

UNITED STATES DEPARTMENT OF AGRICULTURE

Rural Utilities Service

STAFF INSTRUCTION 1780-5

SUBJECT: Water and Environmental Programs Fund Allocations - FY 2015

TO: State Directors, Rural Development and Community Program Directors

EFFECTIVE DATE: Date of Approval

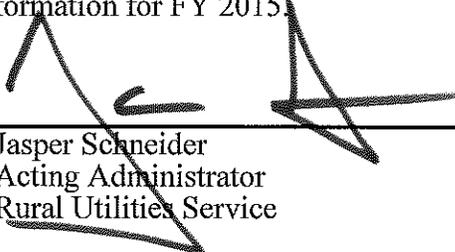
EXPIRATION DATE: September 30, 2015

OFFICE OF PRIMARY INTEREST: Assistant Administrator, Water and Environmental Programs

INSTRUCTIONS: File behind RUS Instruction 1780. Replaces version dated April 2, 2014.

AVAILABILITY: This staff instruction is available on <https://rd.sc.egov.usda.gov/teamrd/up/para/default.aspx>

PURPOSE: This staff instruction informs field offices of allocation levels and related information for FY 2015.



Jasper Schneider
Acting Administrator
Rural Utilities Service



Date

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Water and Environmental
Loans and Grants

ABBREVIATIONS

CPAP -- Commerical Loan Application Processing System
ECWAG - Emergency and Imminent Community Water Assistance Grants
EPA - Environmental Protection Agency
EZ/EC - Empowerment Zones/Enterprise Communities
FY - Fiscal Year
PPG - Planning Grants
REAP - Rural Economic Area Partnership Zones
SEARCH - Special Evaluation Assistance for Rural Communities
TRIBAL MEMBERS - Federally-Recognized Native American Tribes
WEP - Water and Environmental Programs

1 PURPOSE

This Staff Instruction provides the Water and Environmental Programs (WEP) loan and grant funding allocations for Fiscal Year (FY) 2015, in accordance with the Consolidated and Further Continuing Appropriations Act, 2015, Public Law 113-235, dated December 16, 2014.

2 PRIORITIES

To the maximum extent possible, loan, grant, and guaranteed funds should be directed to the smallest communities with the lowest incomes emphasizing areas where according to the American Community Survey data by census tracts show that at least 20 percent of the population is living in poverty. This emphasis will support Rural Development's goal of providing 20 percent of its funding by 2016 to these areas of need. This objective will be a significant factor in distributing National Reserve funds.

Applicants whose projects are necessary to meet the Environmental Protection Agency (EPA) arsenic rule should receive additional consideration in the assignment of State Director's discretionary points.

Priority should be given in the utilization of grant funds to areas which lack running water, flush toilets, and modern sewage disposal systems, and areas which have open sewers and high rates of disease caused by poor sanitation.

Emphasis should be placed on reviewing projects to ensure that all reasonable security measures are included in projects being approved for funding.

Emphasis should be placed on reviewing projects to ensure that engineering design incorporates energy and water efficient components to reduce costs and increase sustainability of rural systems.

Loans, including other commercial credit, should be maximized when funding projects. Projecting reasonable user rates and leveraging funds will allow assistance to be provided to the most financially needy communities.

3 AMOUNTS APPROPRIATED

The amount of **\$464,857,000** in budget authority has been appropriated in the Consolidated and Further Continuing Appropriations Act, 2015, Public Law 113-235, dated December 16, 2014. The amount of **\$10,000,000** is transferred to the High Energy Cost Grants leaving **\$454,857,000**. The Agency then determined the program level amounts to be made available for direct loans and grants based on anticipated needs for the year. The funding levels and State allocations are described in this staff instruction.

- a Transfers between direct loan and grant. The subsidy rate for direct loans is negative for FY 2015, because of this transfer between direct loan and grants will not be permitted in FY 2015. States may utilize the National Office Reserve to patch out their projects
- b Apportionment. State allocations are made on an annual basis. The National Office has received 100 percent of the annual apportionment as of the date of this document.
- c CPAP Underwriting. States should complete all applicable screens under Loan Determination and Project Funding Breakdown Costs in the Underwriting section in order to determine the applicant's contribution, borrowing capacity and need for grant funds. The underwriting section of CPAP must clearly show and/or be documented to show that the project has reasonable user rates compared to similar systems, applicant contributions have been included and/or considered, and the availability of commercial credit has been included and/or considered. This pertains especially to the regular direct loan and grant program, Colonias grants, ECWAG grants, and Native American grants.
- d Refinance of RUS Debt. There are no funds appropriated in FY 2015 for the refinancing of agency debts under the direct water and waste loan program. Therefore, use of FY 2015 funds is not authorized to refinance existing agency debts under §1780.9 (e)(2)(iv) of 7 CFR 1780 (or RUS Instruction 1780).

4 FUNDS RETAINED IN THE NATIONAL OFFICE

The following are funded out of the overall budget authority appropriation for WEP.

a Rural Economic Area Partnership (REAP) Zones. The amount available is **\$5,394,232** in budget authority for grants. These funds will be kept in the National Office. States may request these funds through CPAP. State Directors are responsible for reviewing requests to determine if the proposed project is specifically identified in the REAP Strategic Plan and approved benchmark documents. This determination should be included with the request for funds submitted through CPAP and stated under the "Additional Information" section. Additionally, the benchmark number and a brief description of the project which includes how the project meets the benchmark requirements should be included in the "Additional Information" section of the request for funds form in CPAP. These funds will be available until **August 15, 2015**. After that date, unobligated funds will revert to regular program use, including funds allocated to States for a specific project but not yet obligated.

b Technical Assistance and Training Grants, Solid Waste Management Grants, Nonprofit Individually-Owned Water Well System Grants, and Water and Wastewater Revolving Funds. Funds for these four programs are retained by the National Office. The following amounts are available:

Technical Assistance and Training Grants	\$19,000,000
Solid Waste Management Grants	\$4,000,000
Nonprofit Individually-Owned Water Well System Grants	\$993,000
Water and Wastewater Revolving Funds	\$1,000,000

- c Colonias - Section 306C WW Grants. The amount available is **\$26,500,000** for Section 306C WW for the States listed below. RUS will transfer \$1,000,000 to the Rural Housing Service (RHS) for processing individual grants. The National Office will maintain a reserve of \$1,500,000 to be available for States which exhaust their initial allocation. The remaining \$24,000,000 will be allocated to Colonias States in the amounts listed below. Reserve funds may be requested from the Water Programs Division using CPAP. In accordance with Section 3c of this Staff Instruction, applicants should be expected to borrow as much as they can afford to repay, as in the regular program. Priority should be given to Colonias that are currently unserved and lack access to safe water and/or wastewater services.

Arizona	\$3,360,000
California	3,120,000
New Mexico	8,760,000
Texas	8,760,000
National Colonias Reserve	1,500,000
RHS	<u>1,000,000</u>
TOTAL	\$26,500,000

- (1) States will have access to the above amounts until year-end pooling. Funds not used by the States by that date will be pooled in the National Office and made available to the other Colonias States on a project-by-project basis until expended.
- (2) On or before year-end pooling, RUS and RHS will assess remaining needs. Any funds not needed by RHS will be added to the National Colonias reserve.

- d Native Americans - Section 306C WW Grants. The amount available is **\$16,000,000**. These funds are specifically intended to be used for eligible projects which benefit members of Federally-Recognized Native American Tribes (Tribal Members). Applications will be processed in accordance with all eligibility and other requirements of 7 CFR 1777.

Every effort should be made to identify and fund the neediest projects. However, the use of RUS loan funds, as well as funds from other sources, in conjunction with the grant funds is strongly encouraged whenever feasible so that the funds result in the maximum possible investment. In accordance with Section 3c of this Staff Instruction, applicants should be expected to borrow as much as they can afford to repay, as in the regular program. Discretionary points awarded by the National Office will be added for projects involving loan funds.

Projects for which the applicant is not a Federally-Recognized Native American Tribe, but which benefit Tribal members, may be considered eligible for the Section 306C funds if the applicant certifies that more than 50 percent of the users in the project service area are Tribal members. In such cases, Section 306C funds cannot exceed the applicable percentage of the total eligible project cost. If the grantee is not a Federally Recognized Native American Tribe, the grantee should obtain a letter of support from the benefiting Federally-Recognized Native American Tribe.

Section 306C Native American funds will be available on a priority basis. The maximum amount from the set aside for any project is \$2 million. Funds may be requested by using CPAP to submit RUS Bulletin 1777-3, with RUS Bulletin 1777-2 attached. Funds will be allocated on a project-by-project basis periodically throughout the year.

For FY 2015, Section 306C Native American projects must serve Tribes/service areas where the per capita income is not more than **\$18,590** and the unemployment rate is not less than **7.25** percent.

- e Rural Alaskan Villages. The amount available is **\$23,000,000** to the State of Alaska for grants to rural or native villages (§1780.49 of 7 CFR 1780 (or RUS Instruction 1780) provides special guidance). Funds must be used for development and construction of water and wastewater systems to improve health and sanitation conditions in those villages. Of the funding provided for this program \$850,000 is available to be used by the State of Alaska for training and technical assistance programs and may be used by a consortium formed pursuant to section 325 of Public Law 105-83 for training and technical assistance programs. Funds are not available to develop a regional system for centralized billing, operation, and management of rural water and waste utilities.

- f Emergency and Imminent Community Water Assistance Grants (ECWAG). The amount available is **\$11,000,000**. Applications will be processed in accordance with all eligibility and other requirements of 7 CFR 1778 and RUS Staff Instruction 1778-1. A disaster designation is not required.

Every effort should be made to target at least 50 percent of these funds to rural areas with populations not in excess of 3,000 inhabitants. These funds will be kept in the National Office. Funds may be requested using CPAP to submit RUS Bulletin 1778-2, with RUS Bulletin 1778-1 attached. Funds will be allocated on a project-by-project basis periodically throughout the year. These funds will be available until year-end pooling. After that date, unobligated funds will revert to regular program use, including funds allocated to States for a specific project but not yet obligated. The following amounts are available:

<u>TOA</u>	<u>ECWAG</u>	<u>Amount</u>
93	Section 306A- \$150,000 Limit	\$3,300,000
95	Section 306A- \$500,000 Limit	\$7,700,000
		\$11,000,000

- g Predevelopment Planning Grants (PPG). The amount available is \$1,000,000 to be used in high poverty or underserved areas. Underserved includes areas with no service or severely inadequate service, as well as areas where a Rural Development WEP loan or grant has not been obligated in the last 5 years. CPAP must clearly indicate that the project meets the goals for set aside. When set aside funds have been exhausted and for PPG's not located in high poverty or underserved areas, States are authorized to use up to the greater of two percent or \$60,000 based on their initial water and waste disposal grant State allocation. These funds will be managed in the National Office. States will request these funds through CPAP. The National Office will transfer funds to the State's PPG account. These funds will be available until year-end pooling. After that date, unobligated funds will revert to regular program use, including funds allocated to States for a specific project but not yet obligated by the State. Predevelopment Planning Grants will be made in accordance with 7 CFR 1780 and the following procedures

- (1) Purpose. Predevelopment planning grants may be available, if needed, to assist in paying costs associated with developing a complete application for a proposed project.

(2) Eligibility.

- (a) The applicant must meet the eligibility requirements of §1780.7 of 7 CFR 1780 (or RUS Instruction 1780).
- (b) The median household income of the probable area to be served by the proposed project must be either below the poverty line or below 80 percent of the statewide nonmetropolitan median household income (NMHI).
- (c) The eligible predevelopment items funded with these grant funds must be agreed to and accepted by the Agency prior to disbursement of the predevelopment planning grant.
- (d) Applicants must provide financial information to document that they do not have the resources to pay predevelopment expenses on their own.
- (e) Grants are limited to projects the Agency expects to fund soon after the application is submitted.
- (f) The proposed project must meet the requirements of §1780.9 (a), (b), (c), or (d) of 7 CFR 1780 (or RUS Instruction 1780).

(3) Eligible Costs. Predevelopment costs are those necessary expenses to be incurred to develop a complete application as described in §1780.33 of 7 CFR 1780 (or RUS Instruction 1780) and are limited to eligible grant purposes as described in §1780.9 (e) of 7 CFR 1780 (or RUS Instruction 1780).

(4) Funding Limit.

- (a) State Directors are authorized to make predevelopment planning grants up to \$30,000 or 75 percent of the project costs, whichever is less. Funding for the balance of the eligible project costs not funded by the PPG must be from applicant resources or funds from other sources.
- (b) PPG funds advanced will be considered when calculating the amount of loan and grant funding needed, and will be subtracted from total grant eligibility, if the Agency provides additional funds for a portion of the project.
- (c) PPG funds cannot be used to pay for work already completed.
- (d) If the Agency does not provide additional funds for any portion of the project, the grant will not require repayment.

- (5) Application Procedure. An application for a preliminary eligibility determination according to §1780.31(c) of 7 CFR 1780 (or RUS Instruction 1780) can be considered for an application for a grant for predevelopment costs.
 - (6) Selection Criteria. Projects will be selected based primarily on the funding priorities in §1780.17 of 7 CFR 1780 (or RUS Instruction 1780), but evaluation will include consideration of the following criteria:
 - (a) Systems with limited resources.
 - (b) Smallest systems with the lowest incomes.
 - (c) Funds Availability.
 - (7) Grant Conditions. Grant closing and advance of funds will be in accordance with §1780.45(c), (d), and (e) of 7 CFR 1780 (or RUS Instruction 1780).
- h Special Evaluation Assistance for Rural Communities (SEARCH) Grants. The amount available is \$1,000,000 to be used in high poverty or underserved areas. Underserved includes areas with no service or severely inadequate service, as well as areas where a Rural Development WEP loan or grant has not been obligated in the last 5 years. CPAP must clearly indicate that the project meets the goals for set aside. When set aside funds have been exhausted and for SEARCH grants not located in high poverty or underserved areas, States are authorized to use up to the greater of two percent or \$60,000 based on their initial water and waste disposal grant State allocation. These funds will be managed in the National Office. States will request these funds through CPAP. The National Office will transfer funds to the State's SEARCH Grant account. These funds will be available until year-end pooling. After that date, unobligated funds will revert to regular program use, including funds allocated to States for a specific project but not yet obligated by the State. SEARCH Grants will be made in accordance with 7 CFR 1774.
- i The Department of Hawaiian Home Lands (of the State of Hawaii). The amount available is **\$1,000,000** for the Department of Hawaiian Home Lands (of the State of Hawaii). These funds will be processed in accordance with 7 CFR 1780 (or RUS Instruction 1780). Funds must be used for development and construction of water and wastewater systems to improve health and sanitation conditions on Hawaiian Home Lands property.

- j Strategic Economic and Community Development. Rural Development anticipates implementing Section 6025 of the 2014 Farm Bill during Fiscal Year 2015. If implemented, the National Office will set aside up to 10 percent of regular loan and grant funds and guaranteed funds for projects meeting the requirements specified in 6025. This reservation of funds should not impact state allocations, but will reduce the availability of National Office reserve funding for regular WEP projects. When these funds are set aside, they will be managed in the National Office. States will request these funds through CPAP. These funds will be available until June 30, 2015. After that date, unobligated funds will revert to regular program use, including funds allocated to States for a specific project but not yet obligated. When implemented, Strategic Economic and Community Development awards will be made in accordance with 7 CFR 1980 .
- k Miscellaneous. There are no funds appropriated for projects whose features include agricultural water supply benefits, groundwater protection, and environmental enhancement (also known as the watershed program).
- l National Office Reserve. Direct loan and grant reserve funds will be transferred to States for projects which best meet the Agency's priorities and according to funds available at the time of the request. Funds will only be made available if a State's allocation has been used or set aside for specific projects. State Directors will request reserve funds by using the "Funds Request From National Office Reserves" function in CPAP after the docket and CPAP have been developed to the point where the loan and/or grant can be approved upon notification that funds are available. **Requests must include in the "Additional Information" section, a description of the proposed facility clearly describing how funds will be used, and any significant or unusual circumstances.**

When requesting National Office Reserve funds for projects that have experienced a Cost Overrun (COR), the request must include documentation in the "Additional Information" section to show how the COR meets the requirements of §1780.17(f) of 7 CFR 1780 (or RUS Instruction 1780).

The National Office will normally review requests on hand by the middle of each month. If funds are not made available immediately, the request will be retained by the National Office for later consideration. The State should review the status of projects for which funds have been requested each month.

If there are changes such as priority or amounts needed, or if an application is withdrawn, the Water Programs Division should be notified and the request updated in CPAP. Requests on hand for FY 2014 reserve funds will not be considered further.

5 STATE ALLOCATIONS.

Loan and grant allocations have been calculated in accordance with the methodology and formulas stated in §1780.18 of 7 CFR 1780 (or RUS Instruction 1780).

a Water and Waste Disposal Direct Loans.

(1) Amount available for allocation.

Available for Direct Loans	\$1,200,000,000
Less: Set Aside for EZ/EC	\$0
Watershed Improvement	\$0
National Office reserves	\$40,000,000
Available for State Allocations	\$1,160,000,000

(2) Base allocation. States will receive approximately one half of one percent of the amount available for allocation, or at least **\$5,800,000**, except for the Virgin Islands and Western Pacific Areas, which will receive an Administrative Allocation of **\$830,000** each.

b Water and Waste Disposal Grants.

(1) Amount available for allocation.

Available for Grants	\$454,562,000
Less: Set Asides for:	
Circuit Rider contract	\$15,919,000
REAP	\$5,394,232
Technical Assistance & Training Grants	\$19,000,000
Colonias	\$26,500,000
ECWAG	\$11,000,000
Alaskan Villages	\$23,000,000
Native Americans (Section 306C)	\$16,000,000
Department of Hawaiian Homelands	\$1,000,000
Individual-Owned Water Well System	\$993,000
Water & Wastewater Revolving Funds	\$1,000,000
Predevelopment Planning Grants	\$1,000,000
SEARCH Grants	\$1,000,000
Solid Waste Management Grants	\$4,000,000
National Office reserve	\$10,755,768
Available for State Allocations	\$318,000,000

(2) Base allocation. States will receive approximately one half of one percent of the amount available for allocation, or at least **\$1,600,000**, except for the Virgin Islands and Western Pacific Areas, which will receive an Administrative Allocation of **\$830,000** each.

c Water and Waste Disposal Guaranteed Loans.

- (1) **\$50,000,000** is being allocated for guaranteed funds, using the same general methodology as for direct loans. The base allocation is \$300,000. The National Office will retain a reserve of \$0, but will have carryover funds available.
- (2) A guaranteed loan may be a workable financing approach, or part of one, in some cases. Use of a guarantee can free up direct loan funds for use on a project where a guarantee would not be workable.
- (3) It is recognized that some States have less potential for building the guaranteed program than others. However, it is expected that all States will make serious efforts to use their guaranteed allocation.
- (4) A guaranteed loan may be used for graduation purposes.

d Pooling of Direct Loan and Grant Funds.

Mid-year pooling will occur on May 1, 2015. On or before that date, each State should obligate at least 50 percent of its FY 2015 adjusted allocation. All funds from the first 50 percent of the State's adjusted allocation for which requests for obligation have not been entered and/or processed will be pooled. See Exhibit B of this Staff Instruction for the methodology behind mid-year pooling.

Year-end pooling will be on August 14, 2015. All funds for which requests for obligation have not been entered and processed will be pooled. Pooled funds revert to the National Office reserve.

All requests for year-end pooled funds must be entered into CPAP's Request for National Office Reserves by COB on Friday, August 21, 2014. The National Office will make final project selections by Friday, August 28, 2014. After August 28, 2014, there will only be a small amount of funds held for emergencies and unexpected cost overruns.

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STATE	TOTAL BUDGET AUTHORITY	BASIC FORMULA FACTOR	GUARANTEED LOANS	DIRECT LOANS		GRANTS
				BUDGET AUTHORITY	PROGRAM LEVEL	
Alabama	\$9,012,000	0.0315738	\$1,377,000	\$0	\$33,034,000	\$9,012,000
Alaska	\$2,372,000	0.0032893	\$412,000	\$0	\$8,637,000	\$2,372,000
Arizona	\$4,881,000	0.0139763	\$777,000	\$0	\$17,855,000	\$4,881,000
Arkansas	\$6,767,000	0.0220114	\$1,051,000	\$0	\$24,786,000	\$6,767,000
California	\$8,660,000	0.0300735	\$1,326,000	\$0	\$31,740,000	\$8,660,000
Colorado	\$4,428,000	0.0120475	\$711,000	\$0	\$16,191,000	\$4,428,000
Connecticut	\$3,093,000	0.0063607	\$517,000	\$0	\$11,286,000	\$3,093,000
Delaware	\$2,331,000	0.0031135	\$406,000	\$0	\$8,486,000	\$2,331,000
Florida	\$9,382,000	0.0331515	\$1,430,000	\$0	\$34,395,000	\$9,382,000
Georgia	\$13,043,000	0.0487494	\$1,962,000	\$0	\$47,848,000	\$13,043,000
Hawaii	\$2,373,000	0.0032924	\$412,000	\$0	\$8,640,000	\$2,373,000
Idaho	\$3,661,000	0.0087813	\$599,000	\$0	\$13,374,000	\$3,661,000
Illinois	\$7,830,000	0.0265386	\$1,205,000	\$0	\$28,691,000	\$7,830,000
Indiana	\$8,316,000	0.0286091	\$1,276,000	\$0	\$30,476,000	\$8,316,000
Iowa	\$5,622,000	0.0171320	\$884,000	\$0	\$20,577,000	\$5,622,000
Kansas	\$4,419,000	0.0120087	\$710,000	\$0	\$16,158,000	\$4,419,000
Kentucky	\$9,783,000	0.0348613	\$1,489,000	\$0	\$35,869,000	\$9,783,000
Louisiana	\$6,781,000	0.0220713	\$1,053,000	\$0	\$24,837,000	\$6,781,000
Maine	\$4,377,000	0.0118309	\$703,000	\$0	\$16,005,000	\$4,377,000
Maryland	\$3,913,000	0.0098536	\$636,000	\$0	\$14,299,000	\$3,913,000
Massachusetts	\$3,021,000	0.0060544	\$506,000	\$0	\$11,022,000	\$3,021,000
Michigan	\$11,614,000	0.0426594	\$1,755,000	\$0	\$42,595,000	\$11,614,000
Minnesota	\$6,640,000	0.0214712	\$1,032,000	\$0	\$24,320,000	\$6,640,000
Mississippi	\$8,597,000	0.0298084	\$1,316,000	\$0	\$31,511,000	\$8,597,000
Missouri	\$8,769,000	0.0305416	\$1,341,000	\$0	\$32,143,000	\$8,769,000
Montana	\$3,457,000	0.0079114	\$570,000	\$0	\$12,624,000	\$3,457,000
Nebraska	\$3,490,000	0.0080515	\$575,000	\$0	\$12,745,000	\$3,490,000
Nevada	\$2,701,000	0.0046885	\$460,000	\$0	\$9,844,000	\$2,701,000
New Hampshire	\$3,299,000	0.0072378	\$547,000	\$0	\$12,043,000	\$3,299,000
New Jersey	\$2,870,000	0.0054095	\$484,000	\$0	\$10,466,000	\$2,870,000
New Mexico	\$3,773,000	0.0092564	\$616,000	\$0	\$13,784,000	\$3,773,000
New York	\$9,826,000	0.0350444	\$1,495,000	\$0	\$36,027,000	\$9,826,000
North Carolina	\$13,337,000	0.0500000	\$2,005,000	\$0	\$48,927,000	\$13,337,000
North Dakota	\$2,556,000	0.0040724	\$439,000	\$0	\$9,313,000	\$2,556,000
Ohio	\$11,843,000	0.0436356	\$1,788,000	\$0	\$43,438,000	\$11,843,000
Oklahoma	\$6,073,000	0.0190565	\$950,000	\$0	\$22,237,000	\$6,073,000
Oregon	\$5,035,000	0.0146343	\$799,000	\$0	\$18,423,000	\$5,035,000
Pennsylvania	\$11,557,000	0.0424190	\$1,746,000	\$0	\$42,388,000	\$11,557,000
Puerto Rico	\$3,209,000	0.0068562	\$534,000	\$0	\$11,714,000	\$3,209,000
Rhode Island	\$1,848,000	0.0010553	\$336,000	\$0	\$6,710,000	\$1,848,000
South Carolina	\$8,939,000	0.0312627	\$1,366,000	\$0	\$32,765,000	\$8,939,000
South Dakota	\$2,964,000	0.0058107	\$498,000	\$0	\$10,812,000	\$2,964,000
Tennessee	\$10,680,000	0.0386813	\$1,619,000	\$0	\$39,164,000	\$10,680,000
Texas	\$13,337,000	0.0500000	\$2,005,000	\$0	\$48,927,000	\$13,337,000
Utah	\$2,705,000	0.0047050	\$460,000	\$0	\$9,858,000	\$2,705,000
Vermont	\$3,008,000	0.0059997	\$505,000	\$0	\$10,975,000	\$3,008,000
Virgin Islands	\$830,000	0.0000000	\$300,000	\$0	\$830,000	\$830,000
Virginia	\$8,431,000	0.0291003	\$1,292,000	\$0	\$30,900,000	\$8,431,000
Washington	\$5,777,000	0.0177921	\$907,000	\$0	\$21,146,000	\$5,777,000
West Virginia	\$5,471,000	0.0164925	\$862,000	\$0	\$20,026,000	\$5,471,000
Wisconsin	\$7,995,000	0.0272407	\$1,229,000	\$0	\$29,296,000	\$7,995,000
W. Pacific Areas	\$830,000	0.0000000	\$300,000	\$0	\$830,000	\$830,000
Wyoming	\$2,474,000	0.0037249	\$427,000	\$0	\$9,013,000	\$2,474,000
Totals	\$322,000,000	1.0000	\$50,000,000	\$0	\$1,160,000,000	\$318,000,000
Reserves and Set Asides	\$146,857,000		\$0	\$0	\$40,000,000	\$146,857,000
GRAND TOTALS	\$464,857,000		\$50,000,000	\$0	\$1,200,000,000	\$464,857,000

**MID-YEAR POOLING
METHODOLOGY**

The following demonstrates the calculations to be used for mid-year pooling:

Beginning Loan Allocation:	\$20,000,000
Add Funds Received from N/O Reserve	<u>+ 4,000,000</u>
Adjusted allocation	\$24,000,000
50 percent of \$24 million	\$ 12,000,000
Amount obligated as of 5/31/13	<u>\$ 10,000,000</u>
Amount lost to mid-year pooling	(\$ 2,000,000)

In this example the State loses \$2,000,000 to the mid-year pooling.