



Rural Development

October 17, 2018

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Administrator

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Telephone: (202) 692-0268

TO: State Directors  
Rural Development

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

FROM: Joel C. Baxley /s/ *Joel C. Baxley*  
Administrator  
Rural Housing Service

SUBJECT: Program Loan Cost Expense Funds  
FY 2019 Allocations and Requirements  
Under the Credit Reform Act of 1990

The Office of Management and Budget (OMB) has approved this year's apportionment of **recoverable** Direct Loan Financing and Liquidating Program Loan Cost Expense (PLCE) funds for Rural Development Rural Housing Service. Your State's annual FY 2019 Direct Loan Financing Account and Liquidating Account allocations are provided in Attachment 1. These allocations are based on your FY 2018 obligations of these funds. Your FY 2019 allocations have been posted in the Financial Management Modernization Initiative (FMMI) funds control system.

All PLCE funds required in the Community Facilities (CF) Program are held in the National Office. Funding for CF PLCEs should be requested by completing and e-mailing a scanned copy of Attachment 2 to Geoffrey Armes, CF, at [geoffrey.arnes@wdc.usda.gov](mailto:geoffrey.arnes@wdc.usda.gov).

Attachment 1 also lists your State's non-recoverable Salaries and Expense Account ("A" funds) initial allocation for FY 2019 (also posted in FMMI), under the current Continuing Resolution through December 7, 2018. This year's "A" funds are only authorized for Single-Family Housing (SFH) mortgage releases, pre-approved Multi-Family Housing (MFH) appraisals, pre-approved MFH cost certifications,

EXPIRATION DATE:  
September 30, 2019

FILING INSTRUCTIONS:  
Administrative/Other Programs

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

To request specific MFH appraisals and/or cost certifications, contact Tonya Boykin at [Tonya.boykin@wdc.usda.gov](mailto:Tonya.boykin@wdc.usda.gov) or (202) 720-8473. For all other emergency needs requiring "A" funds, contact Carl Muhlbauer at [Carl.Muhlbauer@wdc.usda.gov](mailto:Carl.Muhlbauer@wdc.usda.gov) or (202) 690-2141.

We will again need your cooperation in stretching our limited non-recoverable funding this year. Please check the accuracy of the Program Authority Codes (PACs) entered into FMMI for your State's PLCEs. Make sure you use the current PAC Tables (effective June 9, 2015) to verify the recoverability of each charge you submit. The SharePoint web site address for the Tables is:

[https://ems-team.usda.gov/sites/RD\\_TECH/PSS/SitePages/PLC.aspx?RootFolder=%2Fsites%2FRD%5FTECH%2FPS%2FProgram%20Loan%20Cost%20Info%2FRural%20Development%20PAC%20Codes%20%2D%20UPDATED&FolderCTID=0x012000EE9B8140E2B570429068DAFD8827199D&View=%7BC30B9F00%2D0A36%2D44A6%2DB571%2D799365758E7F%7D](https://ems-team.usda.gov/sites/RD_TECH/PSS/SitePages/PLC.aspx?RootFolder=%2Fsites%2FRD%5FTECH%2FPS%2FProgram%20Loan%20Cost%20Info%2FRural%20Development%20PAC%20Codes%20%2D%20UPDATED&FolderCTID=0x012000EE9B8140E2B570429068DAFD8827199D&View=%7BC30B9F00%2D0A36%2D44A6%2DB571%2D799365758E7F%7D)

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

<https://ems-team.usda.gov/sites/RD/SitePages/Home.aspx>

Then, on the upper right side of the screen, under "Support," click "PSS." Then click the second row icon (Program Loan Costs), and click on the link for "Rural Development PAC Codes - UPDATED."

Under provisions of the Credit Reform Act of 1990, each State has three non-transferable accounts to manage. The Direct Loan Financing Account, also referred to as the "R" Account, is used to pay PLCEs that are chargeable to a direct/insured borrower, property account, or subsidy funds in which the loan was obligated in FY 1992 or subsequent years. The Liquidating Account, also referred to as the "L" Account, is used to pay PLCEs that are chargeable to a direct/insured or guaranteed borrower or property account in which the loan was obligated prior to FY 1992. The oldest outstanding loan provides the basis for determining which recoverable ("L" or "R") Account to charge in the case of multiple loans. The non-recoverable Salaries and Expense ("A") Account is to be used to pay non-recoverable PLCEs that are not chargeable to a borrower, property account, or subsidy funds for all Housing and Community Facility programs.

Program officials are the only staff authorized to certify PLCE funds availability. Administrative officials (Contract Program Managers, Contract Specialists, Budget Analysts, etc.) are not authorized to certify PLCE funds availability. The Program Loan Cost Coordinator is responsible for monitoring obligations/disbursements of PLCE allocations by account to avoid violation of the Anti-Deficiency Act. Specifically, your

State Office Housing Program section is responsible for determining and documenting how these funds will best be used to meet your program goals and objectives. It is also accountable for the proper use of these funds. State Offices are required to issue a State Administrative Notice identifying a methodology for controlling their funds, naming the program official designated to certify PLCE funds availability, and, if these funds are sub-allocated, distribute them by program and account. **A State should not request additional funding in any of its three PLCE accounts until it has obligated at least 90 percent of its current account funds.**

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

Attachments (2)

Sent by electronic mail on 10/18/18 at 10:30 am by PSS. State Directors should notify other personnel as appropriate.

**PROGRAM LOAN COST EXPENSE FUNDS**  
**Housing Programs (RHIF) - FY 2019**

State/Territory	Allocations		
	Salaries & Expense Account	Direct Loan Financing Account	Liquidating Account
Alabama	\$857	\$34,103	\$39,131
Alaska	\$243	\$102,244	\$1
Arizona	\$488	\$276,448	\$88,977
Arkansas	\$697	\$354,234	\$257,991
California	\$989	\$209,380	\$14,230
Colorado	\$366	\$781,084	\$55,289
Delaware	\$534	\$91,239	\$88,842
Florida	\$978	\$409,665	\$279,203
Georgia	\$1,038	\$218,160	\$26,316
Hawaii	\$439	\$64,304	\$1
Idaho	\$314	\$87,418	\$8,144
Illinois	\$784	\$331,372	\$470,062
Indiana	\$685	\$312,671	\$107,219
Iowa	\$534	\$67,588	\$8,961
Kansas	\$367	\$145,136	\$155,963
Kentucky	\$1,028	\$359,681	\$164,177
Louisiana	\$750	\$65,528	\$27,893
Maine	\$519	\$292,671	\$178,848
Massachusetts	\$627	\$101,938	\$1
Michigan	\$878	\$425,532	\$193,245
Minnesota	\$492	\$46,647	\$21,307
Mississippi	\$1,251	\$93,931	\$377,847
Missouri	\$758	\$133,194	\$44,976
Montana	\$270	\$205,970	\$2,592
Nebraska	\$280	\$14,069	\$205
Nevada	\$177	\$16,739	\$1
New Hampshire	\$293	\$8,178	\$23,454
New Jersey	\$282	\$41,655	\$24,675
New Mexico	\$384	\$115,963	\$37,461
New York	\$724	\$69,320	\$28,307

<b>North Carolina</b>		<b>\$1,407</b>	<b>\$670,130</b>	<b>\$175,981</b>
<b>North Dakota</b>		<b>\$202</b>	<b>\$6,447</b>	<b>\$1</b>
<b>Ohio</b>		<b>\$837</b>	<b>\$403,737</b>	<b>\$116,037</b>
<b>Oklahoma</b>		<b>\$508</b>	<b>\$285,863</b>	<b>\$138,786</b>
<b>Oregon</b>		<b>\$381</b>	<b>\$391,409</b>	<b>\$371,045</b>
<b>Pennsylvania</b>		<b>\$912</b>	<b>\$48,679</b>	<b>\$184,747</b>
<b>Puerto Rico</b>		<b>\$798</b>	<b>\$323,309</b>	<b>\$621,070</b>
<b>South Carolina</b>		<b>\$834</b>	<b>\$150,290</b>	<b>\$176,253</b>
<b>South Dakota</b>		<b>\$260</b>	<b>\$57,228</b>	<b>\$31,862</b>
<b>Tennessee</b>		<b>\$927</b>	<b>\$68,060</b>	<b>\$131,537</b>
<b>Texas</b>		<b>\$1,704</b>	<b>\$255,122</b>	<b>\$39,517</b>
<b>Utah</b>		<b>\$312</b>	<b>\$127,458</b>	<b>\$4,175</b>
<b>Vermont</b>		<b>\$276</b>	<b>\$258,387</b>	<b>\$59,067</b>
<b>Virgin Islands</b>		<b>\$104</b>	<b>\$2,726</b>	<b>\$7,818</b>
<b>Virginia</b>		<b>\$760</b>	<b>\$59,120</b>	<b>\$86,098</b>
<b>Washington</b>		<b>\$503</b>	<b>\$107,720</b>	<b>\$23,454</b>
<b>West Virginia</b>		<b>\$511</b>	<b>\$159,081</b>	<b>\$31,234</b>
<b>Wisconsin</b>		<b>\$548</b>	<b>\$117,096</b>	<b>\$69,034</b>
<b>Wyoming</b>		<b>\$190</b>	<b>\$32,076</b>	<b>\$6,965</b>
<b>Total</b>		<b>\$30,000</b>	<b>\$9,000,000</b>	<b>\$5,000,000</b>

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

State:
Contact Person:
Telephone Number:

Account:
Fax No.:

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

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

Description of Request:

CONTRACTUAL

NONCONTRACTUAL

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

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

\* Attach copies of vouchers and/or documents.

State Program Director

Concurrence: Date:
Associate Administrator/Deputy Administrator

TO BE COMPLETED BY NATIONAL OFFICE:

Account Balance after this obligation:
Initials:
Date: