United States Department of Agriculture

Rural Development
Business Center

Chief Financial Office

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Washington, DC
20250

TO: State Directors
Deputy State Directors
Administrative Officers
Administrative Program Directors

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

FROM: Cara LeConte, CPA
Chief Financial Officer

CARA LECONTE

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Date: 2026.03.10 10:19:49 -04'00'

SUBJECT: Program Loan Cost Expense Funds
Fiscal Year 2026 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 the Rural Development Rural Housing Service. Your State's annual Fiscal Year (FY) 2026 Direct Loan Financing Account and Liquidating Account allocations are provided in Attachment 1 of this memorandum, *Program Loan Cost Expense Funds, Housing Programs (RHIF) – FY 2026.* These allocations are based on your FY2025 obligations of these funds. Your FY 2026 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 emailing an electronic copy of Attachment 2 of this memorandum, *Fiscal Year Program Loan Cost Expense, Rural Housing Service - Community Programs*, to Louis Trivette, CF, at Louis.Trivette@usda.gov.

The procedures for requesting funding for Multi-Family Housing (MFH) PLCE this year will follow those used last year. Your State's MFH Regional Director is listed in Attachment 3 of this memorandum, to receive and address your MFH PLCE fund requests.

Attachment 1 lists your State's non-recoverable Salaries and Expense Account ("A" funds) initial allocation for FY 2026 (also posted in FMMI).

EXPIRATION DATE:
November 30, 2026

FILING INSTRUCTIONS:
Administrative/Other Program

USDA is an equal opportunity provider, employer, and lender.

This year's "A" funds are only authorized for Single Family Housing (SFH) mortgage releases, pre-approved MFH appraisals, pre-approved MFH cost certifications, 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. To request specific MFH appraisals and/or cost certifications, contact your MFH Regional Director listed in Attachment 3. For all other emergency needs requiring "A" funds, contact Carl Muhlbauer, Budget Execution Branch, at carl.muhlbauer@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 13, 2025) to verify the recoverability of each charge you submit. The SharePoint website address for the tables is: https://www.rd.usda.gov/files/2024a.pdf

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" funds Account, is used to pay PLCEs that are chargeable to a direct/insured borrower or property account in which the loan was obligated in FY 1992 or subsequent years. The Liquidating Account, also referred to as the "L" funds 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" funds) 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 or property account for all Housing and CF programs.

Your State's Budget Analyst will certify PLCE funds availability on Form RD 1955-62, Program Loan Cost Expense Contractual or Non-Contractual Request, for both contractual and non-contractual items and additionally in the Integrated Acquisition System as Budget Approver for contractual items. They will ensure the processing of purchase orders in FMMI. 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 fund balances.

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, Budget Execution Branch, at (202)690-2141.

3 Attachments

Sent by Electronic Mail on _____ at_____ by the Office of Budget and Policy, St. Louis, Missouri. State Directors, Deputy State Directors, Administrative Officers and Administrative Program Directors should advise other personnel as appropriate.

PROGRAM LOAN COST EXPENSE FUNDS
Housing Programs (RHIF) - FY 2026

State/Territory	Allocations		
	Salaries & Expense Account	Direct Loan Financing Account	Liquidating Account
Alabama	$743	$0	$0
Alaska	$263	$1,390	$0
Arizona	$571	$0	$0
Arkansas	$639	$0	$0
California	$1,428	$0	$0
Colorado	$369	$58,507	$0
Delaware	$511	$0	$0
Florida	$955	$145,024	$0
Georgia	$939	$0	$0
Hawaii	$426	$112,455	$0
Idaho	$285	$0	$0
Illinois	$779	$1,187,179	$0
Indiana	$714	$0	$0
Iowa	$495	$0	$0
Kansas	$344	$0	$0
Kentucky	$939	$0	$0
Louisiana	$764	$0	$0
Maine	$504	$0	$0
Massachusetts	$563	$0	$0
MFH Region 1	$0	$500,000	$250,000
MFH Region 2	$0	$500,000	$500,000
MFH Region 3	$0	$250,000	$250,000
MFH Region 4	$0	$500,000	$500,000
Michigan	$938	$86,053	$0
Minnesota	$538	$0	$0
Mississippi	$1,013	$743,613	$0
Missouri	$684	$0	$0
Montana	$261	$0	$0
Nebraska	$263	$0	$0
Nevada	$174	$0	$0
New Hampshire	$286	$0	$0
New Jersey	$261	$0	$0
New Mexico	$379	$0	$0
New York	$782	$0	$0
North Carolina	$1,432	$546,317	$0
North Dakota	$175	$0	$0
Ohio	$881	$0	$0
Oklahoma	$524	$0	$0
Oregon	$402	$0	$0
Pennsylvania	$918	$0	$0
Puerto Rico	$757	$0	$0
South Carolina	$812	$0	$0
South Dakota	$247	$119,462	$0
Tennessee	$917	$0	$0
Texas	$1,886	$0	$0
Utah	$335	$0	$0
Vermont	$263	$0	$0
Virgin Islands	$98	$0	$0
Virginia	$824	$0	$0
Washington	$539	$0	$0
West Virginia	$444	$0	$0
Wisconsin	$559	$0	$0
Wyoming	$177	$0	$0
Total	$30,000	$4,750,000	$1,500,000

Attachment 2

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

State: _____ Account: _____
Contact Person _____ Fax No.: _____
Telephone Number: _____

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	_____	Advertising	_____
Appraisals	_____	Real Estate Taxes	_____
Analysis and Audits	_____	Insurance	
Information Services	_____	(including flood)	_____
Other Services	_____	Other (Explain)	_____
Maintenance & Management	_____	Utilities *	_____
Repair/Improvement	_____	**TOTAL**	_____
Exclusive Broker	_____		
Open Listing Broker	_____	* Attach copies of vouchers and/or documents.	
Environmental	_____		
Other Field Contracting	_____		
Credit Bureau Reports	_____		
TOTAL	_____		

_____
State Program Director

Concurrence: _____ Date: _____ Associate
Administrator/Deputy Administrator

TO BE COMPLETED BY NATIONAL OFFICE:
Account Balance after this obligation: _____ Initials: _____
Date: _____

Attachment 3

MFH Regions PLCE Points of Contact

Northeast Region: Donna OBrien, Regional Director, (CT, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VA, VT, WV) donna.obrien@usda.gov 609-534-9485 (FMMI Funds Center RD3M100000)

Midwest Region: Eric Siebens, Regional Director, (IA, IL, IN, KS, MI, MN, MO, ND, NE, OH, SD, WI) eric.siebens@usda.gov 509-415-3822 (FMMI Funds Center RD3M200000)

Western Region: Becki Meyer, Regional Director, (AK, AZ, CA, CO, HI, ID, MT, NM, NV, OR, UT, WA, WY) MFHFODWest@usda.gov 360-704-7702 (FMMI Funds Center RD3M300000)

Southern Region: Byron Waters, Regional Director, (AL, AR, FL, GA, KY, LA, MS, NC, OK, PR, SC, TN, TX, VI) MFHFODSouth@usda.gov 919-873-2055 (FMMI Funds Center RD3M400000)