkansas	999,604	44,813	858,253	87,610	217,969	-
California	1,417,328	406,000	1,134,283	1,410,000	260,000	-
Colorado	474,562	95,000	706,541	-	149,899	-
Connecticut	71,745	63,500	497,786	-	18,885	-
Delaware	70,293	-	132,607	-	75,979	-
Florida	125,000	-	626,452	-	221,796	-
Georgia	3,319,908	1,567,179	1,425,419	-	949,546	1,304,390
Hawaii	427,891	232,200	168,216	190,000	92,619	-
Idaho	976,692	1,500,000	1,886,762	-	528,816	-
Illinois	4,266,170	2,434,970	1,521,653	49,750	465,571	331,958
Indiana	3,786,132	1,531,118	1,623,718	137,008	951,249	-
Iowa	20,126,175	24,055,933	4,436,052	1,293,238	2,146,756	1,420,450
Kansas	818,573	148,345	796,043	-	791,717	-
Kentucky	1,440,948	1,355,629	1,309,685	88,520	311,937	26,250
Louisiana	679,276	1,000,000	582,956	-	206,307	-
Maine	534,569	1,667,781	488,961	-	321,108	52,000
Maryland	747,994	-	436,064	-	146,450	-
Massachusetts	425,725	1,588,613	423,668	-	397,179	-
Michigan	2,194,168	391,131	2,227,354	30,000	607,833	-
Minnesota	5,799,265	2,237,408	2,623,658	137,102	1,908,410	-
Mississippi	666,152.53	-	892,337	-	496,871	-
Missouri	1,986,417	5,810,917	1,049,304	174,999	247,000	-
Montana	418,294	10,200	271,712	153,231	131,878	-
Nebraska	2,834,914	3,031,260	1,205,493	20,900	365,198	54,700
Nevada	213,748	-	135,535	-	115,000	-
New Hampshire	218,683	409,997	226,941	99,500	568,612	-
New Jersey	1,234,253	783,887	1,573,324	-	589,395	-
New Mexico	340,883	600,000	454,374	250,000	135,688	-
New York	1,780,633	1,219,487	1,257,201	-	377,641	-
North Carolina	2,705,082	926,000	1,867,441	9,000,000	671,533	8,500,000
North Dakota	718,526	530,684	682,611	-	124,000	-
Ohio	5,461,997	7,029,505	3,870,551	7,438,750	552,270	-
Oklahoma	268,938	136,152	767,161	257,173	202,545	65,839
Oregon	1,256,736	81,093	1,297,853	10,850,000	176,819	-
Pennsylvania	1,647,086	867,065	2,625,273	-	382,495	-
Puerto Rico	-	-	341,926	-	91,950	147,900
Rhode Island	159,773	-	23,620	-	48,275	-
South Carolina	823,532	923,521	739,384	-	204,217	-
South Dakota	1,768,333	1,629,277	873,100	269,145	368,408	-
Tennessee	1,694,612	1,658,691	1,743,110	-	353,466	-
Texas	1,114,006	-	3,224,100	-	349,000	-
Utah	172,091	-	1,729,005	287,000	127,000	-
Vermont	1,806,685	3,710,252	582,890	527,703	941,642	-
Virgin Islands	-	-	-	-	98,568	-
Virginia	759,922	-	1,020,141	-	245,092	236,625
Washington	676,887	1,386,500	634,909	-	637,635	2,138,000
West Virginia	-	-	215,140	-	45,373	-
Western Pacific	355,860	254,000	33,757	-	-	-
Wisconsin	2,103,223	1,086,605	1,589,641	1,321,187	497,273	-
Wyoming	-	-	100,568	-	11,327	-
Total	**$84,741,902**	**$72,998,504**	**$57,068,488**	**$34,072,816**	**$20,365,148**	**$14,278,112**

Rural Energy for America Program Grants - FY 2012 Funding



Rural Energy for America Program Loans - FY 2012 Funding



REAP FEASIBILITY STUDY GRANT PROGRAM

The REAP Feasibility Study Grant Program helps agricultural producers and rural small businesses complete feasibility studies for renewable energy systems that are eligible for REAP renewable energy system grants and/or loan guarantees. Feasibility studies are required in applications for USDA and other government energy programs.

REAP FEASIBILITY STUDY GRANT AWARDS 2 YEAR FUNDING		
State/Territory	2011	2012
Alaska	50,000	-
Arizona	-	-
Arkansas	-	-
California	8,250	-
Colorado	51,500	30,000
Connecticut	-	-
Georgia	21,875	-
Hawaii	60,633	-
Idaho	89,874	119,750
Indiana	23,406	-
Iowa	120,765	-
Kansas	-	-
Kentucky	20,000	-
Louisiana	-	7,500
Maine	18,270	2,375
Maryland	11,625	-
Massachusetts	-	-
Michigan	125,246	-
Minnesota	200,000	-
Missouri	112,875	-
Montana	45,250	-
Nebraska	82,502	-
New Hampshire	-	-

REAP FEASIBILITY STUDY GRANT AWARDS 2 YEAR FUNDING		
State/Territory	2011	2012
New Jersey	147,500	-
New Mexico	8,978	10,000
New York	49,274	-
North Carolina	49,625	-
North Dakota	10,000	-
Ohio	128,750	-
Oklahoma	50,000	-
Oregon	186,037	70,483
Puerto Rico	9,575	-
Rhode Island	100,000	-
South Carolina	10,000	12,000
South Dakota	250,000	-
Tennessee	25,000	-
Texas	330,551	-
Utah	140,000	65,000
Vermont	65,000	50,000
Virginia	10,000	-
Washington	112,150	8,371
West Virginia	50,000	-
Western Pacific	71,931	-
Wisconsin	21,500	13,500
Wyoming	-	-
Total	**$2,867,942**	**$388,979**

Farmers use REAP Feasibility Study Grants to evaluate wind technology as a possible source of energy

SUCCESS STORY

REAP GRANT HELPS PAINT COMPANY OFFSET ENERGY EXPENSES

THE NEED:

Master Paints & Chemical Corporation (Master Paints), a paint manufacturer located in Guayanila, Puerto Rico, is one of the area's largest employers. Each year, the company pays about $180,000 in energy cost, which makes saving energy a high priority for this rural business.

HOW RURAL DEVELOPMENT HELPED:

USDA Rural Development provided Master Paints with a $206,995 Rural Energy for America Program (REAP) grant, which the company used to purchase and install a 286,000- kilowatt hours (kWh) solar energy system. Master Paints also received a $380,787 Green Energy Fund (GEF) grant from Government of Puerto Rico to pay for the project.

THE RESULTS:

The new solar system will produce 286,000-kilowatt hours per year, offset 100 percent of the company's annual energy consumption, and reduced Master Paint & Chemical Corporation's carbon footprint.

FAST FACTS:

- Investment: $206,995 REAP Renewable Energy Systems Grant and a $380,787 GEF grant
- Results: Company offset 100 percent of its annual energy consumption and annual electricity expenses

Master Paints' solar electric system, funded by a REAP grant

RENEWABLE ENERGY SYSTEMS AND ENERGY EFFICIENCY IMPROVEMENT AWARDS BY TECHNOLOGY FY-2012

Technology	Number of Projects	Grant Amount	Loan Amount	Amount Leveraged	Projected Energy Saved/Generated (1,000 KWH)	Projected Greenhouse Gas Reduction (CO2)
Biomass						
• Anaerobic Digester	3	613,000	7,138,000	6,528,828	24,538	23,663
• Biodiesel Production	1	20,000	-	151,790	-	-
• Biofuel from Waste	2	232,225	-	771,675	143,024	118,862
• Solid Fuel Production	5	620,788	1,304,390	12,937,519	312,919	321,770
• Thermal Conversion	10	279,651	-	925,045	8,709	8,501
Energy Efficiency	507	7,925,564	767,372	28,864,526	129,357	132,297
Flexible Fuel Pump	13	471,065	-	1,495,377	74,037	78,773
Geothermal	28	745,154	-	2,280,156	39,225	2,836
Hybrid	4	72,904	-	246,294	96	92
Hydroelectric/Hydropower	4	360,135	-	1,227,550	927	782
Solar	210	6,470,619	3,647,900	52,136,737	22,690	21,120
Wind	57	2,554,043	1,420,450	15,357,837	58,723	77,460
Total	**844**	**$20,365,148**	**$14,278,112**	**$122,923,334**	**814,245**	**786,156**

SUCCESS STORY

REAP ENERGY EFFICIENCY IMPROVEMENT OFFSET ENERGY EXPENSES

THE NEED:

DS Cole Growers of Loudon, New Hampshire, provides wholesale vegetable plants to nurseries throughout the New England area. The company employs 28 workers at it a 150,000 square foot commercial greenhouse. DS Cole is renowned for integrating high-efficiency and innovative technology into their operations.

DS Cole Growers wanted to lower its energy expenses and reduce its dependence on natural gas; so, the company installed energy curtains in their grow houses.

HOW RURAL DEVELOPMENT HELPED:

DS Cole Growers received a $40,318 Rural Energy for America (REAP) Energy Efficiency Improvement grant to help offset the cost of purchasing and installing new energy curtains.

THE RESULTS:

The project will save the company over 2.2 million British thermal units (Btu) per year, or over $30,000 in energy expenses.

FAST FACTS:

- Area Served: New Hampshire 2nd Congressional District
- Investment: $40,318 REAP Energy Efficiency Improvement Grant
- Results: 2.2 million Btu saved each year, equivalent to $30,000 in energy expenses

Energy efficient curtains help reduce energy cost

REAP ENERGY AUDIT AND RENEWABLE ENERGY DEVELOPMENT ASSISTANCE PROGRAM

The REAP Energy Audit and Renewable Energy Development Assistance Grant Program provides grant assistance to entities that will assist agriculture producers and rural small businesses by conducting energy audits and providing information on renewable energy development assistance.

ENERGY AUDIT AND RENEWABLE ENERGY DEVELOPMENT ASSISTANCE – 3 YEAR FUNDING

State/Territory	2010	2011	2012
Alabama	100,000	97,500	-
Arkansas	97,673	-	-
Arizona	82,125	-	100,000
Colorado	100,000	134,825	50,000
Florida	-	-	100,000
Georgia	100,000	100,000	100,000
Hawaii	-	100,000	-
Iowa	96,380	132,427	-
Idaho	-	100,000	-
Illinois	198,000		-
Indiana	93,374	96,531	-
Kentucky	100,000	100,000	100,000
Louisiana	136,448	-	-
Maine	200,000	200,000	180,000
Michigan	100,000	100,000	-
Minnesota	98,000	100,000	-

ENERGY AUDIT AND RENEWABLE ENERGY DEVELOPMENT ASSISTANCE – 3 YEAR FUNDING

State/Territory	2010	2011	2012
Missouri	100,000	-	-
Nebraska	-	-	-
North Carolina	100,000	199,820	-
New Mexico	-	100,000	-
Nevada	-	99,935	-
Ohio	-	-	-
Oregon	200,000	174,209	100,000
Pennsylvania	198,000	199,676	-
Rhode Island	-	50,000	-
South Carolina	-	-	-
South Dakota	100,000	-	-
Washington	100,000	200,000	90,000
Wisconsin	-	-	60,000
West Virginia	100,000	100,000	-
Wyoming	-	160,000	-
Total	**$2,400,000**	**$2,544,923**	**$880,000**

BUILDING STRONGER RURAL COMMUNITIES THROUGH INNOVATION AND OUTREACH

Cooperative Programs help expand the knowledge of the cooperative method of conducting business, help rural businesses form new cooperatives, and help existing cooperatives improve their operations.

The cooperative form of organizational governance is another cornerstone of business development in rural communities.

Cooperatives provide rural communities with economic benefits in the form of employment opportunities, enhanced educational and health care services, and products that enable them to compete with their urban and suburban counterparts. The benefit of cooperatives is that its businesses, employment opportunities, and revenues remain local.

Cooperatives exist in the traditional form as agricultural producers that economically enhance their farm businesses. Cooperatives exist in the non-traditional form as businesses that bring day care services to rural communities or new generation biofuel businesses that lessen the nation's dependence on foreign oil.

USDA/Rural Development's Cooperative Programs delivers programs, conducts cooperative related research, provides technical assistance, and produces a wide variety of information products to promote public understanding of cooperatives.

Cooperative Programs helps expand knowledge of the cooperative method of conducting business to local companies, helps rural residents form new cooperatives and improve the operations of existing ones, and provides reports and other publications to all types of rural cooperatives.

COOPERATIVE PROGRAMS

Through its Cooperative Programs, Rural Business-Cooperative Service provides grants, education and research materials, technical assistance, and statistical information that help rural businesses and cooperatives compete in today's global marketplace. With more than 80 years of experience working with the cooperative sector, Cooperative Programs is the only Federal agency charged with that responsibility.

PROGRAM DELIVERY

Cooperative Programs administers the Rural Business Opportunity Grant (RBOG), Rural Cooperative Development Grant (RCDG), Small Socially-Disadvantaged Producer Grant (SSDPG), and the Value-Added Producer Grant (VAPG) programs.

COOPERATIVE PROGRAMS AWARDS – FY 2012

Program	Awards	Amount
Rural Business Opportunity Grant (RBOG)	42	2,327,605
Rural Cooperative Development Grant (RCDG)	35	5,800,000
Small Socially-Disadvantaged Producer Grant (SSDPG)	19	3,000,000
Value-Added Producer Grant (VAPG)	299	40,273,811
Total	**395**	**$51,401,416**

RURAL BUSINESS OPPORTUNITY GRANT PROGRAM (RBOG)

The Rural Business Opportunity Grant program promotes sustainable economic development in rural communities with exceptional needs. Recipients use RBOG to fund community and technology-based economic development projects, feasibility studies, leadership and entrepreneur training, rural business incubators, and long-term business strategic planning.

EXAMPLES OF RBOG AWARDS:

- **The Northwest Agriculture Business Center** in Mount Vernon, Washington received a $50,000 Rural Business Opportunity Grant that it will use to provide technical support for existing agricultural processors and incubate new processors of agricultural products in Northwest Washington. The Center will utilize long-term business strategic planning to improve economic conditions in rural areas.

- **The Crow Indian Tribe** in Montana received a $50,000 Rural Business Opportunity Grant that it will use to support the preparation of an Economic Development Strategic Plan for the Crow Indian Reservation. The plan will identify goals, strategies, and implementation actions the Tribe can use for to create new businesses in energy and mining.

- **The Seneca Nation of Indians** in Salamanca, New York received a $119,976 Rural Business Opportunity Grant to develop the Seneca Nation's Small Business Development Incubator Program. The program will provide technical assistance for entrepreneur counseling, training, and mentoring for existing and prospective rural entrepreneurs.

RURAL COOPERATIVE DEVELOPMENT GRANT (RCDG)

The Rural Cooperative Development Grant program provides grants to public, nonprofit organizations, and institutions of higher learning so they can establish and operate centers for cooperative development.

The centers provide technical assistance that will help improve the economic condition of rural areas through the development of new cooperatives and improved operation of existing cooperatives.

EXAMPLES OF RCDG AWARDS

- **Mississippi Association of Cooperatives** will use a $175,000 Rural Cooperative Development Grant to provide small and minority farmers with development assistance. The Center focuses the vast majority of its efforts on the most distressed rural areas of the state. The group helps minority farmers establish financially sound businesses.

- **The California Center for Cooperative Development** will use a $175,000 Rural Cooperative Development Grant to develop new cooperatives, promote community-supported agriculture, strengthen the marketing of small farm production, and develop systems to link growers with regional consumers. The Center also plans to improve the economic condition of local farmers by helping them form cooperative corporations to enhance their marketplace position.

SMALL SOCIALLY-DISADVANTAGED PRODUCER GRANT (SSDPG)

The Small Socially-Disadvantaged Producer Grant program provides technical assistance to small, socially-disadvantaged agricultural producers in rural areas.

Eligible applicants include cooperatives, groups of cooperatives, and cooperative development centers.

EXAMPLES OF SSDPG AWARDS

- **Kohala Center** in Kamuela, Hawaii received a $128,471 Small Socially-Disadvantaged Producer Grant award. The Center will use the SSDPG to funds to deliver technical assistance training in agricultural production and processing, agricultural business development and marketing, farm-based energy systems design, food safety certification, rangeland management, cooperative membership training, and financial capacity building. Approximately 240 small socially disadvantaged producers will benefit from this training.

- **ANACH "Our Food"** in Bird Island, Minnesota received a $163,000 Small Socially-Disadvantaged Producer Grant that will help the cooperative add value to the community by developing locally-grown organic Micronesian traditional foods. Our Food will also use the grant to work with local and regional producers to distribute these foods.

VALUE-ADDED PRODUCER GRANT (VAPG)

The Value-Added Producer Grant program encourages independent agricultural producers to refine or enhance their raw products into marketable goods, which increases the value of the product and the returns to producers.

Since 2001, Cooperative Programs awarded over 1,500 planning and working capital grants for specialty meats, fruits, vegetables, dairy products, forest products, and renewable energy projects.

The Value-Added Producer Grant program also supports the USDA's 'Know Your Farmer, Know Your Food' initiative and other local and regional food programs.

EXAMPLES OF VAPG AWARDS

- **Green Mountain Organic Creamery, LLC** in North Ferrisburgh, Vermont received a $300,000 grant to market certified organic, ice cream, and other dairy products to communities throughout the Northeast. In 2011, Green Mountain received the Vermont Dairy of the Year award.

- **Living Water Farms, Inc.**, located in Strawn, Illinois, received a $300,000 working capital award to produce fresh hydroponic greens for specialty markets in the Midwest. The grant will help the company distribute its products to restaurants, specialty retail shops, and institutional outlets.

VAPG recipient, Living Water Farms, Inc. produces hydroponic greens for specialty markets in the Midwest

RURAL BUSINESS OPPORTUNITY GRANT PROGRAM

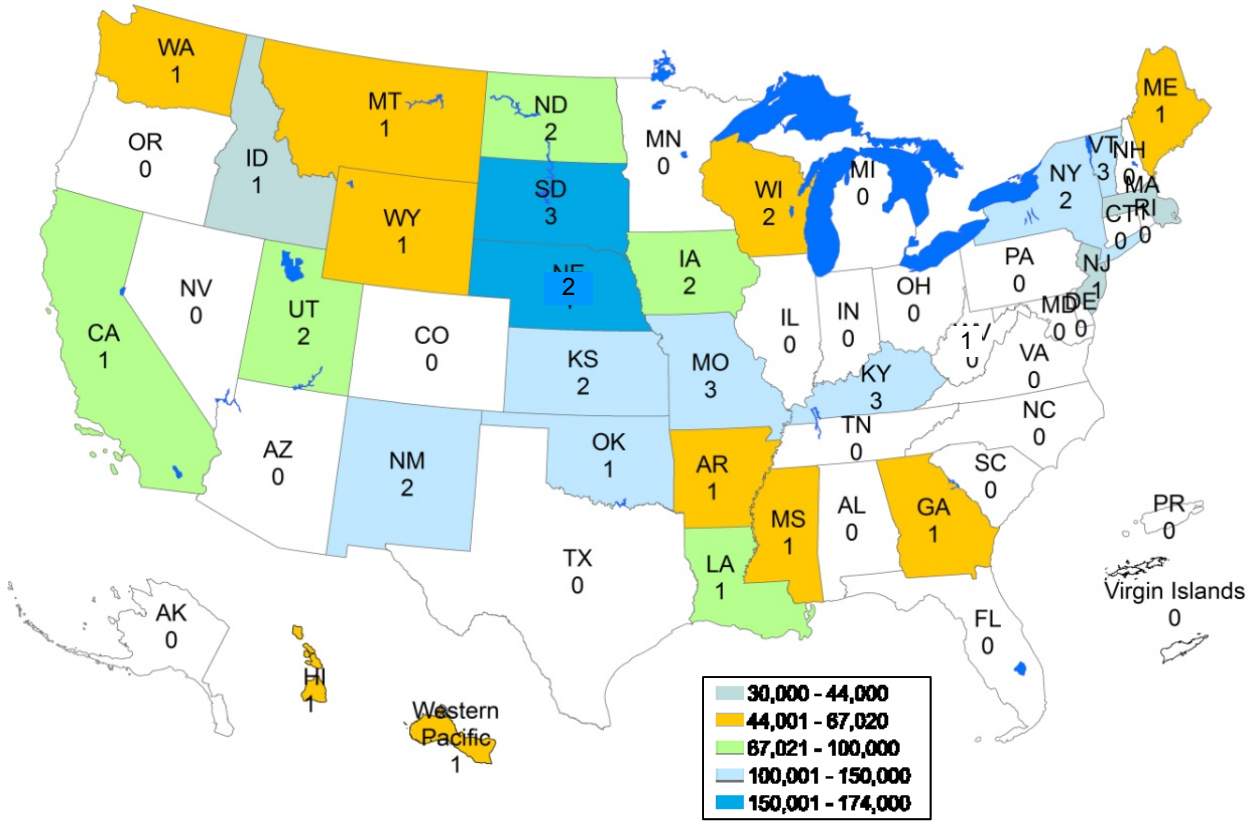
The Rural Business Opportunity Grant Program (RBOG) promotes sustainable economic development in rural communities with exceptional needs through provision of training and technical assistance. *Tribal awards

State/Territory	Amount
Alabama	-
Alaska	-
Arizona	-
Arkansas	49,500
California*	74,500
Colorado	-
Connecticut	-
Delaware	-
District of Columbia	-
Florida	-
Georgia	50,000
Hawaii	49,970
Idaho	30,000
Illinois	-
Indiana	-
Iowa	99,996
Kansas*	92,445
Kansas	50,000
Kentucky	140,813
Louisiana*	75,000

State/Territory	Amount
Maine	-
Maryland	-
Massachusetts	43,973
Michigan	-
Minnesota	-
Mississippi	49,664
Missouri	121,380
Montana*	50,000
Nebraska*	185,200
Nevada	-
New Hampshire	-
New Jersey	44,000
New Mexico*	88,000
New Mexico	50,000
New York*	119,976
New York	25,864
North Carolina	-
North Dakota	100,000
Ohio	-
Oklahoma*	150,000

State/Territory	Amount
Oregon	-
Pennsylvania	-
Rhode Island	-
South Carolina	-
South Dakota*	108,579
South Dakota	50,000
Tennessee	-
Texas	-
Utah*	63,900
Utah	14,000
Vermont	133,825
Virgin Islands	-
Virginia	-
Washington	50,000
West Virginia	50,000
Western Pacific	50,000
Wisconsin	67,020
Wyoming	-
Total	**$2,327,605**

Rural Business Opportunity Grant Program – FY 2012 Funding



RURAL COOPERATIVE DEVELOPMENT GRANT PROGRAM

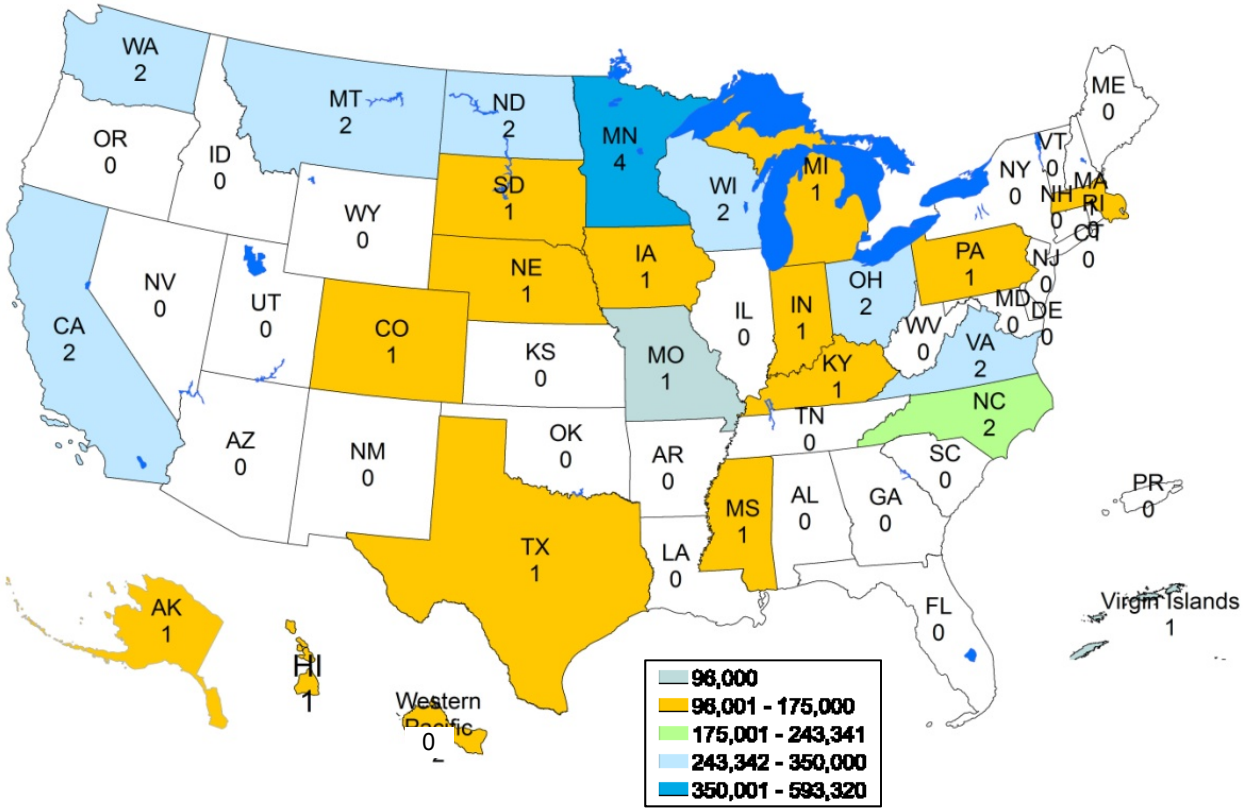
The Rural Cooperative Development Grant (RCDG) program provides grants to public, nonprofit organizations, and institutions of higher learning to establish and operate centers for cooperative development.

State/Territory	Amount
Alabama	-
Alaska	175,000
Arizona	-
Arkansas	-
California	350,000
Colorado	175,000
Connecticut	-
Delaware	-
District of Columbia	see Maryland
Florida	-
Georgia	-
Hawaii	175,000
Idaho	-
Illinois	-
Indiana	175,000
Iowa	175,000
Kansas	-
Kentucky	175,000

State/Territory	Amount
Louisiana	-
Maine	-
Maryland	175,000
Massachusetts	175,000
Michigan	174,999
Minnesota	593,340
Mississippi	175,000
Missouri	96,000
Montana	317,361
Nebraska	175,000
Nevada	-
New Hampshire	-
New Jersey	-
New Mexico	-
New York	-
North Carolina	243,341
North Dakota	350,000
Ohio	349,982

State/Territory	Amount
Oklahoma	-
Oregon	-
Pennsylvania	175,000
Rhode Island	-
South Carolina	-
South Dakota	175,000
Tennessee	-
Texas	174,977
Utah	-
Vermont	-
Virgin Islands	-
Virginia	350,000
Washington	350,000
West Virginia	-
Western Pacific	-
Wisconsin	350,000
Wyoming	-
Total	**$5,800,000**

Rural Cooperative Development Grant Program – FY 2012 Funding



SMALL SOCIALLY-DISADVANTAGED PRODUCER GRANT PROGRAM

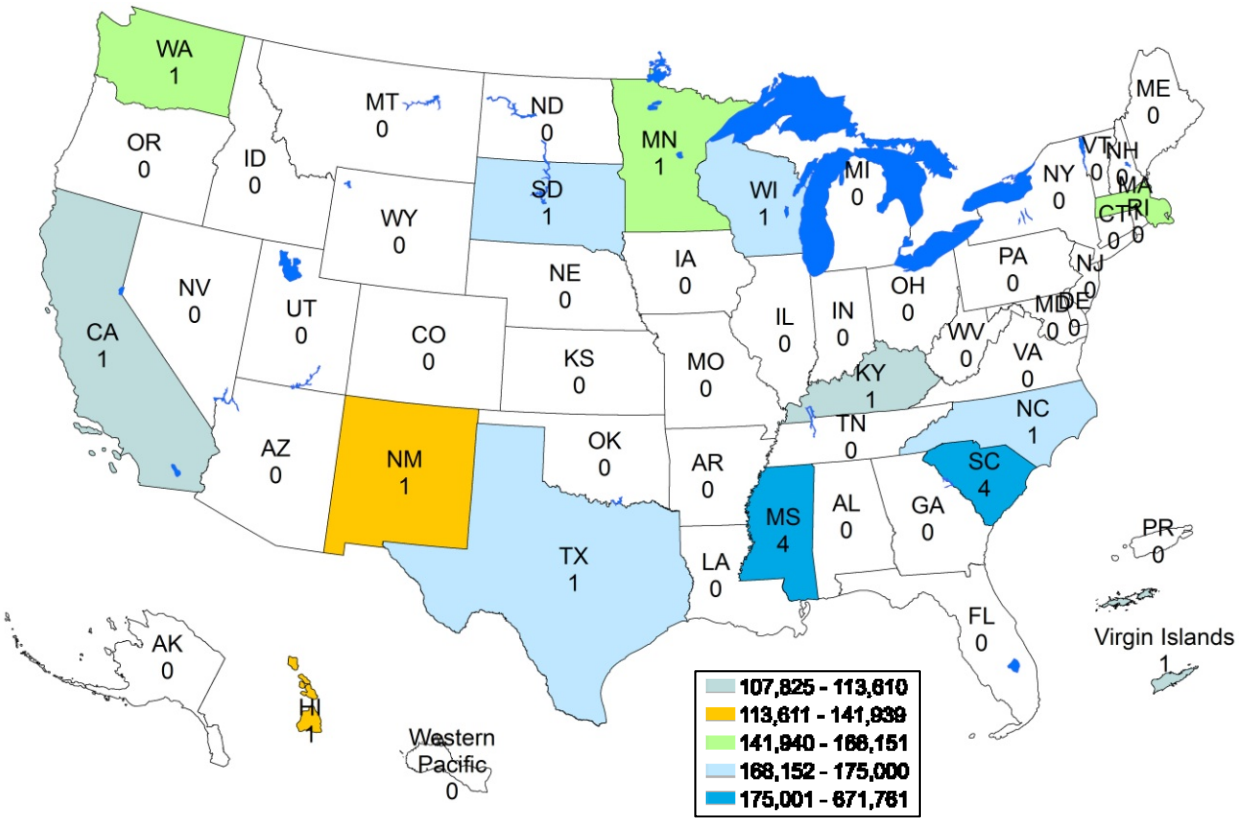
The Small Socially-Disadvantaged Producer Grant Program (SSDPG) provides grants to cooperatives or associations of cooperatives who assist small minority producers. The governing boards or membership must be at least 75 percent minority.

State/Territory	Amount
Alabama	-
Alaska	-
Arizona	-
Arkansas	-
California	113,610
Colorado	-
Connecticut	-
Delaware	-
District of Columbia	-
Florida	-
Georgia	-
Hawaii	128,471
Idaho	-
Illinois	-
Indiana	-
Iowa	-
Kansas	-
Kentucky	107,825

State/Territory	Amount
Louisiana	-
Maine	-
Maryland	-
Massachusetts	168,151
Michigan	-
Minnesota	163,000
Mississippi	671,761
Missouri	-
Montana	-
Nebraska	-
Nevada	-
New Hampshire	-
New Jersey	-
New Mexico	141,939
New York	-
North Carolina	173,087
North Dakota	-
Ohio	-

State/Territory	Amount
Oklahoma	-
Oregon	-
Pennsylvania	-
Rhode Island	-
South Carolina	642,565
South Dakota	175,000
Tennessee	-
Texas	175,000
Utah	-
Vermont	-
Virgin Islands	-
Virginia	-
Washington	165,595
West Virginia	-
Western Pacific	-
Wisconsin	174,996
Wyoming	-
Total	**$3,000,000**

Small Socially-Disadvantaged Producer Grant Program – FY 2012 Funding



VALUE-ADDED PRODUCER GRANT PROGRAM

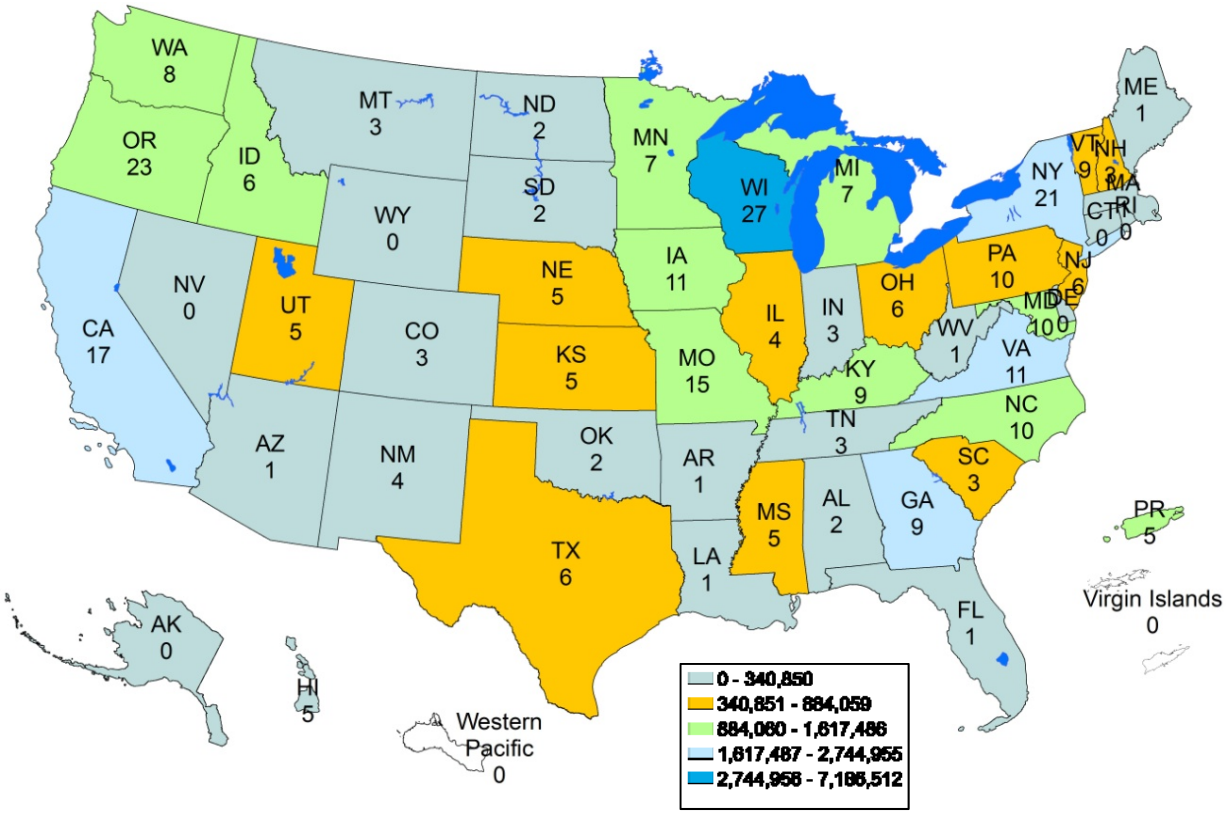
The Value-Added Producer Grant Program (VAPG) encourages independent agricultural producers to refine or enhance their raw products, which increases the value of the product and the returns to producers.

State/Territory	Dollar Amount
Alabama	89,748
Alaska	-
Arizona	39,500
Arkansas	98,500
California	2,744,955
Colorado	294,440
Connecticut	-
Delaware	-
District of Columbia	-
Florida	49,500
Georgia	2,159,231
Hawaii	285,930
Idaho	1,010,180
Illinois	578,451
Indiana	59,295
Iowa	1,176,312
Kansas	706,059
Kentucky	1,173,353

State/Territory	Dollar Amount
Louisiana	298,054
Maine	27,450
Maryland	1,257,333
Massachusetts	13,000
Michigan	1,269,151
Minnesota	1,617,486
Mississippi	482,825
Missouri	1,494,828
Montana	253,530
Nebraska	682,442
Nevada	-
New Hampshire	440,699
New Jersey	431,432
New Mexico	161,499
New York	1,900,774
North Carolina	1,333,532
North Dakota	98,500
Ohio	774,913

State/Territory	Dollar Amount
Oklahoma	340,850
Oregon	1,493,465
Pennsylvania	611,067
Puerto Rico	1,100,000
Rhode Island	-
South Carolina	442,759
South Dakota	317,500
Tennessee	177,876
Texas	828,480
Utah	884,059
Vermont	857,542
Virgin Islands	-
Virginia	1,945,681
Washington	1,035,418
West Virginia	49,000
Wisconsin	7,186,512
Wyoming	-
Total	**40,273,811**

Value-Added Producer Grant Program – FY 2012 Funding



RURAL COOPERATIVES MAGAZINE ARTICLES

In addition to its more comprehensive research reports, Cooperative Programs research staff frequently contributes content to Rural Development's *Rural Cooperatives* magazine. In FY 2012, Cooperative Programs staff authored the following articles:

- Ali, Sarah, "Largest 100 ag-co-ops near-record sales, margins." March/April
  Ali, Sarah, "Top 100 ag co-ops eclipse previous sales record by $18 billion." Sept./Oct.
- Bau, Margaret M., "Learning from co-op closure Dissolution of Producers & Buyers Co-op holds lessons for others pursuing institutional market." Jan./Feb.
- Brockhouse, Bill, "Mission-driven marketing Rocky Mountain co-ops expand opportunities for sustainable food production." Nov./Dec.
- Chesnick, David, "Largest 100 ag co-ops post near-record sales margins." March/Apr.
  Chesnick, David, "Top 100 ag co-ops eclipse previous sales record by $18 billion" Sept./Oct.
- Gray, Thomas W., "Why do members participate in ag co-ops?" Nov./Dec.
  Gray, Thomas W. "Organic federation seen as a strategy for family farm survival, regional competitiveness." Jan./Feb.
- Hogeland, Julie, "C-FARE meeting shows progress made in co-op goals, values" July/Aug.
- Liebrand, Carolyn, "Changing course Milk producers tackle dairy policy, other key issues at annual meeting." Jan./Feb.
  Liebrand, Carolyn, "Dairy co-ops in the 21st century: the first decade." March/April
- Ling, K. Charles, "How co-ops do it Dairy Co-ops are a prime example of the economics of co-op marketing." Nov./Dec.
  Ling, K. Charles, "The Nature of Cooperatives Roles in economizing transaction cost is a new dimension for understanding value of co-ops," Jan./Feb.
  Ling, K. Charles, "Capital Ideas Lessons offered by dairy co-ops shed light on important equity capital issues." May/June
- Reynolds, Bruce, "Making the connection-The co-op brand can help strengthen links with members and consumers." Nov./Dec.
  Reynolds, Bruce, "Keeping the 'open' sign on Canadian conference promotes employee ownership as alternative to business closures." Jan./Feb.
  Reynolds, Bruce, "Co-op oil mills play vital role in sustaining cottonseed value." July/Aug.
  Reynolds, Bruce, Use of joint ventures by ag co-ops on rise." Sept./Oct.
- Smith, Stephanie M., "Legislative, regulatory, court actions in 2012 impact cooperatives." Jan./Feb.
- Wadsworth, James, "Study raises important questions about co-op education efforts." Jan./Feb.
  Wadsworth, James, "2012 International Year of Co-ops perfect time to gear-up co-op education." May/June

RESEARCH PUBLICATIONS

In 2012, Cooperative Programs staff's research work includes the following published research reports:

- Penn, Jacqueline E., and E. Eldon Eversull, "Cooperative Statistics, 2010." *U.S. Department of Agriculture, Rural Development, Service Report 71*, November 2011
- Penn, Jacqueline E., E. Eldon Eversull, *Directory of Rural—Farmer, Rancher, and Fishery Cooperatives (2011)*, updated monthly at www.rurdev.usda.gov/rbs/pub/sr22.htm
- Ling, K. Charles, "The Nature of the Cooperative." *Co-op Information Report 65*, February 2012
- Liebrand, Carolyn, "Dairy Cooperatives in the 21st Century – The First Decade." *Research Report 225*, July 2012
- Reynolds, Bruce, "Joint Ventures and Subsidiaries of Agricultural Cooperatives." *Research Report 226*, June 2012
- Wadsworth, James, "Educational Initiatives of Farmer Cooperatives." *Research Report 223*, November 2011

AGRICULTURAL MARKETING AND FARMING RESOURCE CENTER

Cooperative Programs supports two outstanding web-based, resource sites - the Agricultural Marketing Resource Center (AgMRC) and the Appropriate Technology Transfer for Rural Areas (ATTRA).

AGRICULTURAL MARKETING RESOURCE CENTER

The Agricultural Marketing Resource Center provides producers and processors with information that helps them build successful value-added agricultural enterprises. AgMRC's virtual library included information on agricultural value-added opportunities, business development, and consulting resources for producers.

The Value Added Agriculture Program, Iowa State University Extension, and Kansas State University's Arthur Capper Cooperative Center operate the AgMRC . Each year, the Center receives 5 percent of the amount appropriated for the Value-Added Producer Grant program. For more information, visit the AgMRC website at www.agmrc.org.

APPROPRIATE TECHNOLOGY TRANSFER FOR RURAL AREAS

The Appropriate Technology Transfer for Rural Areas program (ATTRA) is a national sustainable farming information center located at the University of Arkansas in Fayetteville.

ATTRA provides technical assistance to farmers, market gardeners, and extension agents on farming issues that include marketing, finance, sustainable and organic agriculture, alternative crops, renewable energy, soil fertility, livestock, and pest control.

ATTRA categorizes its topics into the areas of sustainable farming production practices, alternative crop and livestock enterprises, and innovative marketing.

The National Center for Appropriate Technology, a private non-profit organization, operates ATTRA through a cooperative agreement with USDA's Rural Business-Cooperative Service. For more information, visit the ATTRA website at www.attra.org.

COOPERATIVE PROGRAMS RESEARCH

Cooperative Programs research provides information that helps cooperatives deal with changing markets and business trends. Studies include financial, structural, managerial, policy, member governance, legal, and social issues, and other cooperative economic activities.

Our research will has direct application to current and emerging requirements of cooperatives. A major challenge is to analyze industry structure and cooperative operational practices to determine the changes needed to maintain or achieve a producer-oriented marketing system.

Cooperative Programs research helps increase farm income and the economic well-being of rural residents by improving the overall operations of farmer cooperatives. Our research also helps cooperatives maintain and enhance their long-term ability to serve farmer-members and other rural residents through formulation of strategic responses to changes occurring in the agricultural and food manufacturing sectors.

The Cooperative Programs research program uses a combination of resources, including Cooperative Programs staff and university researchers under cooperative agreements, to address a variety of topics relevant to cooperatives.

For example, according to the December 2003 USDA/University of Wisconsin study entitled "Measuring the Economic Impact of Cooperatives in Minnesota," communities that rely on cooperatives will be more successful in retaining wealth and reducing the boom-and-bust cycles that are often associated with businesses controlled from outside the community.

In a March 2009 study conducted by the USDA and the University of Wisconsin, researchers found that the total gross revenue generated by cooperatives in the U.S. is $653 billion. The study also found that cooperatives pay the wages of approximately 853,000 workers.

USDA has seen an increased demand for high quality research and technical assistance for the cooperative business model. Given the current economic conditions, we expect demand to increase over the coming years.

COOPERATIVE DEVELOPMENT

Through its Cooperative Programs, USDA Rural Development provides a wide range of assistance for groups interested in forming new cooperatives. This help can range from an initial feasibility study to the creation and implementation of a business plan.

Cooperative Programs staff includes Cooperative Development specialists who do everything from identifying potential cooperative functions to the development of bylaws and business plans.

Cooperative Programs staff also provides training for cooperative directors. Our goal is to provide a realistic view of what it takes to make a new cooperative succeed. Cooperative Development specialists, who are located at many of USDA's State Rural Development offices, also provide training.

TECHNICAL ASSISTANCE

Cooperative Programs provides technical assistance to new and existing cooperatives facing specific problems or challenges so they can accomplish the following:

- Develop strategic marketing plans to cope with new competitive forces
- Merge and partner with other cooperatives
- Turn cooperative members' raw products into value-added products
- Make informed choices
- Determine feasibility to meet economic needs
- Operate on sound business principals
- Increase member income

By providing technical assistance, Cooperative Programs helps improve a cooperative's business structure and operating efficiency.

INFORMATION AND EDUCATION

- The Cooperative Marketing Act of 1926 mandates that USDA "promote the knowledge of cooperative principles and practices and cooperate in promoting such knowledge with educational and marketing agencies, cooperative associations, and others."

- Cooperative Programs staff provide educational information and research materials that supports, inspires, and promotes the belief that farmers and other rural residents should address economic problems through the cooperative form of business organization.

- Cooperative Programs staff developed and implemented methods for promoting an understanding of the cooperative form of business. We identify the educational needs of the rural cooperative community on a national level and collaborate with other educational institutions to provide business and cooperative education to rural communities.

- Cooperative Programs staff facilitate cooperative education programs for members, potential members, directors, employees, students, Rural Development employees, public, and international visitors. The staff also encourages and facilitates development of cooperative education programs in rural communities, cooperatives, cooperative support organizations, institutions of higher learning, and governmental organizations.

- Cooperative Programs staff identified techniques and programs that maintain and encourage member involvement in cooperatives serving rural communities.

- Cooperative Programs staff structure research and education that helps farmers and other rural residents address economic problems through the cooperative form of business enterprise. To be successful, the stimulus for development and continuing active involvement in cooperatives must come from farmers and members themselves.

- Cooperative Programs is the national storehouse for information on cooperatives, serving cooperative organizations, secondary schools, universities, and the public.

- Cooperative Programs publications address almost every aspect of cooperative philosophy, organization, operations, finance, legal and tax issues, and member governance. Each year, we distribute thousands of these publications throughout rural America.

- With the assistance of Cooperative Programs, USDA, hosted webinars, led meetings, and exhibited its programs and services at several national and regional conferences.

- Each year, Cooperative Programs staff receive numerous requests annually for information from other U.S. government agencies, public and private groups, and organizations worldwide on the cooperative business model.

- Cooperative Programs staff responds to inquiries for cooperative statistics, industry structures, capital markets, international trade, local food, food hubs, organic farming, anaerobic digesters, renewable energy, cooperative bargaining, housing, legal and tax issues.

- Cooperative Programs staff supports RBCS's Business Programs staff by reviewing proposals, feasibility studies, and business plans for business and renewable energy programs.

- USDA Rural Development maintains an inventory of nearly 200 cooperative information, research, and education titles that are highly demanded by farmers, rural residents, researchers, students and the public. In FY 2012, the

staff responded to thousands requests for information and distributed nearly 100,000 publications. Many of these publications are available on the Rural Business-Cooperative Service website, www.rurdev.usda.gov.

- The Cooperative Programs staff seeks to identify techniques and programs that maintain and encourage member involvement in cooperatives serving rural communities.

> The staff of Cooperative Programs respond to hundreds of formal and informal inquiries on cooperative statistics and industry structures

EDUCATIONAL EFFORTS IN FY 2012

- Cooperative Programs continued distributing its popular "Understanding Cooperatives" program in CD format.

- Through advertisements in *Rural Cooperatives* magazine, Cooperative Programs website, internal outreach efforts, and assistance from State cooperative councils, Cooperative Programs distributed over 3,500 CDs to high school vocational-agriculture teachers and other cooperative educators across the Nation. This effort will continue given the product's high demand.

- Cooperative Programs distributed thousands of cooperative information, , research, and service reports throughout the nation.

- Cooperative Programs continues to provide support and guidance to the Cooperatives Community of Practice - eXtension.org. This fast developing resource is important to cooperative education outreach, both for the cooperative community and the public.

- Cooperative Programs provides leadership and an educational program to the youth component of the eXtension.org Cooperatives Community of Practice. Cooperative Programs participated in strategy sessions for the youth component.

- Cooperative Programs updated and revised the first section of *Moodle's* extensive question and answer program on Understanding Cooperatives for the website. Cooperative Programs continues to develop the other two sections (i.e., intermediate and expert) for *Moodle* and the website as well.

- Cooperative Programs updated and revised its popular publication *Co-ops 101* (CIR 55) and began revising *How to Start a Cooperative* (CIR 7).

- Cooperative Programs sponsored and managed USDA's Rural Development outreach booth at the FFA Career Show and Convention in Indianapolis, Indiana. The Rural Development Indiana State Office assisted with this effort.

- The staff of Cooperative Programs wrote an article entitled "Keep the Co-op Candle Burning! 2012 International Year of Co-ops Perfect Time to Gear-up Co-op Education," that promoted education as an ongoing priority.

- Cooperative Programs helped develop the revised Cooperative Programs website, including the section on cooperative education and development.

- Cooperative Programs briefed 79 foreign dignitaries from nine countries about U.S. cooperatives, U.S. agriculture, and U.S. rural development issues.

COOPERATIVE STATISTICS

Cooperative Programs is the primary source for national statistics on U.S. agricultural cooperatives. Each year, we compile statistics on farmer, rancher, and fishery cooperatives based on a national survey.

Each year, the USDA's National Agricultural Statistics Service publishes Cooperative Programs' survey results in its *Agricultural Statistics* report. The U.S. Congress, U.S. Department of Commerce, educational institutions, researchers, investors, and other government agencies rely on this report for the following information:

- Number of cooperatives in existence
- Membership size
- Business volume
- Financial characteristics
- Products marketed

DATA SUMMARY – FY 2011

Each year, the U.S. Department of Agriculture publishes *Cooperative Statistics*, a report that summarizes cooperative activities in the United States. The report provides data on cooperatives by type, memberships, gross and net business volume, assets, liabilities, net worth, net income, full and part-time employees, trends, and other related information. Table 1 and Table 2 on page 51 summarize and compare data for FY 2010 and FY 2011. Listed below are highlights from these tables.

NUMBER OF COOPERATIVES AND FARMS

- The number of farmer cooperatives dropped 37 percent over the last decade
- There are now 2,285 farmer, rancher, and fishery cooperatives, down from 2,314 in FY 2010 - mergers resulting in larger cooperatives account for most of the drop
- The number of farms declined about 1 percent over the last 5 years
- In FY 2011 there were 2.2 million farms, down about 10,000 from 2010

COOPERATIVE MEMBERSHIP

- In FY 2011, there were 2.3 million members in cooperatives, up 2 percent from FY 2010
- The number of U.S. farms and cooperative memberships are now about equal - this does not mean that every producer is a member of an agricultural cooperative
- Previous studies have found that many farmers and ranchers are members of up to three cooperatives, so farm numbers and cooperative memberships are not strictly comparable

SALES AND INCOME

- Farmer, rancher, and fishery cooperatives had their highest sales and income in FY 2011, surpassing 2008 records
- The 2,285 surveyed cooperatives had sales of $213 billion, exceeding FY 2010 sales by more than $40 billion
- Net income before taxes for agricultural co-ops was $5.4 billion, eclipsing the previous high of $4.9 billion, set in FY 2008
- Net income was up more than 25 percent, or $1 billion, from FY 2010
- Among commodities, grain and oilseed sales by cooperatives climbed the most, by almost $14 billion, followed by dairy products, which increased $6 billion
- Sales of farm supplies increased by $17 billion, primarily due to increasing energy prices
- Patronage income (refunds from other cooperatives due to sales between cooperatives) fell by more than 11 percent, to $613 million, down from $674 million in FY 2010

COSTS AND PRICES

- There were double-digit increases in prices for dairy products, cotton, livestock, and grains and oilseeds in FY 2012
- Farm production expenses also had double-digit increases in FY 2011, with feed, fertilizer and fuel prices leading the upward trend

COOPERATIVE STATISTICS

EMPLOYMENT

- Farmer, rancher, and fishery cooperatives remain one of the largest employers in many rural communities and provide jobs in many cities
- The total farm co-op workforce of 184,000 was up slightly from 2010
- The number of full-time cooperative employees increased by 1,800 to 131,000, while the number of part-time and seasonal employees declined by 1,600

FEEDBACK

Cooperative Programs continues to provide a custom report to all cooperatives that respond to its annual survey. The information in these reports give individual co-ops the opportunity to compare select financial ratios and balance sheet items against similar size and type cooperatives nationwide. In addition to providing survey respondents with information they cannot obtain elsewhere, Cooperative Programs has seen a substantial improvement in the survey response rate since beginning to provide this type of feedback.

TABLE 1. U.S. COOPERATIVES

Comparison of FY 2011 and FY 2010

Item	2011	2010	Percent Change
Gross Sales (Billion $)			
Marketing	128.0	103.0	24.27
Supplies	80.9	63.8	26.72
Service	4.5	4.9	-9.69
Total	**213.4**	**171.8**	**24.21**
Balance sheet (Billion $)			
Assets	78.5	65.0	20.68
Liabilities	50.6	39.2	29.11
Equity	27.9	25.9	7.90
Liabilities and net worth	78.5	65.0	20.68
Income Statement (Billion $)			
Sales (Gross)	213.4	171.8	24.21
Patronage income	0.6	0.7	-11.42
Net income before taxes	5.4	4.3	25.53
Employees (Thousand)			
Full-time	130.9	129.0	1.43
Part-time, seasonal	52.8	54.4	-2.95
Total	183.6	183.4	0.13
Membership (Million)	2.3	2.2	1.83
Cooperatives (Number)	2,285	2,314	-1.25

TABLE 2. U.S. COOPERATIVES

Cooperatives Gross Business Volumes FY 2011 and FY 2010

Item	2011	2010	Percent Change
Products Marketed			
Bean/pea (dry edible)	0.154	0.163	-5.11
Cotton	4.099	2.381	72.19
Dairy	40.755	34.268	18.93
Fish	0.251	0.225	11.64
Fruit and vegetable	7.792	7.724	0.88
Grain and oilseed	54.671	40.997	33.35
Livestock	4.364	3.633	20.10
Nut	0.910	0.905	0.51
Poultry	1.302	1.179	10.41
Rice	1.536	1.518	1.24
Sugar	5.697	5.008	13.77
Tobacco	0.251	0.243	3.41
Wool and mohair	0.005	0.005	3.19
Other marketing	6.257	4.788	30.70
Total	**128.045**	**103.035**	**24.27**
Supplies Purchased			
Crop protectants	9.606	8.057	19.23
Feed	13.474	10.827	24.44
Fertilizer	14.684	11.071	32.64
Petroleum	30.981	24.556	26.16
Seed	4.793	4.286	11.84
Other supplies	7.359	5.044	45.90
Total supplies	80.898	63.842	26.72
Services/ income	4.453	4.930	-9.69
Total	**213.396**	**171.807**	**24.21**

The Oversight-Resources Coordination Staff (OCS) supports Rural Business-Cooperative Service (RBCS) by managing the following mission critical, administrative, oversight, and management functions:

- Risk management
- Audit compliance with the Office of the Inspector General (OIG) and Government Account Office (GAO)
- Strategic planning
- Budget administration
- Performance management
- Human Resource management
- Records management
- Procurement
- Purchasing
- Website management
- Information technology support

Forty-seven USDA Rural Development State Offices administer RBCS' 17 loan and grant programs. OCS works with internal and external oversight organizations to help the State Offices administer RBCS programs efficiency, effectively, and in compliance with all regulations and procedures.

OCS supports the Agency's commitment to continuous improvement and oversight of these programs through its diversified team of professionals.

Finally, OCS administers a number of important oversight functions for RBCS including coordinating risk management with transparency and accountability, and the management of the Business and Cooperative Programs Assessment Review (BCPAR).

OVERSIGHT RESOURCES COORDINATION STAFF

BUSINESS AND COOPERATIVE PROGRAMS ASSESSMENT REVIEW (BCPAR)

The BCPAR process is an ongoing review and examination of how effectively USDA Rural Development (RD) State Offices administers RBCS programs. The process ensures compliance with the Office of Management and Budget's (OMB) circulars and departmental regulations.

Using a risk-based approach, OCS works with independent examiners from the Farm Credit Administration to review selected RD State Offices. RBCS selects these offices based on the time of a state's last review, overall perceived risk of a state's portfolio, and experience of the state's Business Programs staff.

The objectives of BCPARs are as follows:

1. Evaluate the operation by assessing the condition and performance in the fundamental risk component areas of internal controls, administration of guaranteed loan and grant programs, program outreach, and management information systems

2. Determine the overall degree of risk existing in all RBCS program operations and identify the factors contributing to the risk

3. Recommend or require the State Office to take corrective actions to strengthen its management of RBCS program and ensure compliance with the applicable regulations

The initial step in the BCPAR process is to review project files. The review examines regulatory compliance and assesses the fundamental risk components at the project level.

A trained staff reviews project files by dividing them into two categories – direct loans and grants and guaranteed loans.

In FY 2012, OCS performed BCPAR reviews at the Connecticut, Delaware, Florida, Hawaii, Illinois, Maryland, Massachusetts, Missouri, North Carolina, Oklahoma, Puerto Rico, Rhode Island, and South Dakota state offices. OCS also performed a lender review at Growth Capital, an economic development finance institution located in Palmer Alaska.

Reviewers use standard questionnaires to examine project files. There are 17 questions on a grant questionnaire and 28 questions on a guaranteed loan program questionnaire.

States evaluated in 2012 received an average score of 88.1 percent for administering direct loan and grant programs and an average score of 83 percent for administering loan guarantees programs.

COMPLIANCE MANAGEMENT ACTIVITIES

In FY 2012, OCS performed the following activities:

1. Coordinated RBCS' response to internal and external audits conducted by OIG and GAO

2. Coordinated OIG and GAO audit related activity between RBCS staff, State and National program managers, and USDA Rural Development's Financial Management Division (FMD)

3. Lead RBCS' audit entrance conferences

4. Tracked the status of numerous National and State Office management decisions

5. Ensured compliance with audit findings and recommended action

6. Coordinated the satisfactory closing of the Rural Cooperative Development Grant Program Eligibility and Grant Fund Use (Reference #34004) and ARRA Rural Business Enterprise Grants Stimulus Controls Phase I (Reference #34703) OIG audits

7. Helped close a major GAO report that recommended collaborations between U.S. Department of Agriculture and the U.S. Small Administration (GAO-8-1123)

8. Conducted a bi-annual survey of State Offices that assessed the level of collaboration, and showed GAO that USDA fully implemented its recommendation

OCS supports Rural Business-Cooperative Service's commitment to continuous improvement by managing the Agency's oversight, administrative, and management functions

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

OCS's ARRA reporting process ensured that RBCS properly administered ARRA funds by provided loan guarantees and grants according to the regulations and procedures set forth by OMB and the Secretary of Agriculture. Additionally, OCS serves on RBCS' ARRA Executive Management Team and Rapid Response Task Force, and oversees the reporting process for ARRA recipients.

In FY 2010, USDA Rural Development provided over $1.5 billion in guaranteed loans and grants to business and economic development projects in rural America with ARRA funds. In FY 2012, ninety-nine percent of the recipients reported quarterly on the $1.5 billion in ARRA funds as required.

CREDIT AND PROGRAM MANAGEMENT

OCS represents RBCS on the Federal Financial Assistance Committee, A-123 Audit Working Group, Management Control Advisory Group, and several other credit and program management organizations.

MANAGEMENT CONTROL REVIEW

In conjunction with Rural Development's (RD) FMD, OCS conducts comprehensive internal Management Control Reviews (MCR). Each year, RD selects several RBCS programs for a MCR based on perceived risk and length of time since the last review. All RBCS programs receive a MCR every 5 years.

In FY 2012, OCS conducted an1890 Land Grant and a Rural Economic Development Loan and Grant Programs (REDLG) MCR.

Unlike BCPARs, which review all RBCS programs at the state level, MCRs review RBCS programs at the national level for the following purposes:

1. Ensure proper controls are in place to produce intended results that comply with applicable laws and regulations

2. Identify program strengths, highlight areas that need improvement, and determine appropriate risk level

3. Provide National and State Office managers with recommendations and timelines for improving controls and eliminating deficiencies

During the review process, staff from the National Office visited three State Offices and four Land Grant institutions. RBCS also assessed program data from six State Offices and performed numerous interviews with program staff from the National and State Offices.

The MCRs concluded that the 1890 Land Grant and REDLG programs operated in accordance with the regulations and accomplished the goals and purposes of the programs.

MANAGEMENT ACCOUNTABILITY AND CONTROL

OCS manages the audit process for RBCS and the 47 State Offices. OMB Circular A-123 on Management Accountability and Control defines management responsibility for internal controls in Federal agencies. Its purpose is to improve accountability and effectiveness of Federal programs and operations by establishing, assessing, correcting, and reporting on internal controls. As part of this review process, RBCS typically tests guaranteed loans, direct loans, grants, and unliquidated obligations.

In FY2012, OCS coordinated the closing of 100 percent of the 21 audits.

IMPROPER PAYMENT IMPROVEMENT ACT (IPIA)

An improper payment is any payment made incorrectly under statutory, contractual, administrative, or other legally applicable requirements. Examples of improper payments include payments to ineligible recipients, payments to ineligible services, and payments that do not account for credit for applicable discounts.

IPIA requires all programs to perform annual risk assessments for improper payments. If a program is at risk for improper payments, the National or State Office must perform additional analysis and monitor all of its payment activities.

In FY 2012, OCS conducted risk assessments on the Business and Industry Guaranteed Loan Program and all RBCS grant programs. Risk assessment components for all programs include program vulnerabilities to improper payments, internal controls that prevent improper payments, significant audits, and internal reviews.

In FY 2012, OCS designated the Business and Industry Guaranteed Loan Program and all RBCS grant programs as low risk for improper payments based on the Agency's internal controls and program testing.

ALABAMA
Sterling Centre, Suite 601
4121 Carmichael Road
Montgomery, AL. 36106-3683
T: (334) 279-3400 F: (334) 279-3403
www.rurdev.usda.gov/al

ALASKA
800 West Evergreen Street, Suite 201
Palmer, AK 99645-6539
T: (907) 761-7705
F: (907) 761-7783
www.rurdev.usda.gov/ak

ARKANSAS
700 West Capitol Avenue, Room 3416
Little Rock, AR 72201-3225
T: (501) 301-3200
F: (501) 3278
www.rurdev.usda.gov/ar

ARIZONA
230 North First Avenue, Suite 206
Phoenix, AZ 85003-1706
T: (602) 280-8717
F: (602) 280-8881
www.rurdev.usda.gov/az

CALIFORNIA
430 G. Street
Agency No. 4169
Davis, CA 95616-4169
T: (530) 792-5800 F: (530) 792-5837
www.rurdev.usda.gov/ca

COLORADO
655 Parfet Street, Room E-100
Lakewood, CO 80215-5517
T: (720) 544-2903 F: (720) 544-2981
www.rurdev.usda.gov/co

CONNECTICUT
451 West Street, Suite 2
Amherst, MA 01002-2999
T: (413) 253-4300 F: (413) 253-4347
www.rurdev.usda.gov/ct

DELAWARE
1221 College Park Drive, Suite 200
Dover, DE 19904-8724
T: (302) 857-3580
F: (302) 857-3640
www.rurdev.usda.gov/de

FLORIDA
4440 NW 25th Place
Gainesville, FL 32614-7010
T: (352) 338-3400
F: (352) 338-3405
www.rurdev.usda.gov/fl

GEORGIA
Stephens Federal Building
355 E. Hancock Avenue, Stop 300
Athens, GA 30601-2768
T: (706) 546-2162 F: (706) 546-2152
www.rurdev.usda.gov/ga

HAWAII
Federal Building, Room 311
154 Waianuenue Avenue
Hilo, HI 96720-2486
T: (808) 933-8302 F: (808) 933-8327
www.rurdev.usda.gov/hi

IDAHO
9173 West Barnes Drive, Suite Al
Boise, ID 83709-1574
T: (208) 378-5600
F: (208) 378-5643
www.rurdev.usda.gov/id

ILLINOIS
2118 West Park Court, Suite A
Champaign, IL 61821-2986
T: (217) 403-6200 F: (217) 403-6243
www.rurdev.usda.gov/il

INDIANA
5975 Lakeside Boulevard
Indianapolis, IN 46278-1996
T: (317) 290-3100 F: (317) 290-3127
www.rurdev.usda.gov/in

IOWA
Federal Building, Room 873
210 Walnut Street
Des Moines, IA 50309-2117
T: (515) 284-4663 F: (515) 284-4859
www.rurdev.usda.gov/ia

KANSAS
1303 SW First American Place, Suite 100
Topeka, KS 66604-4040
T: (785) 271-2700
F: (785) 271-2708
www.rurdev.usda.gov/ks

KENTUCKY
771 Corporate Drive, Suite 200
Lexington, KY 40503-5439
T: (859) 224-7300
F: (859) 224-7340
www.rurdev.usda.gov/ky

LOUISIANA
3727 Government Street
Alexandria, LA 71302-3327
T: (318) 473-7921
F: (318) 473-7829
www.rurdev.usda.gov/la

MAINE
967 Illinois Avenue, Suite 4
Bangor, ME 04402-0405
T: (207) 990-9160
F: (207) 990-9165
www.rurdev.usda.gov/me

MARYLAND
1221 College Park Drive, Suite 200
Dover, DE 19904-8724
T: (302) 857-3580 F: (302) 857-3640
www.rurdev.usda.gov/md

MASSACHUSETTS
451 West Street, Suite 2
Amherst, MA 01002-2999
T: (413) 253-4300 F: (413) 253-4347
www.rurdev.usda.gov/ma

MICHIGAN
3001 Coolidge Road, Suite 200
East Lansing, MI 48823-6350
T: (517) 324-5188
F: (517) 324-5225
www.rurdev.usda.gov/mi

MINNESOTA
375 Jackson Street
410 Agri-Bank Building
St. Paul, MN 55101-1853
T: (651) 602-7800 F: (651) 602-7824
www.rurdev.usda.gov/mn

MISSISSIPPI
Federal Building, Suite 831
100 West Capitol Street
Jackson, MS 39269-1608
T: (601) 965-4316 F: (601) 965-5850
www.rurdev.usda.gov/ms

MISSOURI
601 Business Loop 70 West
Parkade Center, Suite 235
Columbia, MO 65203-2579
T: (573) 876-0976 F: (573) 876-0977
www.rurdev.usda.gov/mo

MONTANA
2229 Boot Hill Court
Bozeman, MT 59715
T: (406) 585-2580 F: (406) 585-2565
www.rurdev.usda.gov/mt

NEBRASKA
Federal Building, Room 152
100 Centennial Mall North
Lincoln, NE 68508-3803
T: (402) 437-5551 F: (402) 437-5408
www.rurdev.usda.gov/ne

NEVADA
1390 South Curry Street
Carson City, NV 89703-5146
T: (775) 887-1222
F: (775) 885-0841
www.rurdev.usda.gov/nv

NEW HAMPSHIRE
City Center, 3rd Floor
89 Main Street
Montpelier, VT 05602-4449
T: (802) 828-6080 F: (802) 828-6018
www.rurdev.usda.gov/nh

NEW JERSEY
5th Floor North, Suite 500
8000 Midlantic Drive
Mt. Laurel, NJ 08054-1522
T: (856) 787-7700 F: (856) 787-7783
www.rurdev.usda.gov/nj

NEW MEXICO
6200 Jefferson Street NE, Room 255
Albuquerque, NM 87109
T: (505)761-4953
F: (505) 761-4976
www.rurdev.usda.gov/nm

NEW YORK
The Galleries of Syracuse
441 South Salina Street, Suite 357
Syracuse, NY 13202-2541
T: (315) 477-6400 F: (315) 477-6438
www.rurdev.usda.gov/ny

NORTH CAROLINA
4405 Bland Road, Suite 260
Raleigh, NC 27609-6293
T: (919) 873-2000
F: (919) 873-2075
www.rurdev.usda.gov/nc

NORTH DAKOTA
Federal Building, Room 208
220 East Rosser
Bismarck, ND 58502-1737
T: (701) 530-2037 F: (701) 530-2111
www.rurdev.usda.gov/nd

OHIO
Federal Building, Room 507
200 North High Street
Columbus, OH 43215-2477
T: (614) 255-2500 F: (614) 255-2559
www.rurdev.usda.gov/oh

OKLAHOMA
100 USDA, Suite 108
Stillwater, OK 74074-2654
T: (405) 742-1000
F: (405) 742-1005
www.rurdev.usda.gov/ok

OREGON
1201 NE Lloyd Boulevard, Suite 801
Portland, OR 97232-1274
T: (503) 414-3300
F: (503) 414-3392
www.rurdev.usda.gov/or

PENNSYLVANIA
One Credit Union Place, Suite 330
Harrisburg, PA 17110-2996
T: (717) 237-2262
F: (717) 237-2191
www.rurdev.usda.gov/pa

PUERTO RICO
IBM Building, Suite 601
654 Munoz Rivera Avenue
San Juan, PR 00936-6106
T: 787-766-5095 F: 787-766-5844
www.rurdev.usda.gov/pr

RHODE ISLAND
451 West Street, Suite 2
Amherst, MA 01002-2999
T: (413) 253-4300
F: (413) 253-4347
www.rurdev.usda.gov/ri

SOUTH CAROLINA
Strom Thurmond Federal Building
1835 Assembly Street Room 1007
Columbia, SC 29201-2449
T: (803) 765-5163 F: (803) 765-5633
www.rurdev.usda.gov/sc

SOUTH DAKOTA
Federal Building, Room 210
200 4th Street SW
Huron, SD 57350-2461
T: (605) 352-1100 F: (605) 352-1146
www.rurdev.usda.gov/sd

TENNESSEE
3322 West End Avenue, Suite 300
Nashville, TN 3 7203-1071
T: (615) 783-1300
F: (615) 783-1301
www.rurdev.usda.gov/tn

TEXAS
Federal Building
101 South Main, Suite 102
Temple, TX 76501-7651
T: (254) 742-9700 F: (254) 742-9712
www.rurdev.usda.gov/tx

UTAH
Wallace F. Bennett Federal Building
125 South State Street, Room 4311
Salt Lake City, UT 84138-1106
T: (801) 524-4320 F: (80 I) 524-4406
www.rurdev.usda.gov/ut

WYOMING
100 East B Street, Room 1005
Casper, WY 82602-5006
T: (307)233-6700 F: (307)233-6739
www.rurdev.usda.gov/wy

VERMONT
City Center
89 Main Street, 3rd Floor
Montpelier, VT 05602-4449
T: (802) 828-6080 F: (802) 828-6018
www.rurdev.usda.gov/vt

VIRGIN ISLANDS
4440 NW 25th Place
Gainesville, FL 32614-7010
T: (352) 338-3400
F: (352) 338-3405
www.rurdev.usda.gov/vi

VIRGINIA
Culpeper Building, Suite 238
1606 Santa Rosa Road
Richmond, VA 23229-5014
T: (804) 287-1552 F: (804) 287-1721
www.rurdev.usda.gov/va

WASHINGTON
1835 Black Lake Blvd., SW, Suite B
Olympia, WA 98501-5715
T: (360) 704-7740
F: (360) 704-7742
www.rurdev.usda.gov/wa

WEST VIRGINIA
75 High Street, Suite 320
Morgantown, WV 26505-7500
T: (304) 284-4860
F: (304) 284-4893
www.rurdev.usda.gov/wv

WISCONSIN
5417 Clem's Way
Stevens Point, WI 54482
T: (715) 345-7600 F: (715) 345-7669
www.rurdev.usda.gov/wi

ABBREVIATIONS

AgMRC	Agricultural Marketing Resource Center
ARRA	American Recovery and Reinvestment Act
ATTRA	Appropriate Technology Transfer for Rural Areas
BCPAR	Business and Cooperative Programs Assessment Review
B&I	Business and Industry
EA	Energy Audit
FMD	Financial Management Division
GAO	Government Accountability Office
GLS	Guaranteed Loan System
IPIA	Improper Payment Improvement Act
IRP	Intermediary Relending Program
LLC	Limited Liability Company
MCR	Management Control Review
MDO	Microenterprise Development Organization
OIG	Office of Inspector General
OMB	Office of Management and Budget
RBEG	Rural Business Enterprise Grant
RBOG	Rural Business Opportunity Grant
RCDG	Rural Cooperative Development Grant
REAP	Rural Energy for America Program
REDA	Renewable Energy Development Assistance
REDLG	Rural Economic Development Loan and Grant Program
RMAP	Rural Microentrepreneur Assistance Program
RFS2	Renewable Fuel Standards
SBA	U.S. Small Business Administration
SSDPG	Small Socially-Disadvantaged Producer Grant
VAPG	Value-Added Producer Grant

The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, or age disability. USDA also prohibits discrimination based on sex (including gender identify and expression), marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is dreived from any public assistance program. Not all prohibited bases apply to all programs.

The mention of a company or brand name in this report does not signify endorsement by USDA over other companies, products, or services.