

UNNUMBERED LETTERS ISSUED FOR THE DECEMBER OF 2011

Dated	Subject	Distribution
12-04-11	Advanced Biofuel Producer Payment Program Fiscal Year 2010 Payments	S/D
12-04-11	Rural Economic Development Loan and Grant Program Projects Funded for October, Fiscal Year 2012	S/D
12-05-11	Multi-Family Housing Servicing Goals	S/D
12-05-11	Compliance with the Improper Payments Information Act Section 521 - Rental Assistance Program	S/D
12-05-11	Request for Fiscal Year 2012 Rental Assistance Data for Renewal Needs for Multi-Family Housing	S/D
12-07-11	Guidance on Unliquidated Multi-Family Housing Obligations and Farm Labor Housing (FLH) Market Studies	S/D
12-11-11	USDA Rural Development Support for Rural Health Care Providers	S/D
12-12-11	Business and Industry Guaranteed Loan Program Funding Procedures	S/D
12-14-11	Guidance on the Use of the Supplemental Nutrition Assistance Program Income for Single Family Housing Direct Loans	S/D
12-15-11	Business and Industry Guaranteed Loan Program Funding Information for Program Directors and Lenders Fiscal Year 2012	S/D
12-19-11	Interest Rate Changes for Community Facilities	S/D, AD, RDM
12-19-11	Interest Rate Changes for Housing Programs and Credit Sales (Nonprogram)	S/D, AD, RDM
12-19-11	Interest Rate Changes for Water and Waste Disposal Loans	S/D, AD, RDM

Dated	Subject	Distribution
12-20-11	Debarment/Suspension Query Tool for Loan/Grant Applicant Screening Documentation	S/D
12-20-11	Rural Economic Development Loan and Grant Program Projects Funded for November, Fiscal Year 2012	S/D
12-21-11	Fiscal Year 2012 - Special Appropriation Language for Farm Labor Housing Rental Assistance Units	S/D
12-21-11	Interest Rate Changes for Business and Industry Loans	S/D, AD, RDM
12-21-11	Interest Rate Changes for Housing Programs and Credit Sales (Nonprogram)	S/D, AD, RDM

December 4, 2011

TO: State Directors, Rural Development

ATTN: Business Programs Directors  
State Energy Coordinators

SUBJECT: Advanced Biofuel Producer Payment Program  
Fiscal Year 2010 Payments

The Advanced Biofuel Producer Payment Program, Fiscal Year (FY) 2010 payment amounts are attached. The amount approved for disbursement included the \$55 million mandated by the Farm Bill for FY 2010 and the carry-over of \$25 million from FY 2009. Please notify the above referenced producers of the payment amounts which were automatically deposited into their bank account.

If you have any questions, please contact Kelley Oehler, Branch Chief, Energy Division, at (202) 720-6819.

*(Signed by PANDOR H. HADJY)*

PANDOR H. HADJY  
Deputy Administrator  
Business Programs

Attachment

EXPIRATION DATE:  
September 30, 2012

FILING INSTRUCTIONS  
Community/Business Programs

<b>State</b>	<b>Recipient Name</b>	<b>Payment Amount</b>	<b>Advanced Biofuel</b>
AR	DELTA AMERICAN FUEL, LLC	\$74,472.46	BIODIESEL TRANS ESTERIFICATION
AR	FUTUREFUEL CHEMICAL COMPANY	\$1,500,149.29	BIODIESEL TRANS ESTERIFICATION
AZ	PINAL ENERGY, LLC	\$2,206,304.60	ETHANOL PRODUCTION BIODIESEL TRANS
CA	AMERICAN BIODIESEL, INC.	\$474,405.80	ESTERIFICATION
CA	CASTELANELLI BROS. ENERGY ALTERNATIVE SOLUTIONS, INC.	\$3,205.10	ANAEROBIC DIGESTER BIODIESEL TRANS
CA	FISCALINI PROPERTIES, L.P.	\$15,048.03	ESTERIFICATION
CA	GALLO CATTLE COMPANY, L.P.	\$8,775.30	ANAEROBIC DIGESTER
CA	HIGH MOUNTAIN FUELS, LLC	\$14,290.70	ANAEROBIC DIGESTER
CA	IMPERIAL WESTERN PRODUCTS, INC.	\$126,950.55	LANDFILL GAS BIODIESEL TRANS
CA	NEW LEAF BIOFUEL, LLC	\$146,167.49	ESTERIFICATION BIODIESEL TRANS
CA	PROMETHEAN BIOFUELS COOPERATIVE CORP.	\$85,283.13	ESTERIFICATION BIODIESEL TRANS
CA	SIMPLE FUELS BIODIESEL, INC.	\$4,516.70	ESTERIFICATION BIODIESEL TRANS
CA	YOKAYO BIOFUELS, INC.	\$6,557.07	ESTERIFICATION BIODIESEL TRANS
CO	ROCKY MOUNTAIN PELLET CO. INC.	\$110,660.62	ESTERIFICATION
CT	BIODIESEL ONE, LTD.	\$33,579.14	PELLETS BIOFUEL FROM WASTE PRODUCTS (BIODIESEL)
CT	BIOPUR, INC.	\$15,146.92	BIOFUEL FROM WASTE PRODUCTS (BIODIESEL)
CT	DPC ENTERPRISES, INC.	\$124,344.94	BIOFUEL FROM WASTE PRODUCTS (BIODIESEL)
FL	GENUINE BIO-FUEL, INC. ALTERRA BIOENERGY OF MIDDLE GEORGIA, LLC	\$1,870.16	BIODIESEL TRANS ESTERIFICATION BIODIESEL TRANS
GA	APPLING COUNTY PELLETS, LLC	\$286,372.32	ESTERIFICATION
GA	DOWN TO EARTH ENERGY, LLC	\$369,003.02	ESTERIFICATION
GA	NITTANY BIODIESEL	\$240,837.92	PELLETS BIODIESEL TRANS
GA	U.S. BIOFUELS, INC.	\$7,555.45	ESTERIFICATION BIODIESEL TRANS
HI	PACIFIC BIODIESEL, INC.	\$142,182.28	ESTERIFICATION BIODIESEL TRANS
IA	CLINTON COUNTY BIO ENERGY,	\$255,477.76	ESTERIFICATION BIOFUEL FROM WASTE PRODUCTS (BIODIESEL)
		\$64,627.58	PRODUCTS (BIODIESEL)
		\$6,046.08	BIOFUEL FROM WASTE

	LLC		PRODUCTS (BIODIESEL)
			BIODIESEL TRANS
IA	IOWA RENEWABLE ENERGY, LLC	\$151,002.98	ESTERIFICATION
			BIODIESEL TRANS
IA	RENEWABLE ENERGY GROUP, INC.	\$6,174,285.19	ESTERIFICATION
			BIODIESEL TRANS
IA	SIOUX BIOCHEMICAL, INC.	\$24,110.12	ESTERIFICATION
	WESTERN DUBUQUE BIODIESEL,		BIODIESEL TRANS
IA	LLC	\$456,363.79	ESTERIFICATION
			BIODIESEL TRANS
IA	WESTERN IOWA ENERGY	\$698,622.94	ESTERIFICATION
ID	DF-AP#1, LLC	\$24,992.17	ANAEROBIC DIGESTER
ID	LIGNETICS OF IDAHO, INC.	\$168,325.22	PELLETS
			BIODIESEL TRANS
ID	PLEASANT VALLEY BIOFUELS, LLC	\$11,544.13	ESTERIFICATION
ID	QB CORPORATION	\$1,276.74	PELLETS
ID	ROCKY CANYON PELLET CO., LLC	\$13,686.47	PELLETS
	ARCHER DANIELS MIDLAND		BIODIESEL TRANS
IL	COMPANY	\$2,571,340.67	ESTERIFICATION
			BIODIESEL TRANS
IL	INCOBRASA INDUSTRIES, LTD.	\$1,771,962.53	ESTERIFICATION
	MIDWEST BIODIESEL PRODUCT,		BIODIESEL TRANS
IL	LLC	\$54,984.23	ESTERIFICATION
IN	CENTRAL INDIANA ETHANOL, LLC	\$65,892.94	ETHANOL PRODUCTION
			BIOFUEL FROM WASTE
IN	E BIOFUELS, LLC	\$1,535,786.53	PRODUCTS (BIODIESEL)
			BIODIESEL TRANS
IN	INTEGRITY BIOFUELS, LLC	\$69,612.41	ESTERIFICATION
	LOUIS DREYFUS AGRICULTURAL		BIOFUEL FROM WASTE
IN	INDUSTRIES, LLC	\$3,259,807.55	PRODUCTS (BIODIESEL)
IN	T AND M LIMITED PARTNERSHIP	\$94,505.27	ANAEROBIC DIGESTER
	UNION COUNTY BIODIESEL		BIOFUEL FROM WASTE
IN	COMPANY	\$42,418.13	PRODUCTS (BIODIESEL)
KS	ARKALON ETHANOL, LLC	\$1,813,417.93	ETHANOL PRODUCTION
KS	BONANZA BIOENERGY, LLC	\$1,132,095.10	ETHANOL PRODUCTION
			BIOFUEL FROM WASTE
KS	EMERGENT GREEN ENERGY, INC.	\$7,929.92	PRODUCTS (BIODIESEL)
KS	ESE ALCOHOL	\$80,924.62	ETHANOL PRODUCTION
			BIOFUEL FROM WASTE
KS	HEALY BIODIESEL, INC.	\$10,078.47	PRODUCTS (BIODIESEL)
KS	KANSAS ETHANOL, LLC	\$2,339,004.29	ETHANOL PRODUCTION
KS	NESIKA ENERGY, LLC	\$138,559.11	ETHANOL PRODUCTION
	PRAIRIE HORIZON AGRI-ENERGY,		
KS	LLC	\$1,581,912.80	ETHANOL PRODUCTION
			BIOFUEL FROM WASTE
KS	R-3 ENERGY, LLC	\$9,980.15	PRODUCTS (BIODIESEL)

KS	REEVE AGRI ENERGY, INC.	\$576,245.17	ETHANOL PRODUCTION
KS	WESTERN PLAINS ENERGY, LLC	\$660,480.77	ETHANOL PRODUCTION BIOFUEL FROM WASTE PRODUCTS (BIODIESEL)
KY	GRIFFIN INDUSTRIES, INC. OWENSBORO GRAIN COMPANY, LLC	\$98,703.57	BIODIESEL MECHANICAL PELLETS
KY	SOMERSET HARDWOOD FLOORING SOUTHERN KENTUCKY PELLET MILL, INC.	\$1,984,135.45 \$75,327.65 \$4,758.96	PELLETS BIOFUEL FROM WASTE PRODUCTS (BIODIESEL)
MA	FUELS OF THE FUTURE, LLC	\$9,831.51	PELLETS
MD	ENVIVA, L.P.	\$7,891.09	PELLETS
ME	CORINTH WOOD PELLETS, LLC	\$31,406.17	PELLETS
ME	GENEVA WOOD FUELS, LLC MAINE WOODS PELLET COMPANY, LLC	\$11,825.77 \$58,922.82	PELLETS
MI	GREEN MEADOW FARMS, INC.	\$6,761.64	ANAEROBIC DIGESTER
MI	SCENIC VIEW DAIRY, LLC	\$78,603.68	ANAEROBIC DIGESTER ANAEROBIC DIGESTER; BIODIESEL
MN	CARGILL, INC.	\$1,988,625.98	BIODIESEL TRANS ESTERIFICATION
MN	EVER CAT FUELS, LLC	\$98,507.21	BIODIESEL TRANS ESTERIFICATION
MN	FUMPA BIOFUELS	\$198,575.88	BIODIESEL TRANS ESTERIFICATION
MN	MN SOYBEAN PROCESSORS RIVERVIEW, LLP	\$2,267,925.96 \$29,584.02	ANAEROBIC DIGESTER
MN	WEST RIVER DAIRY, LLP ABENGOA BIOENERGY CORPORATION	\$27,850.23 \$1,225,049.30	ANAEROBIC DIGESTER ETHANOL PRODUCTION BIODIESEL TRANS ESTERIFICATION
MO	GLOBAL FUELS, LLC	\$14,454.16	BIODIESEL TRANS ESTERIFICATION
MO	ME BIO ENERGY, LLC	\$26,032.96	BIODIESEL TRANS ESTERIFICATION
MO	MID-AMERICA BIOFUELS, LLC	\$1,841,148.67	BIODIESEL TRANS ESTERIFICATION
MO	NATURAL BIODIESEL PLANT, LLC	\$231,725.99	BIODIESEL TRANS ESTERIFICATION
MO	PASEO CARGILL ENERGY, LLC	\$2,229,241.21	BIODIESEL TRANS ESTERIFICATION
MO	PRAIRIE PRIDE, INC.	\$418,413.46	BIODIESEL TRANS ESTERIFICATION
MS	DELTA BIOFUELS, INC.	\$13,408.73	BIODIESEL TRANS BIOFUEL FROM WASTE PRODUCTS (BIODIESEL)
MS	GREENLIGHT BIOFUELS, LLC	\$33,419.59	BIODIESEL TRANS BIOFUEL FROM WASTE PRODUCTS (BIODIESEL)

MS	SCOTT PETROLEUM CORPORATION	\$609,143.85	BIOFUEL FROM WASTE PRODUCTS (BIODIESEL)
NC	BLUE RIDGE BIOFUELS, LLC	\$10,848.63	BIOFUEL FROM WASTE PRODUCTS (BIODIESEL)
NC	NORTH AMERICAN BIO-ENERGIES	\$18,492.49	BIODIESEL MECHANICAL
NC	PIEDMONT BIOFUELS INDUSTRIAL, LLC	\$15,894.78	BIODIESEL MECHANICAL
NC	TRIANGLE BIOFUELS INDUSTRIES, INC.	\$245,973.31	BIODIESEL MECHANICAL BIODIESEL TRANS
NE	AG PROCESSING, INC.	\$2,177,107.98	ESTERIFICATION
NE	HORIZON BIOFUELS, INC.	\$1,843.66	PELLETS
NE	KAAPA ETHANOL, LLC	\$1,028.45	ETHANOL PRODUCTION
NH	AMERICAN ENERGY		BIOFUEL FROM WASTE PRODUCTS (BIODIESEL)
NH	INDEPENDENCE COMPANY, LLC	\$96,340.08	PELLETS
NH	NEW ENGLAND WOOD PELLET, LLC	\$98,859.98	PELLETS
NM	MT. TAYLOR MACHINE, LLC	\$6,555.11	PELLETS
NM	RIO VALLEY BIOFUELS, LLC	\$23,023.14	BIOFUEL FROM WASTE PRODUCTS (BIODIESEL)
NV	BENTLY BIOFUELS COMPANY	\$44,620.71	BIOFUEL FROM WASTE PRODUCTS (BIODIESEL)
NY	AURORA RIDGE DAIRY, LLC	\$14,404.92	ANAEROBIC DIGESTER
NY	NORTHERN BIODIESEL, INC.	\$79,529.18	BIOFUEL FROM WASTE PRODUCTS (BIODIESEL)
NY	TMT BIOFUELS, LLC	\$17,188.89	BIOFUEL FROM WASTE PRODUCTS (BIODIESEL)
OH	CENTER ALTERNATIVE ENERGY COMPANY II	\$90,140.15	BIODIESEL TRANS ESTERIFICATION
OH	JATRODIESEL, INC.	\$28,102.34	BIODIESEL TRANS ESTERIFICATION
OK	HIGH PLAINS BIOENERGY, LLC	\$2,125,535.44	BIODIESEL TRANS ESTERIFICATION
OR	BEAR MOUNTAIN FOREST PRODUCTS, INC.	\$172,630.69	PELLETS
OR	BLUE MOUNTAIN LUMBER PRODUCTS, LLC	\$32,798.11	PELLETS
OR	FRANK PELLET, LLC	\$21,085.03	PELLETS
OR	PACIFIC PELLET, LLC	\$6,096.47	PELLETS
OR	SEQUENTIAL-PACIFIC BIODIESEL	\$1,497,485.69	BIODIESEL TRANS ESTERIFICATION
OR	STAHLBUSH ISLAND FARMS, INC.	\$8,379.01	ANAEROBIC DIGESTER
OR	WEST OREGON WOOD PRODUCTS, INC.	\$87,502.12	PELLETS
PA	AMERICAN BIODIESEL ENERGY, INC	\$79,445.48	BIODIESEL MECHANICAL
PA	ENVIRONMENTAL ENERGY	\$1,518,150.87	BIOFUEL FROM WASTE

PA	RECYCLING CORP., LLC		PRODUCTS (BIODIESEL)
PA	KEYSTONE BIOFUELS, INC.	\$228,573.19	BIODIESEL MECHANICAL
PA	LAKE ERIE BIOFUELS, LLC DBA HERO BX	\$9,941,374.36	BIODIESEL MECHANICAL BIOFUEL FROM WASTE
PA	SMARTER FUEL, INC.	\$4,849,639.04	PRODUCTS (BIODIESEL)
PA	SOY ENERGY, INC. DBA CUSTOM FUELS, INC.	\$11,930.70	BIODIESEL MECHANICAL
PA	UNITED OIL COMPANY	\$176,832.82	BIODIESEL MECHANICAL BIOFUEL FROM WASTE
RI	NEWPORT BIODIESEL, LLC	\$40,291.85	PRODUCTS (BIODIESEL)
SD	HANSON COUNTY OIL PRODUCERS, LLC	\$6,437.65	BIODIESEL TRANS ESTERIFICATION
SD	NUGEN ENERGY, LLC	\$71,191.13	ETHANOL PRODUCTION
TN	HASSELL & HUGHES	\$21,339.03	PELLETS
TN	UNAKA FOREST PRODUCTS, INC.	\$33,349.60	PELLETS
TX	AGRIBIOFUELS, LLC	\$149,945.70	BIODIESEL TRANS ESTERIFICATION
TX	BEACON ENERGY (TEXAS) CORPORATION	\$51,793.05	BIOFUEL FROM WASTE PRODUCTS (BIODIESEL)
TX	DOUBLE DIAMOND ENERGY, INC.	\$337,070.54	BIOFUEL FROM WASTE PRODUCTS (BIODIESEL)
TX	GREEN EARTH FUELS OF HOUSTON, LLC	\$350,410.18	BIODIESEL TRANS ESTERIFICATION
TX	INSIGHT EQUITY ACQUISITION PARTNERS, L.P.	\$432,664.36	BIODIESEL TRANS ESTERIFICATION
TX	LEVELLAND/HOCKLEY COUNTY ETHANOL, LLC	\$1,885,641.83	ETHANOL PRODUCTION BIODIESEL TRANS
TX	PACIFIC BIODIESEL TEXAS, L.P.	\$7,840.21	ESTERIFICATION BIODIESEL TRANS
TX	RBF PORT NECHES, LLC	\$1,380,947.04	ESTERIFICATION
TX	WHITE ENERGY, INC.	\$3,974,437.78	ETHANOL PRODUCTION
VA	CHESAPEAKE CUSTOM CHEMICAL CORPORATION	\$69,662.20	BIOFUEL FROM WASTE PRODUCTS (BIODIESEL)
VA	POTOMAC SUPPLY CORPORATION	\$10,692.02	PELLETS
VA	RECO BIODIESEL, LLC	\$85,731.42	BIOFUEL FROM WASTE PRODUCTS (BIODIESEL)
VA	RED BIRCH ENERGY	\$6,945.78	BIOFUEL FROM WASTE PRODUCTS (BIODIESEL)
VA	TURMAN HARDWOOD FLOORING, INC.	\$29,515.58	PELLETS
VA	VIRGINIA BIODIESEL REFINERY, LLC	\$97,569.34	BIOFUEL FROM WASTE PRODUCTS (BIODIESEL)
VT	VT WOOD PELLET CO., LLC	\$11,992.79	PELLETS
VT	WESTMINSTER ENERGY GROUP,	\$3,317.88	ANAEROBIC DIGESTER

	LLC		
WA	FARM POWER REXVILLE, LLC	\$12,188.00	ANAEROBIC DIGESTER
WA	FPE RENEWABLES, LLC	\$6,391.47	ANAEROBIC DIGESTER
WA	GDR POWER, LLC	\$17,384.49	ANAEROBIC DIGESTER
			BIODIESEL TRANS
WA	GENERAL BIODIESEL, INC.	\$10,956.41	ESTERIFICATION
			BIODIESEL TRANS
WA	IMPERIUM GRAYS HARBOR, LLC	\$773,971.45	ESTERIFICATION
WA	QUALCO ENERGY	\$8,877.79	ANAEROBIC DIGESTER
WI	BACH DIGESTER, LLC	\$4,594.02	ANAEROBIC DIGESTER
			BIODIESEL TRANS
WI	BADGER BIODIESEL, INC.	\$344,370.45	ESTERIFICATION
			BIODIESEL TRANS
WI	BIO BLEND FUELS	\$9,032.06	ESTERIFICATION
	BUCKEYE RIDGE RENEWABLE		
WI	POWER, LLC	\$50,649.24	ANAEROBIC DIGESTER
WI	CLOVER HILL DAIRY, LLC	\$4,600.15	ANAEROBIC DIGESTER
WI	GREEN VALLEY DAIRY, LLC	\$14,708.15	ANAEROBIC DIGESTER
WI	GROTEGUT DAIRY FARM, INC.	\$11,781.02	ANAEROBIC DIGESTER
WI	HOLSUM DAIRIES, LLC	\$26,476.64	ANAEROBIC DIGESTER
	MARTH PESHTIGO PELLET		
WI	COMPANY, LLC	\$37,459.17	PELLETS
	MARTH WOOD SHAVING SUPPLY,		
WI	INC.	\$24,934.22	PELLETS
WI	NORM E LANE, INC.	\$9,716.21	ANAEROBIC DIGESTER
WI	NORSWISS DIGESTER, LLC	\$50,487.05	ANAEROBIC DIGESTER
WI	PAGEL'S PONDEROSA DAIRY, LLC	\$16,552.55	ANAEROBIC DIGESTER
WI	QUANTUM DAIRY, LLC	\$5,813.91	ANAEROBIC DIGESTER
WI	STARGEST POWER, LLC	\$50,772.72	ANAEROBIC DIGESTER
WI	STATZ BROTHERS, INC.	\$11,004.69	ANAEROBIC DIGESTER
			BIODIESEL TRANS
WI	SUN POWER BIODIESEL, LLC	\$26,491.22	ESTERIFICATION
			BIODIESEL TRANS
WI	WALSH BIO FUELS, LLC	\$77,010.03	ESTERIFICATION
WV	HAMER PELLET FUEL	\$120,129.59	PELLETS
	BEARLODGE FOREST PRODUCTS,		
WY	INC.	\$1,193.26	PELLETS

**TOTAL**

**\$80,000,000.00**

December 4, 2011

TO: State Directors, Rural Development  
ATTN: Business Programs Directors  
SUBJECT: Rural Economic Development Loan and Grant Program  
Projects Funded for October, Fiscal Year 2012

Business Programs has announced loan and grant selections for the October funding for fiscal year (FY) 2012, under the Rural Economic Development Loan and Grant program. A listing of the loan and grant awards is attached for your information.

During the October cycle of FY 2012, seven zero-interest loan applications, totaling \$3,669,000, were considered by Business Programs. Based on the availability of funds, all applications were selected for funding. These funds will be leveraged by \$4,241,777 of private and public financing, directly creating an estimated 246 jobs and retaining 104 jobs in rural areas.

In addition to the loan selections, three grants, totaling \$850,000, to finance revolving loan fund programs that will be operated by a rural utility, were selected for funding. As a result of these grants, the initial zero-interest loans from the revolving loan fund programs, leveraged by \$3,205,804 of private and public financing, will directly create an estimated 7 jobs and retain 231 jobs.

If you have any questions, please contact Melvin Padgett, Loan Specialist, at (202) 720-1495, or Cindy Mason, Loan Specialist, at (202) 690-1433, Specialty Programs Division, Processing Branch.

*(Signed by PANDOR H. HADJY)*

PANDOR H. HADJY  
Deputy Administrator  
Business Programs

Attachments

EXPIRATION DATE:  
September 30, 2012

FILING INSTRUCTIONS:  
Community/Business Programs

**RURAL ECONOMIC DEVELOPMENT LOAN AND GRANT PROGRAM  
REQUEST FOR LOAN FUNDS – October Funding FY 2012**

FY 2012 Allocated Funds	\$33,077,000.00
Carryover Funds	<u>\$46,149,943.22</u>
Total Available	\$79,226,943.22
Less October Funding	<u>\$ 3,669,000.00</u>
Balance Remaining	\$75,557,943.22

<u>State</u>	<u>Project</u>	<u>Loan Amount</u>	<u>REDL Number</u>
MS 53	South Mississippi Electric Power Association	\$740,000	1322
MO 66	Webster Electric Cooperative	\$740,000	1323
NE 565	Benkelman Telephone Co.	\$129,000	1324
TN 62	Lawrenceburg Utility Systems	\$260,000	1325
KS 38	Caney Valley Electric Coop., Assoc., Inc.	\$740,000	1326
IN 07	Northeastern REMC	\$320,000	1327
MS 39	Singing River Electric Power Association	\$740,000	1328

**7 Loans                      Total                      \$ 3,669,000**

**Balance of Loan Funds After Above Request:                      \$75,557,943.22**

**RURAL ECONOMIC DEVELOPMENT LOAN AND GRANT PROGRAM  
REQUEST FOR GRANT FUNDS – October Funding FY 2012**

FY 2012 Allocated Funds	\$10,000,000.00
Carryover Funds	<u>\$ 5,069,913.78</u>
Total Available	\$15,069,913.78
Less October Funding	<u>\$ 850,000.00</u>
Balance Remaining	\$14,219,913.78

<b>State</b>	<b>Project</b>	<b>Grant Amount</b>	<b>REDG Number</b>
AL 09	Clarke Washington EMC	\$300,000	536
NC 51	Lumbee River Electric Membership Corporation	\$250,000	537
IA 101	City of Pocahontas	\$300,000	538
<b>3 Grant Total</b>		<b>\$850,000</b>	

**Balance of Grant Funds After Above Request: \$14,219,913.78**

December 5, 2011

TO: State Directors  
Rural Development

ATTN: Program Directors and Coordinators  
Multi-Family Housing

FROM: Tammye Treviño (Signed by Tammye Treviño)  
Administrator  
Housing and Community Facilities Programs

SUBJECT: Multi-Family Housing Servicing Goals

This Unnumbered Letter (UL) provides the final report for the Multi-Family Housing (MFH) Servicing Goals for Fiscal Year (FY) 2011.

Proper asset management of the Agency's \$11.2 billion multi-family housing portfolio begins with a thorough evaluation of the entire portfolio to obtain a clear understanding of existing and potential problems. It is important that the over 430,000 residents in the 15,000 MFH properties have safe and sanitary living conditions. Close monitoring, timely follow-up, and a consistent administration of the regulations will be beneficial in the resolution of problems and will contribute to the stability of the program.

In addition to the asset value of the loan portfolio, MFH annually distributes over \$1 billion in Rental Assistance for the benefit of our very low-income residents. Portfolio servicing must continue as top priority in management of the MFH program to ensure good stewardship of these funds. State Directors are to make the most effective and efficient use of personnel in accomplishing the goals as set forth in HB-2-3560, Chapter 9, Section 4. HB-2-3560, Chapter 9, Section 4 establishes the MFH Servicing Goals. State Directors and MFH Program Directors/Coordinators should review the attached FY 2011 MFH Servicing Goals report. The MFH Share point site <https://rd.sc.egov.usda.gov/teamrd/hcfc/mfh/MultiHousing%20Family%20Information/Forms/AllItems.aspx> provides a detailed report at the Servicing Office's level.

EXPIRATION DATE:  
December 31, 2012

FILING INSTRUCTIONS:  
Housing Programs

Training, implementation, and measurement of results should be considered while reviewing the present organization of the MFH program, strategic plans, training schedules, performance elements, and standards. All personnel involved in the administration of the MFH program should be utilized.

Proper loan servicing also includes: borrower counseling, financial analyses, prudent property maintenance, and protection of residents' interests. All servicing authorities should be utilized to the maximum extent possible to correct physical and financial deficiencies and cure loan delinquencies. Properties that are experiencing problems uncommon to the portfolio norm should be serviced using the following: Workout Plan Agreement, Change in Membership, Transfer, Reamortization, Consolidation, and/or Debt Settlement. The MFH Portfolio Management Division at the National Office should be contacted for guidance in cases without explicit guidance in the regulations.

If you have any questions regarding this UL, please contact Stephanie White, Director, Multifamily Housing Programs Portfolio Management Division, at (202) 720-1615 or Janet Stouder, Deputy Director, at (202) 720-9728.

Attachment

# *MFH Servicing Goals*

Report as of  
September 30, 2011



Committed to the future  
of rural communities.

MULTI-FAMILY HOUSING  
RECEIVERSHIP PROPERTY  
As Of September 30, 2011 (Final)

STATE	NO. OF PROPERTIES
Oregon	4
Washington	1
Total	5

**MULTI-FAMILY HOUSING  
REAL ESTATE OWNED PROPERTIES  
PERIOD ENDING  
September 30, 2011 (Final)**

Attachment 2 - Inventory Prop

<b>FY2011</b>	<b>STATE</b>	<b>PROPERTY NAME</b>	<b>DATE ACQ'D</b>	<b>NO. OF UNITS</b>	<b>AVG MONTHS IN INV.</b>	<b>ACQ'D VALUE</b>
1	MI	Quail Run Apts.III	01/09/07	48	56	\$1,163,000
2	MI	Crystal Lake Properties	06/26/07	14	50	\$326,000
3	MI	Bent Tree North (LF-FY11)	03/02/06	32	50	\$580,000
4	MI	Parkway Place Apts.	09/04/07	16	48	\$240,000
5	MI	Cedar Springs Apts./ Lexington Woods (LF-FY11)	11/15/07	16	45	\$275,000
6	MI	Saranac Gardens Apts.	11/15/07	16	45	\$237,000
7	MI	Memphis Manor Apts.	01/07/08	32	44	\$665,000
8	MI	White Oak Apts.	01/07/08	32	44	\$622,000
9	MI	Garden Square Apts.	02/11/08	32	43	\$634,000
10	MI	Countryside Apts. - Pewamo LDHA	03/24/08	16	41	\$319,000
11	MI	Kahlil Village Apts.	04/22/08	32	40	\$545,000
12	MI	Kahlil Village Apts. II	04/22/08	40	40	\$840,000
13	MI	Pheasant Brook Apts.	03/26/08	28	40	\$550,000
14	MI	Pleasant View Apts.	04/24/08	16	40	\$401,000
15	MI	Royal Oak Apts II/Whistle Stop	05/12/08	24	40	\$616,000
16	MI	Harbor Lake Apts.	07/21/08	32	37	\$662,000
17	MI	Highland Terrace Kmg	07/21/08	24	37	\$640,000
18	MI	Evergreen Trail Apts.	07/10/08	48	37	\$1,081,000
19	MI	Corning Apts.	07/16/08	16	37	\$138,500
20	MI	North Branch Apts.	09/06/08	32	24	\$720,000
21	MI	Beaverton Village	11/20/08	24	33	\$642,800
22	MI	Maple Tree Apts.	09/24/08	48	34	\$516,000
23	MI	Timber Creek Apts	09/08/08	32	36	\$72,000
24	MI	Northwood Heights	09/02/10	22	12	\$370,000
25	ME	Harriman, Greg A (LH)	02/11/11	1	6	\$110,000
26	NY	West Broadway Villa	06/13/08	42	39	\$897,500
27	MN	Pegasus Apts.	03/11/10	12	18	\$205,224
28	MN	Cherrywood Apts.	05/06/10	12	16	\$185,000
29	MN	Barnesville Apts	02/09/11	16	7	\$176,000
30	NJ	Briarwood Prop. Ltd	06/03/10	32	15	\$992,000
31	NJ	Westgate II	06/03/10	36	15	\$1,500,000
32	NJ	Oxford Heritage	06/03/10	40	15	\$932,000
33	NJ	Westgate I	06/03/10	32	15	\$920,000
34	IL	Orchard Grove Apts	02/25/11	12	6	\$485,260
35	IL	Parkview Apts.	02/25/11	8	6	\$317,900
36	IL	Laurelwood Apts.	03/18/11	16	5	\$623,000
37	IN	Midland Jasper	11/02/10	24	10	\$340,000
38	IN	Midland Princeton	10/28/10	28	10	\$320,000
39	IN	East View Apts.	10/28/10	28	10	\$310,000
40	IN	East Park Apts	11/04/10	16	10	\$190,000
<b>TOTAL</b>				<b>1027</b>		<b>\$21,359,184</b>

## DELINQUENCY STATUS REPORT FOR PERIOD ENDING SEPTEMBER 30, 2011 (Final)

STATE OFFICE	RENTAL HOUSING		LABOR HOUSING		PROGRAM CASELOAD	NO. DELQ.	% DELQ.
	CASELOAD	NO. DELQ.	CASELOAD	NO. DELQ.			
ALABAMA	473	20	4	0	477	20	4.2%
ALASKA	37	0	1	0	38	0	0.0%
ARIZONA	117	1	10	0	127	1	0.8%
ARKANSAS	354	0	159	1	513	1	0.2%
CALIFORNIA	395	2	101	3	496	5	1.0%
COLORADO	122	4	12	0	134	4	3.0%
CONNECTICUT	63	0	1	0	64	0	0.0%
DELAWARE	52	1	2	0	54	1	1.9%
FLORIDA	407	10	39	4	446	14	3.1%
GEORGIA	442	9	3	0	445	9	2.0%
HAWAII	24	0	3	0	27	0	0.0%
IDAHO	168	2	10	0	178	2	1.1%
ILLINOIS	582	2	4	0	586	2	0.3%
INDIANA	533	12	0	0	533	12	2.3%
IOWA	478	7	6	0	484	7	1.4%
KANSAS	336	23	1	0	337	23	6.8%
KENTUCKY	446	6	0	0	446	6	1.3%
LOUISIANA	378	0	10	0	388	0	0.0%
MAINE	338	16	5	1	343	17	5.0%
MARYLAND	159	1	2	0	161	1	0.6%
MASSACHUSETTS	63	0	4	0	67	0	0.0%
MICHIGAN	565	22	84	3	649	25	3.9%
MINNESOTA	572	5	3	0	575	5	0.9%
MISSISSIPPI	493	23	28	2	521	25	4.8%
MISSOURI	701	7	0	0	701	7	1.0%
MONTANA	144	3	1	0	145	3	2.1%
NEBRASKA	230	3	3	0	233	3	1.3%
NEVADA	68	1	2	0	70	1	1.4%
NEW HAMPSHIRE	86	0	3	1	89	1	1.1%
NEW JERSEY	72	4	19	0	91	4	4.4%
NEW MEXICO	103	0	8	0	111	0	0.0%
NEW YORK	442	32	18	0	460	32	7.0%
NORTH CAROLINA	605	1	10	1	615	2	0.3%
NORTH DAKOTA	195	13	0	0	195	13	6.7%
OHIO	391	3	3	0	394	3	0.8%
OKLAHOMA	271	4	2	0	273	4	1.5%
OREGON	170	5	24	0	194	5	2.6%
PENNSYLVANIA	305	4	2	1	307	5	1.6%
PUERTO RICO	110	3	1	0	111	3	2.7%
RHODE ISLAND	12	0	0	0	12	0	0.0%
SOUTH CAROLINA	313	2	10	0	323	2	0.6%
SOUTH DAKOTA	377	4	0	0	377	4	1.1%
TENNESSEE	353	6	7	0	360	6	1.7%
TEXAS	727	36	20	1	747	37	5.0%
UTAH	81	1	2	1	83	2	2.4%
VERMONT	76	0	57	0	133	0	0.0%
VIRGIN ISLANDS	18	0	0	0	18	0	0.0%
VIRGINIA	258	9	1	0	259	9	3.5%
WASHINGTON	293	4	26	0	319	4	1.3%
WEST VIRGINIA	229	25	0	0	229	25	10.9%
WISCONSIN	465	8	11	1	476	9	1.9%
WYOMING	54	4	0	0	54	4	7.4%
SEPTMBER 2011	14,746	348	722	20	15,468	368	2.4%

FY 2011 - PROPOSED BUDGETS  
As Of September 30, 2011 (Final)

STATES	DUE	RECEIVED	APPROVED / DENIED	%
ALABAMA	503	477	457	95.8%
ALASKA	48	44	44	100.0%
ARIZONA	142	124	126	101.6%
ARKANSAS	372	363	359	98.9%
CALIFORNIA	534	514	487	94.7%
COLORADO	138	129	124	96.1%
CONNECTICUT	64	64	64	100.0%
DELAWARE	53	52	51	98.1%
FLORIDA	461	444	440	99.1%
GEORGIA	452	439	435	99.1%
HAWAII	26	26	26	100.0%
IDAHO	182	173	172	99.4%
ILLINOIS	634	623	618	99.2%
INDIANA	542	498	484	97.2%
IOWA	499	491	484	98.6%
KANSAS	349	312	295	94.6%
KENTUCKY	469	448	436	97.3%
LOUISIANA	458	452	451	99.8%
MAINE	353	325	319	98.2%
MARYLAND	166	163	161	98.8%
MASSACHUSETTS	68	61	57	93.4%
MICHIGAN	632	617	612	99.2%
MINNESOTA	597	578	565	97.8%
MISSISSIPPI	500	484	478	98.8%
MISSOURI	802	759	677	89.2%
MONTANA	154	147	148	100.7%
NEBRASKA	244	240	238	99.2%
NEVADA	71	67	63	94.0%
NEW HAMPSHIRE	92	92	92	100.0%
NEW JERSEY	79	74	64	86.5%
NEW MEXICO	112	107	104	97.2%
NEW YORK	448	437	426	97.5%
NORTH CAROLINA	641	634	635	100.2%
NORTH DAKOTA	204	195	191	97.9%
OHIO	460	441	427	96.8%
OKLAHOMA	284	276	270	97.8%
OREGON	218	189	189	100.0%
PENNSYLVANIA	327	304	299	98.4%
PUERTO RICO	119	115	112	97.4%
RHODE ISLAND	12	12	11	91.7%
SOUTH CAROLINA	316	314	306	97.5%
SOUTH DAKOTA	408	393	390	99.2%
TENNESSEE	419	418	409	97.8%
TEXAS	784	695	664	95.5%
UTAH	89	82	82	100.0%
VERMONT	77	77	73	94.8%
VIRGIN ISLAND	18	18	17	94.4%
VIRGINIA	258	252	252	100.0%
WASHINGTON	324	310	302	97.4%
WEST VIRGINIA	241	224	220	98.2%
WISCONSIN	489	442	415	93.9%
WYOMING	59	54	53	98.1%
NATIONAL TOTAL	15,991	15,269	14,874	97.4%

Attachment 5 - Annual Fin. Reviews

FY 2010 ACTUAL BUDGETS (Due in FY 2011)  
As Of September 30, 2011 (Final)

STATES	DUE	RECEIVED	REVIEWED	%
ALABAMA	473	461	384	83.3%
ALASKA	35	33	30	90.9%
ARIZONA	121	106	64	60.4%
ARKANSAS	348	344	303	88.1%
CALIFORNIA	480	446	183	41.0%
COLORADO	130	117	83	70.9%
CONNECTICUT	61	59	17	28.8%
DELAWARE	50	48	10	20.8%
FLORIDA	427	417	414	99.3%
GEORGIA	436	427	405	94.8%
HAWAII	27	25	21	84.0%
IDAHO	175	173	170	98.3%
ILLINOIS	574	567	530	93.5%
INDIANA	525	481	442	91.9%
IOWA	467	466	424	91.0%
KANSAS	322	284	213	75.0%
KENTUCKY	437	427	417	97.7%
LOUISIANA	317	316	312	98.7%
MAINE	335	321	149	46.4%
MARYLAND	160	155	76	49.0%
MASSACHUSETTS	65	60	6	10.0%
MICHIGAN	558	555	529	95.3%
MINNESOTA	569	553	515	93.1%
MISSISSIPPI	485	471	433	91.9%
MISSOURI	693	664	587	88.4%
MONTANA	142	136	102	75.0%
NEBRASKA	224	219	214	97.7%
NEVADA	62	59	28	47.5%
NEW HAMPSHIRE	84	84	78	92.9%
NEW JERSEY	72	66	33	50.0%
NEW MEXICO	108	106	107	100.9%
NEW YORK	432	425	380	89.4%
NORTH CAROLINA	587	587	584	99.5%
NORTH DAKOTA	189	182	161	88.5%
OHIO	384	378	370	97.9%
OKLAHOMA	263	255	214	83.9%
OREGON	188	181	112	61.9%
PENNSYLVANIA	302	294	230	78.2%
PUERTO RICO	107	99	71	71.7%
RHODE ISLAND	12	12	12	100.0%
SOUTH CAROLINA	317	315	293	93.0%
SOUTH DAKOTA	371	359	316	88.0%
TENNESSEE	351	348	341	98.0%
TEXAS	726	617	12	1.9%
UTAH	82	71	59	83.1%
VERMONT	74	73	70	95.9%
VIRGIN ISLAND	18	18	18	100.0%
VIRGINIA	241	232	157	67.7%
WASHINGTON	299	281	145	51.6%
WEST VIRGINIA	220	191	186	97.4%
WISCONSIN	469	441	422	95.7%
WYOMING	53	47	43	91.5%
NATIONAL TOTAL	14,647	14,052	11,475	81.7%

## ANNUAL PHYSICAL INSPECTIONS DUE IN FY 2011

As Of September 30, 2011 (Final)

STATES	DUE	COMPLETED	%
ALABAMA	67	42	62.7%
ALASKA	13	11	84.6%
ARIZONA	54	52	96.3%
ARKANSAS	74	58	78.4%
CALIFORNIA	5	4	80.0%
COLORADO	61	59	96.7%
CONNECTICUT	0	0	N/A
DELAWARE	1	0	0.0%
FLORIDA	102	90	88.2%
GEORGIA	189	189	100.0%
HAWAII	0	0	N/A
IDAHO	54	52	96.3%
ILLINOIS	45	23	51.1%
INDIANA	106	69	65.1%
IOWA	80	59	73.8%
KANSAS	20	9	45.0%
KENTUCKY	29	25	86.2%
LOUISIANA	116	115	99.1%
MAINE	85	81	95.3%
MARYLAND	17	9	52.9%
MASSACHUSETTS	0	0	N/A
MICHIGAN	184	179	97.3%
MINNESOTA	104	82	78.8%
MISSISSIPPI	115	98	85.2%
MISSOURI	111	107	96.4%
MONTANA	9	5	55.6%
NEBRASKA	23	23	100.0%
NEVADA	9	6	66.7%
NEW HAMPSHIRE	3	0	0.0%
NEW JERSEY	3	2	66.7%
NEW MEXICO	55	55	100.0%
NEW YORK	89	56	62.9%
NORTH CAROLINA	165	158	95.8%
NORTH DAKOTA	29	18	62.1%
OHIO	148	148	100.0%
OKLAHOMA	61	54	88.5%
OREGON	48	23	47.9%
PENNSYLVANIA	10	8	80.0%
PUERTO RICO	48	39	81.3%
RHODE ISLAND	0	0	N/A
SOUTH CAROLINA	127	108	85.0%
SOUTH DAKOTA	18	11	61.1%
TENNESSEE	190	189	99.5%
TEXAS	147	130	88.4%
UTAH	0	0	N/A
VERMONT	0	0	N/A
VIRGIN ISLAND	5	5	100.0%
VIRGINIA	1	0	0.0%
WASHINGTON	75	63	84.0%
WEST VIRGINIA	30	19	63.3%
WISCONSIN	47	40	85.1%
WYOMING	14	13	92.9%
NATIONAL TOTAL	2,986	2,586	86.6%

SUPERVISORY VISITS DUE IN FY 2011  
As Of September 30, 2011 (Final)

STATES	DUE	COMPLETED	%
ALABAMA	126	75	59.5%
ALASKA	17	17	100.0%
ARIZONA	43	39	90.7%
ARKANSAS	153	129	84.3%
CALIFORNIA	143	84	58.7%
COLORADO	44	43	97.7%
CONNECTICUT	21	21	100.0%
DELAWARE	11	11	100.0%
FLORIDA	143	133	93.0%
GEORGIA	158	158	100.0%
HAWAII	2	2	100.0%
IDAHO	64	58	90.6%
ILLINOIS	218	206	94.5%
INDIANA	169	124	73.4%
IOWA	147	144	98.0%
KANSAS	93	53	57.0%
KENTUCKY	120	115	95.8%
LOUISIANA	112	112	100.0%
MAINE	96	90	93.8%
MARYLAND	53	41	77.4%
MASSACHUSETTS	19	13	68.4%
MICHIGAN	263	247	93.9%
MINNESOTA	209	201	96.2%
MISSISSIPPI	215	173	80.5%
MISSOURI	231	226	97.8%
MONTANA	46	23	50.0%
NEBRASKA	87	87	100.0%
NEVADA	13	9	69.2%
NEW HAMPSHIRE	31	27	87.1%
NEW JERSEY	13	5	38.5%
NEW MEXICO	35	35	100.0%
NEW YORK	167	144	86.2%
NORTH CAROLINA	204	199	97.5%
NORTH DAKOTA	78	61	78.2%
OHIO	163	163	100.0%
OKLAHOMA	81	73	90.1%
OREGON	44	19	43.2%
PENNSYLVANIA	88	73	83.0%
PUERTO RICO	27	17	63.0%
RHODE ISLAND	3	3	100.0%
SOUTH CAROLINA	104	89	85.6%
SOUTH DAKOTA	126	114	90.5%
TENNESSEE	123	122	99.2%
TEXAS	225	185	82.2%
UTAH	16	12	75.0%
VERMONT	29	25	86.2%
VIRGIN ISLAND	5	5	100.0%
VIRGINIA	38	28	73.7%
WASHINGTON	125	104	83.2%
WEST VIRGINIA	76	57	75.0%
WISCONSIN	192	173	90.1%
WYOMING	21	21	100.0%
NATIONAL TOTAL	5,030	4,388	87.2%

## S/O OVERSIGHT OF SUPERVISORY VISITS COMPLETED IN FY 2011

As of September 30, 2011 (Final)

STATES	# SV COMPLETED	# S/O REQUIRED	S/O REVIEWED	Status
ALABAMA	75	4	5	Completed
ALASKA	17	1	13	Completed
ARIZONA	39	2	7	Completed
ARKANSAS	129	7	16	Completed
CALIFORNIA	84	5	0	Not Completed
COLORADO	43	3	4	Completed
CONNECTICUT	21	2	8	Completed
DELAWARE	11	1	3	Completed
FLORIDA	133	7	96	Completed
GEORGIA	158	8	13	Completed
HAWAII	2	1	0	Not Completed
IDAHO	58	3	4	Completed
ILLINOIS	206	11	15	Completed
INDIANA	124	7	19	Completed
IOWA	144	8	34	Completed
KANSAS	53	3	1	Not Completed
KENTUCKY	115	6	5	Not Completed
LOUISIANA	112	6	5	Not Completed
MAINE	90	5	4	Not Completed
MARYLAND	41	3	3	Completed
MASSACHUSETTS	13	1	2	Completed
MICHIGAN	247	13	7	Not Completed
MINNESOTA	201	11	11	Completed
MISSISSIPPI	173	9	0	Not Completed
MISSOURI	226	12	28	Completed
MONTANA	23	2	0	Not Completed
NEBRASKA	87	5	4	Not Completed
NEVADA	9	1	0	Not Completed
NEW HAMPSHIRE	27	2	0	Not Completed
NEW JERSEY	5	1	2	Completed
NEW MEXICO	35	2	13	Completed
NEW YORK	144	8	8	Completed
NORTH CAROLINA	199	10	9	Not Completed
NORTH DAKOTA	61	4	0	Not Completed
OHIO	163	9	8	Not Completed
OKLAHOMA	73	4	2	Not Completed
OREGON	19	1	8	Completed
PENNSYLVANIA	73	4	41	Completed
PUERTO RICO	17	1	6	Completed
RHODE ISLAND	3	1	0	Not Completed
SOUTH CAROLINA	89	5	14	Completed
SOUTH DAKOTA	114	6	9	Completed
TENNESSEE	122	7	11	Completed
TEXAS	185	10	2	Not Completed
UTAH	12	1	2	Completed
VERMONT	25	2	4	Completed
VIRGIN ISLAND	5	1	0	Not Completed
VIRGINIA	28	2	0	Not Completed
WASHINGTON	104	6	1	Not Completed
WEST VIRGINIA	57	3	3	Completed
WISCONSIN	173	9	0	Not Completed
WYOMING	21	2	2	Completed
NATIONAL TOTAL	4,388	220	452	

FY 2011 - OVERALL SERVICING PERFORMANCE  
As Of September 30, 2011 (Final)

STATES	Operating Budgets	Actual Budgets	Annual Phy. Insp.	Super. Visit	Overall Ave.
ALABAMA	95.8%	83.3%	62.7%	59.5%	75.3%
ALASKA	100.0%	90.9%	84.6%	100.0%	93.9%
ARIZONA	101.6%	60.4%	96.3%	90.7%	87.2%
ARKANSAS	98.9%	88.1%	78.4%	84.3%	87.4%
CALIFORNIA	94.7%	41.0%	80.0%	58.7%	68.6%
COLORADO	96.1%	70.9%	96.7%	97.7%	90.4%
CONNECTICUT	100.0%	28.8%	N/A	100.0%	76.3%
DELAWARE	98.1%	20.8%	0.0%	100.0%	54.7%
FLORIDA	99.1%	99.3%	88.2%	93.0%	94.9%
GEORGIA	99.1%	94.8%	100.0%	100.0%	98.5%
HAWAII*	100.0%	84.0%	N/A	100.0%	94.7%
IDAHO	99.4%	98.3%	96.3%	90.6%	96.2%
ILLINOIS	99.2%	93.5%	51.1%	94.5%	84.6%
INDIANA	97.2%	91.9%	65.1%	73.4%	81.9%
IOWA	98.6%	91.0%	73.8%	98.0%	90.3%
KANSAS	94.6%	75.0%	45.0%	57.0%	67.9%
KENTUCKY	97.3%	97.7%	86.2%	95.8%	94.3%
LOUISIANA	99.8%	98.7%	99.1%	100.0%	99.4%
MAINE	98.2%	46.4%	95.3%	93.8%	83.4%
MARYLAND	98.8%	49.0%	52.9%	77.4%	69.5%
MASSACHUSETTS	93.4%	10.0%	N/A	68.4%	57.3%
MICHIGAN	99.2%	95.3%	97.3%	93.9%	96.4%
MINNESOTA	97.8%	93.1%	78.8%	96.2%	91.5%
MISSISSIPPI	98.8%	91.9%	85.2%	80.5%	89.1%
MISSOURI	89.2%	88.4%	96.4%	97.8%	93.0%
MONTANA	100.7%	75.0%	55.6%	50.0%	70.3%
NEBRASKA	99.2%	97.7%	100.0%	100.0%	99.2%
NEVADA	94.0%	47.5%	66.7%	69.2%	69.3%
NEW HAMPSHIRE	100.0%	92.9%	0.0%	87.1%	70.0%
NEW JERSEY	86.5%	50.0%	66.7%	38.5%	60.4%
NEW MEXICO	97.2%	100.9%	100.0%	100.0%	99.5%
NEW YORK	97.5%	89.4%	62.9%	86.2%	84.0%
NORTH CAROLINA	100.2%	99.5%	95.8%	97.5%	98.2%
NORTH DAKOTA	97.9%	88.5%	62.1%	78.2%	81.7%
OHIO	96.8%	97.9%	100.0%	100.0%	98.7%
OKLAHOMA	97.8%	83.9%	88.5%	90.1%	90.1%
OREGON	100.0%	61.9%	47.9%	43.2%	63.2%
PENNSYLVANIA	98.4%	78.2%	80.0%	83.0%	84.9%
PUERTO RICO	97.4%	71.7%	81.3%	63.0%	78.3%
RHODE ISLAND	91.7%	100.0%	N/A	100.0%	97.2%
SOUTH CAROLINA	97.5%	93.0%	85.0%	85.6%	90.3%
SOUTH DAKOTA	99.2%	88.0%	61.1%	90.5%	84.7%
TENNESSEE	97.8%	98.0%	99.5%	99.2%	98.6%
TEXAS	95.5%	1.9%	88.4%	82.2%	67.0%
UTAH	100.0%	83.1%	N/A	75.0%	86.0%
VERMONT	94.8%	95.9%	N/A	86.2%	92.3%
VIRGIN ISLAND	94.4%	100.0%	100.0%	100.0%	98.6%
VIRGINIA	100.0%	67.7%	0.0%	73.7%	60.3%
WASHINGTON	97.4%	51.6%	84.0%	83.2%	79.1%
WEST VIRGINIA	98.2%	97.4%	63.3%	75.0%	83.5%
WISCONSIN	93.9%	95.7%	85.1%	90.1%	91.2%
WYOMING	98.1%	91.5%	92.9%	100.0%	95.6%
NATIONAL TOTAL	97.4%	81.7%	86.6%	87.2%	88.2%

December 5, 2011

TO: State Directors  
Rural Development

ATTN: Program Directors  
Multi-Family Housing

FROM: Tammye Treviño (Signed by Tammye Treviño)  
Administrator  
Housing and Community Facilities Programs

SUBJECT: Compliance with the Improper Payments Information Act  
Section 521 - Rental Assistance Program

The purpose of the Unnumbered Letter (UL) is to provide guidance to the Multi-Family Housing (MFH) Program Directors on the implementation of the annual Improper Payment Information Act (IPIA) audit required to be conducted on the Section 521, Rental Assistance (RA) program.

The RA program continues to be listed as a high risk program under the IPIA due to the size of its outlays. The results from the Fiscal Year (FY) 2011 audit showed the final error rate of gross dollars improperly calculated to be 1.48 percent. The FY 2011 rate shows a slight increase from 1.39 in FY 2010.

We will be using the same audit procedures that were completed in the last several fiscal years. The Centralized Servicing Center's (CSC) Audit Unit will be again conducting the review.

The Agency is required to conduct a review that uses a statistically valid selection of all the RA payments made in a 12-month period. The selection is based on all RA payments made in FY 2011.

EXPIRATION DATE:  
December 31, 2012

FILING INSTRUCTIONS:  
Housing Programs

Below is the anticipated timeline for completion of this review:

1. During the week of December 12, 2011, CSC sends letters and instructions for submission of required documents for review to the selected properties. See Attachment for an example of the letter.
2. Properties have until January 23, 2012, to submit the required documents to CSC for review.
3. CSC will conduct the review from January 23 through April 15, 2012.
4. The RA audit report is required to be submitted to the Department by June 1, 2012.

We will post the list of properties selected for audit on the MFH's sharepoint web site. The web address is <https://rd.sc.egov.usda.gov/teamrd/hcfp/mfh/MultiHousing%20Family%20Information/Forms/AllItems.aspx>.

If you receive any questions from the management agent, please direct them to the CSC Audit Unit's phone number, 1-800-349-5097, extension 5785 that is listed in the letter.

We appreciate your cooperation in these efforts to meet the Department's obligations to be in compliance with IPIA.

If you should have any questions regarding this, please contact Janet Stouder at 202-720-9728.

Attachment

«mn»  
«ma1»  
«ma2»  
«mc», «ms» «mz»

**RECORD #:** «REC\_NO»

This letter is to inform you that the tenant certification identified below was randomly selected for a review of your file documentation and calculation of Rental Assistance. This review is part of an annual review required to be conducted by the Agency in accordance with the Improper Payment Information Act (IPIA). **Please provide the information identified below by January 23, 2012.**

This year, the Centralized Servicing Center (CSC), which processes your monthly payment, will be conducting the review.

Please submit a copy of Form RD 3560-8, "Tenant Certification," and supporting documents for the following tenant:

<u>Property Name</u>	<u>Location</u>	<u>Unit No.</u>	<u>Tenant Name</u>	<u>"Tenant Certification" to be Reviewed</u>
«PROJECT_NAME»	«Project_City»	«UNIT_ID»	«TENANT_NAME»	«CERT_EFF_DATE»

**Note:** The effective date of the certification may not be the current certification.

Please ensure that the supporting documents consist of all documents that were used to complete the "Tenant Certification" identified above. This includes calculation tapes, internal worksheets, and third-party verifications. Examples of supporting documents are as follows:

- **Verification of Employment:** A copy of verification of employment for each adult household member
- **Zero Income Persons:** Include the Zero Income Verification Checklist from your files.
- **Unemployment and Unemployment Benefits:** Tenants receiving unemployment benefits must provide the most recent award or benefit letter prepared and signed by the authorizing agency to verify the unemployment income.
- **Regular, Unearned Income (e.g., Social Security, pensions, workers compensation):** A copy of the most recent award or benefit letter prepared and signed by the authorizing agency.

**MFH Rental Assistance Audit/Review  
FAX COVER SHEET**

Project Name: «PROJECT\_NAME»

Date: \_\_\_\_\_

Unit #: «UNIT\_ID»

Tenant Name: «TENANT\_NAME»

# of pgs: \_\_\_\_\_

To: **CSC – Audit Unit / DURINDA STARKS**

Phone: **(800) 349 – 5097 x5785**

FAX #: **(314) 457 - 4562**

From:

\_\_\_\_\_  
\_\_\_\_\_

Phone:

\_\_\_\_\_  
\_\_\_\_\_

FAX #:

Required Documentation from Mgmt Co:

\_\_\_\_ Tenant Certification, Form RD 3560-8 (**Submit the tenant cert. based upon the requested effective date.**)

\_\_\_\_ Verification of Income.

\_\_\_\_ Verification of Assets

\_\_\_\_ Medical Expense

\_\_\_\_ Verification of Disability

\_\_\_\_ Verification of Citizenship  
(Farm Labor Only)

Remarks:

**Please attach the corresponding cover sheet for each tenant. Include all supporting worksheets and/or checklists. All required documents due by 01/23/2011.**

**Record #: «REC\_NO»**

December 5, 2011

TO: State Directors  
Rural Development

ATTN: Multi-Family Housing Program Directors/Coordinators and  
Automated Multi-Family Accounting System Coordinators

FROM: Tammye Treviño (Signed by Tammye Treviño)  
Administrator  
Housing and Community Facilities Programs

SUBJECT: Request for Fiscal Year 2012 Rental Assistance Data for Renewal Needs for  
Multi-Family Housing

The purpose of this memorandum is to obtain verified data concerning the need for renewal Rental Assistance (RA) during Fiscal Year (FY) 2012. This data will be used to allocate renewal RA and must be accurate.

Each State Automated Multi-Family Accounting System (AMAS) Coordinator should review the FY 2012 RA List located at <https://mfhdemoteam.sc.egov.usda.gov/RA>. This report is from the Multi-Family Information System (MFIS) report PRJ2200 "RA Agreement". This report needs to be reviewed by both the State and Servicing Offices to ensure that all projects that have expiring RA obligations that need to be renewed during the time period of January 1, 2012, through December 31, 2012 are listed. Any changes to the report should be entered into the RA web site. Instructions on updating information on the RA web site are also located under the "Documents" heading on the web site in the left navigation bar. The due date for completion of the review is *December 16, 2011*.

**A. Review Process for the FY 2012 – RA List:**

To help identify renewal RA needs, the following steps should be followed:

1. The AMAS Coordinator should update the RA web site and verify project-by-project RA renewal needs for only those projects with RA agreements that will run out of funds during the time period of January 1, 2012, through December 31, 2012.

EXPIRATION DATE:  
December 31, 2012

FILING INSTRUCTIONS:  
Housing Programs

2. Enter in any additional projects that are not listed on the report, but need to be renewed during the January 1, 2012, through December 31, 2012, time period. Projects currently scheduled to deplete between January 1, 2013, and March 31, 2013, need to be evaluated to determine if RA is being used at a rate that would cause the obligation to need renewal during FY 2012.
3. The servicing office should identify and update the quarter in which each project's RA will be depleted. When examining RA agreement usage to determine which quarter the RA will deplete, utilize the average of the last three months' RA usage. The last three months' average will provide the most accurate indicator of usage by taking into account recent rent increases and usage by current tenants.

NOTE: Renewal RA should not be obligated earlier than 90 days prior to the projected depletion of funds. Example: An RA obligation that will deplete during the January 1, to March 31, quarter should not be obligated prior to October of the preceding year.

### **B. Review Process for the RC-823 D & E Report:**

In order for the National Office to determine that RA is being properly utilized, it will be necessary for you to respond regarding the status of each of the obligations shown outstanding on the RC-823 D & E "Unliquidated Rental Assistance Obligations Estimated Fund Depletion Report – RA Agreement Inactive for three Months or More" report. Please review and make notations on the automated report as to which of the following conditions exist:

1. Now Being Used
2. Renewal - To Be Used
3. New Construction - Not Operational
4. Acceleration / Foreclosure In Process
5. Inventory Property
6. Rehabilitation In Progress
7. Property Prepaid (for Properties that prepaid in FY 06 or 07)
8. Class "D" Properties
9. Other (Provide Explanation)

Each State AMAS Coordinator should send an e-mail notifying Janet Stouder once the review and verification process for the State has been completed.

### **C. Expiring RA Agreement**

For prior year RA obligations that will have their agreements expiring in FY 2012, the existing Form RD 3560-27, "*RA Agreement*," will need to be revised to extend the agreement to "until funds are expended." We anticipate a majority of the RA obligations will have depleted prior to September 30, 2012, and the renewal process will be initiated.

If you have any questions, please contact Janet Stouder at (202) 720-9728.

December 7, 2011

TO: State Directors  
Rural Development

ATTN: Program Directors and Coordinators  
Multi-Family Housing (MFH)

FROM: Tammy Treviño *(Signed by Tammy Treviño)*  
Administrator  
Housing and Community Facilities Programs

SUBJECT: Guidance on Unliquidated Multi-Family Housing Obligations  
and Farm Labor Housing (FLH) Market Studies

This Unnumbered Letter (UL) provides guidance to State Offices for managing unliquidated loan and grant obligations for Sections 515 Loans, 514 Loans, 516 Grants and FLH Market Feasibility Studies. The Government Accountability Office (GAO) report entitled “March 2011 GAO Report 10-329, Rural Housing Service - Opportunities Exist to Strengthen Farm Labor Housing Program Management and Oversight” has cited “Recommendations for Executive Action”. This UL addresses two of the recommendations from the report. Although Section 515 was not included in the audit, the Agency recognizes the similarity of FLH unliquidated obligations and Section 515 unliquidated obligations. Therefore, requirements of this UL are expanded to include Section 515 unliquidated funds.

The two recommendations for Executive Action from report GAO-11-329 which are addressed in this unnumbered letter are as follows:

1. To better ensure that FLH funds obligated but unliquidated are efficiently used to provide farm labor housing, RHS should issue guidance on obligation expiration dates and make all RHS staff in the state and local offices aware of the guidance and how to implement it.

EXPIRATION DATE:  
December 31, 2012

FILING INSTRUCTIONS:  
Housing Programs

2. RHS should also better utilize available data on demand for the FLH program - such as systematically reviewing local market analyses, further analyzing occupancy data on a statewide, regional, or national level, and retaining and analyzing application information – to help target available funding to areas of greatest need.

### **Guidance on Unliquidated Obligations for MFH Sections 514, 515 and 516**

To ensure that the periodic review of unclosed obligations leads to the efficient use of funds, Rural Development staff in each State Office will carefully evaluate the status of all unliquidated MFH obligations.

The procedure for monitoring unliquidated obligations is a three step process as described as follows:

#### **Step 1: State Office Review**

All approved MFH loan and grant obligations must be closed within a reasonable period of time based on the date the funds were obligated. The review to identify unliquidated obligations begins with the semi-annual certification of reports. The hardcopy reports are mailed to each state office from DCFO. Multifamily reports relevant to this unnumbered letter are:

- Report Code 743, Report of Prior Years Unliquidated Obligations for Automated Multifamily Housing Accounting System (AMAS),
- Report Code 743, Report of Prior Year Unliquidated Obligations for rural housing grant programs maintained in the Program Loan Accounting System (PLAS) and
- Report Code 743, Report of Inactive Prior Years Unliquidated Obligations for Non-Automated Loan and Grant Programs.

Rural Development State Office staff reviews the unliquidated MFH obligations from the reports and provides an explanation for each. The following timelines insure full closure of obligations:

- a. On-farm FLH loans must be fully liquidated not more than 2 years from the date the loan was obligated.
- b. Off-farm FLH loans and grants must be fully liquidated not more than 3 years from the date the loan was obligated.
- c. Rural Rental Housing (RRH) loans that are not MPR related must be fully liquidated not more than 3 years from the date the loan was obligated.

- d. RRH loans that are MPR related must be obligated and liquidated as per closing conditions stipulated by the MPR loan committee.

The State Director certifies unliquidated obligations. All reports with Report Code 743 and certification checklist are scanned and saved as PDF files. The files are uploaded to the ULO Certification Sharepoint site by the state. Specific instructions for these activities can be found in an email from the DCFO Program Reporting Branch dated April 4, 2010 titled "ULO SharePoint Instructions" and an October 6, 2011 unnumbered letter titled "Report of Prior Year Unliquidated Obligations Due October 31, 2011".

#### State Office Special Reporting of Obligation Extensions

The following situations must be submitted in a separate report to the state's MPDL team leader for review and approval;

- a. Extenuating circumstances may require an additional time extension for an unliquidated obligation. An additional one year extension may be permitted with the State Director's recommendation and approval from the MPDL team leader and concurrence with the designated National office program lead. No more than two extensions may be granted on an unliquidated obligation.
- b. In rare instances, a loan may have unusual loan approval and loan obligation dates due to funding limitations imposed by budgetary and/or NOFA constraints. Unliquidated obligations of this type will be reviewed on a case-by-case basis. An additional one year extension may be permitted with the State Director's recommendation and approval from the MPDL team leader and concurrence with the designated National office program lead. No more than two extensions may be granted on an unliquidated obligation.

#### **Step 2: Team Leader Review**

- a. After the State Office uploads ULO PDF files to the ULO Certification Sharepoint site, the team leader will review the Sharepoint site.
- b. Team leaders assess the ULO Sharepoint for sufficient annotation and explanation as to the reason for the unliquidated status and delayed completion of a project. Verification of the continued need of the project at the location, current construction costs, and continued availability of other original award funding sources or extensions as necessary to complete the project as initially planned is required.
- c. State Offices are also required to keep in file, an updated development plan with a revised closing/completion date concurred with the applicant/borrower and authorized State Rural Development approval official.

**Step 3: National Office Concurrence**

- a. Team Leaders will submit recommendations for extension or de-obligation of unliquidated obligations to the designated program lead at the National Office.

The recommendations must include all supporting documents from the State Office. The RRH program lead is Melinda Price and the FLH program lead is Mirna Reyes-Bible.

- b. The program lead will approve or reject any request for an extension. An unliquidated obligation may not be extended more than twice for any project. Any further or additional extensions will require approval from the MFH Deputy Administrator.
- c. The program lead will review recommendations to de-obligate loan funds. De-obligation actions will require approval from the MFH Deputy Administrator.

Any MFH unliquidated loan and grant obligation not extended as outlined above and remaining unliquidated by the close of the fifth year after will require additional servicing as directed by the team leader and program lead. As appropriate, unused obligations may be de-obligated and any remaining undisbursed funds may be cancelled.

**Guidance on FLH Market Study**

To facilitate the reviews of FLH Market Studies as required by the GAO, State Offices must forward a copy of the Original Market Study provided with the application of all FY 2011 FLH NOFA respondents to the National Office for review. In addition to the Market Study, the National Office will research and gather available occupancy and market information on a regional and national level. The results of these reviews will be used to analyze methods to more effectively target funds to areas of greatest need.

Questions regarding unliquidated FLH loans and grants and Market Studies should be directed to Mirna Reyes-Bible at (202) 720-1753 or e-mail [mirna.reyesbible@wdc.usda.gov](mailto:mirna.reyesbible@wdc.usda.gov).

Questions regarding Section 515 unliquidated obligations should be directed to Melinda Price at (614) 255-2403 or e-mail [melinda.price@wdc.usda.gov](mailto:melinda.price@wdc.usda.gov).

December 11, 2011

TO: State Directors  
Rural Development

ATTN: Programs Directors

FROM: Dallas Tonsager *(Signed by Dallas Tonsager)*  
Under Secretary  
Rural Development

SUBJECT: USDA Rural Development Support for Rural Health Care Providers

In early 2011, we began an important collaborative effort with the Department of Health and Human Services (HHS) to support the efforts of rural communities to harness the power of health information technology (HIT) for improving health care services in rural America. USDA Rural Development and HHS signed a Memorandum of Understanding (MOU) on August 9, 2011 that links USDA Rural Development programs with HHS resources to better meet the HIT needs of rural hospitals and clinics. This MOU builds on a memorandum we sent to you this spring that encouraged you to look at ways our Rural Development programs can support HIT projects. Our combined efforts have become part of a key initiative for the White House Rural Council, and we want to build on these efforts in the coming year.

Our help is particularly important to rural health care providers because in 2009, Congress mandated the implementation of nationwide HIT infrastructure within a narrow timeline. This includes requirements that hospitals and clinics become meaningful users of electronic health records (EHRs) by 2014 or face financial penalties under Medicare, the primary payor in rural areas. Many rural providers face challenges in accessing the capital needed to implement EHRs. However, HHS will provide incentive payments under Medicare and Medicaid once these EHR systems are in place.

We can help rural hospitals and clinics through the Community Facilities direct and guaranteed loan and grant programs. Rural providers may apply for USDA Rural Development support to purchase the hardware and software needed to implement EHR systems and then, use their HHS incentive payments to help pay back the loan costs. The incentive payments are replaced by penalties in 2014 for health care providers that are not meaningful users of EHRs; therefore, the next 2 years are a critical period for rural providers to make these investments.

EXPIRATION DATE:  
December 31, 2012

FILING INSTRUCTIONS:  
Community/Business Programs

The purpose of this memorandum is to encourage you to continue to look for ways that Rural Development can support rural health providers in your state, through the Community Facilities programs as well as the Business and Industries Guaranteed Loan program, and the Intermediary Relending Program, along with the Rural Utilities Service Distance Learning and Telemedicine grant programs. We have already had some success stories in the past year and have been able to support approximately 15 HIT projects across 10 States through the Community Facilities programs in fiscal year 2011. For example, the Mount Olive Family Medicine Center, a not-for-profit corporation and a designated Rural Health Center in Wayne County, North Carolina, received \$76,300 in ARRA grant funds through the Community Facilities programs. These funds, along with other foundation and state investments, were used to purchase an Electronic Medical Records (EMR) system. The EMR system brought the Center up to the standards set by HHS and will allow patients to authorize other healthcare providers to access their medical records. In this way, the EMR system will help the Center operate more efficiently while improving patient care.

Over the coming months, we will be working with HHS to connect USDA Rural Development staff with key rural health and HIT resources at the State level. HHS supports a range of HIT resources in the States including State Health Information Exchange Coordinators and the Regional Extension Centers, which provide technical assistance on HIT issues to health care providers. In addition, HHS also supports State Offices of Rural Health and State Primary Care Associations. We want to promote partnerships between USDA and these other important healthcare resources. We are also working with HHS to host a webinar on this topic in early 2012 with USDA staff, HHS staff, and rural health care providers.

This collaboration aligns closely with the ongoing work of the White House Rural Council's efforts to improve coordination across Federal programs and to support access to capital and improved healthcare services in rural communities. Secretary Vilsack continues to be determined to make investments that lay the foundation for rural America's long-term prosperity, and support for rural health providers to access the capital for HIT hardware and software remains high on his list of priorities.

Attached is a background paper, prepared in collaboration with HHS, about the HIT effort and meaningful use, its statutory genesis, and a brief discussion of the incentives and penalties that will be felt by rural healthcare providers if they do not purchase the much needed HIT hardware and software.

I strongly encourage you to incorporate support of this HIT effort into your program outreach and to continue to collaborate with the rural health provider organizations that may contact you to better understand how USDA programs may help address their HIT needs.

Attachment

## **HIT and Meaningful Use Background**

### **Background**

Health IT has special importance for rural America. The way health IT can help coordinate care among providers and enable instant access to complete patient information will be especially important to improving the quality and outcomes of healthcare where distances between healthcare clinicians and settings are great.

*Meaningful Use of Certified Health IT:* The American Recovery and Reinvestment Act of 2009 (ARRA) was enacted to foster national and regional economic growth. ARRA's Health Information Technology for Economic and Clinical Health (HITECH) Act provisions authorized an unprecedented investment in health IT. Specifically, the HITECH Act authorized HHS to establish programs to improve healthcare quality, safety, and efficiency through the promotion of certified health IT, including certified electronic health records (EHRs) and private and secure electronic health information exchange. For example, the Centers for Medicare and Medicaid Services (CMS) EHR Incentive Programs (i.e., meaningful use incentive programs) provide incentive payments to eligible health care providers participating in these programs when they adopt certified EHR technology and use it to achieve meaningful use. Through ARRA, Congress charged the HHS Office of the National Coordinator for Health Information Technology (ONC) with coordinating the Federal Government's efforts to realize the implementation of nationwide health IT infrastructure within a narrow legislatively mandated timeline.

*Meaningful Use and Rural America:* In order to qualify for meaningful use incentive payments, rural healthcare providers must invest in the hardware and software needed to adopt certified health IT. This can be a challenge for rural health providers that are already operating under very thin financial operating margins and may not even have sufficient funds to cover their payroll expenses. Lacking access to the same resources as their urban and suburban counterparts, rural healthcare providers face challenges adopting EHR technology. Without targeted support, rural communities could be set back by ARRA and the meaningful use requirements, rather than assisted by them. Rural healthcare providers could incur penalties for not achieving meaningful use in time without ever having had a reasonable chance at getting the incentives.

The Administration's goal is for all Americans to benefit from access to EHR technology. The provision of capital funding is a key element of the Administration's larger efforts to ensure that all healthcare providers become meaningful users of certified EHRs.

*Meaningful Use Timelines:* Meaningful use incentive payments will only be available for a limited time. That is, the Medicare and Medicaid programs will only operate from 2011 through 2016 and 2011 through 2021, respectively. In addition, by 2015, Medicare will penalize providers who do not meet meaningful use by reducing future payments and rate increases. This reduction in Medicare reimbursements may have a great impact on rural America, given the large Medicare population that rural healthcare providers typically serve. Given these narrow statutory timelines, the next 2 years will be especially critical for rural healthcare providers as they work to achieve meaningful use.

*USDA Rural Development Programs that Can Support Meaningful Use:*

Through USDA Rural Development's Community Facilities Programs, Business Programs and the Rural Utilities Service Programs; USDA Rural Development can directly support the purchase of equipment and infrastructure necessary for rural healthcare providers to adopt certified EHR technology. However, USDA Rural Development needs to do so before the incentive program runs out and in time for rural healthcare providers to achieve meaningful use without incurring penalties. *That is, USDA Rural Development needs to reach out to healthcare providers to explore funding opportunities to support rural healthcare providers as they work to achieve meaningful use, especially over the next 2 years.*

Once rural healthcare providers adopt certified EHR technology, they will be capable of working to achieve meaningful use and qualify for meaningful use incentive payments. They may even be able to apply the meaningful use incentive payments towards USDA Rural Development loans.

December 12, 2011

TO: State Directors, Rural Development

ATTN: Business Programs Directors

SUBJECT: Business and Industry Guaranteed Loan Program  
Funding Procedures

The purpose of this unnumbered letter is to provide procedures to be used to issue Conditional Commitments prior to receiving your State allocations.

The fiscal year 2012 Appropriations Bill has been approved, which includes \$812 million for the Business and Industry (B&I) Guaranteed Loan Program (see attached) and a portion of these funds are available. Projects obligated prior to the passing of the Agriculture Appropriations Bill will have a maximum guarantee fee of 2 percent and projects obligated after such time will have a maximum guarantee fee of 3 percent. The annual renewal fee will remain at .25 percent. The National Office will notify you when funds have been deposited into your accounts. Until such notice, you may continue to approve applications and issue Conditional Commitments up to your State allocations based on the approved Appropriations Bill. Requests may be processed as follows:

1. Enter the applicant and application into the Guaranteed Loan System (GLS) using the GLS Borrower List to add the applicant and the Request List for adding the application.
2. Do not attempt to obligate the application in GLS until funds become available.
3. Enter the applicant in the spreadsheet named "FY 2012 CC Tracking Sheet." The tracking sheet will be distributed electronically via e-mail and a copy is attached to this unnumbered letter. Please update the spreadsheet as each Conditional Commitment is issued. It is important to keep track of each borrower so that it will be easier to obligate funds when the full amount of funding becomes available.

EXPIRATION DATE:  
December 30, 2012

FILING INSTRUCTIONS:  
Community/Business Programs

4. All requests must be electronically submitted to the National Office via SharePoint at <https://rd.sc.egov.usda.gov/teamrd/BP/BP/BI/Shared%20Documents/Forms/AllItems.aspx>. Once you are at this site, access the “Business and Industry Funding Request FY 12” folder to upload your request. All requests must include the FY 2012 CC Tracking Sheet, B&I Score Sheet, B&I Funding Request, and Legislative and Public Affairs sheet. Projects not properly entered into GLS will not be considered for funding. Requests will be funded on a weekly basis with a deadline of noon EST each Friday. Funding requests not received by the deadline will be funded with the following week’s requests. Folders for each week’s funding cycle will be identified on SharePoint as “B&I Funding Requests” followed by the closing date for that week.
5. When funds become fully available, Agency personnel may obligate funds in GLS for these loans in the order they were approved. Please be advised that the closing date **MUST** be on or after the date of obligation in GLS. When funds have been obligated, lenders should be notified that they may request Loan Note Guarantees. All conditions of the Conditional Commitment must be met and the lender must provide a certification that there has been no adverse change in the borrower’s financial condition with the request for issuance of the Loan Note Guarantee.

If you have any questions or need further clarification, please contact the Business and Industry Division, at (202) 690-4103.

*(Signed by JUDITH A. CANALES)*

JUDITH A. CANALES  
Administrator  
Business and Cooperative Programs

Attachment



State Name	FY 2012 Distribution
Alabama	\$19,216,000
Alaska	\$6,896,000
Arizona	\$12,225,000
Arkansas	\$14,354,000
California	\$20,265,000
Colorado	\$10,392,000
Connecticut	\$7,410,000
Delaware	\$6,212,000
Florida	\$19,818,000
Georgia	\$24,211,000
Hawaii	\$6,418,000
Idaho	\$8,453,000
Illinois	\$16,850,000
Indiana	\$17,230,000
Iowa	\$12,261,000
Kansas	\$9,801,000
Kentucky	\$19,742,000
Louisiana	\$13,939,000
Maine	\$10,100,000
Maryland	\$9,021,000
Massachusetts	\$7,290,000
Michigan	\$23,731,000
Minnesota	\$14,929,000
Mississippi	\$17,775,000
Missouri	\$17,436,000
Montana	\$8,305,000
Nebraska	\$8,400,000
Nevada	\$7,759,000
New Hampshire	\$7,898,000
New Jersey	\$7,255,000
New Mexico	\$8,628,000
New York	\$19,254,000
North Carolina	\$26,284,000
North Dakota	\$6,690,000
Ohio	\$23,322,000
Oklahoma	\$13,348,000
Oregon	\$10,956,000
Pennsylvania	\$22,139,000
Puerto Rico	\$8,202,000
Rhode Island	\$5,358,000
South Carolina	\$17,926,000
South Dakota	\$7,488,000
Tennessee	\$21,463,000
Texas	\$26,284,000
Utah	\$7,147,000
Vermont	\$7,605,000
Virgin Islands	\$5,000,000
Virginia	\$17,331,000
Washington	\$12,444,000
West Virginia	\$11,081,000
Western Pacific	\$5,000,000
Wisconsin	\$15,903,000
Wyoming	\$6,235,000
Totals	\$690,680,000
National Office Reserve	\$121,882,723
Grand Total	\$812,562,723

December 14, 2011

TO: State Directors  
Rural Development

ATTN: Program Directors  
Single Family Housing

FROM: Joyce Allen *(Signed by Joyce Allen)*  
Deputy Administrator  
Single Family Housing

SUBJECT: Guidance on the Use of the Supplemental Nutrition Assistance  
Program Income for Single Family Housing Direct Loans

This unnumbered letter enhances existing guidance regarding the use of the Supplemental Nutrition Assistance Program (SNAP) income (formerly known as the Food Stamp Program) to calculate repayment income for Single Family Housing Direct (SFHD) loans.

The revisions to the Handbook 1-3550 (Handbook) issued in Procedure Notice (PN) 451, dated September 1, 2011, excludes special-purpose payments income from being used to calculate annual and repayment income to make eligibility and qualification determinations for SFHD loan applications. Since these payments are intended to defray specific expenses, and would be discontinued if not spent solely for those expenses, the entirety of this income cannot be deemed as stable and dependable for mortgage qualification purposes.

Since PN 451 was issued, there have been concerns raised regarding the adverse impact this new policy could have on certain applicants who need to have their SNAP benefits considered as repayment income in order to qualify for a SFHD loan.

SNAP benefits do help equalize the percent of income a qualified household spends on food in comparison to households who do not need or qualify for SNAP benefits. This equalization essentially enhances a SNAP recipient's repayment ability for a SFHD loan. To acknowledge this while avoiding the past problem of having a substantial portion of an applicant's repayment income consist of SNAP benefits, Field Staff may consider the value of the applicant's SNAP benefits to calculate repayment income in an amount not to exceed 20 percent of the total repayment income effective immediately.

EXPIRATION DATE:  
November 30, 2012

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Housing Programs

The 20 percent referenced above was derived from a 2005 Consumer Expenditure survey from the Bureau of Labor Statistics that indicates that households with annual, pre-tax incomes under \$20,000 spend approximately 20 percent of their income on food.

Only the SNAP benefits attributable to the note signers can be considered for repayment income and *only the lesser of the “not to exceed” figure or the actual SNAP benefits can be included in the applicant’s repayment income.*

Below are examples on how to include SNAP benefits in repayment income.

*Example 1: The “not to exceed” amount is higher than the actual SNAP benefits received.*

Step 1	Establish the amount of monthly SNAP benefits received by the applicant.	Applicant’s monthly SNAP benefits	\$200
Step 2	Calculate the repayment income (received by the note signers) <b>excluding</b> the SNAP benefits.	Monthly repayment income before SNAP consideration	\$1,000
Step 3	Equalize the repayment income using the standard assumption that a household spends 20% of their income on food.  This repayment income is equivalent to the monthly income for households that do not receive SNAP benefits.	First step to calculate the “not exceed 20 percent of the total repayment income”  Income Equalization: Repayment income / .80	$(\$1,000 / .80) =$ \$1,250
Step 4	Determine the maximum amount of monthly SNAP benefits that may be included in the repayment income.	Calculation for the “not exceed 20 percent of the total repayment income”	$\$1,250 - \$1,000 =$ \$250
Step 5	Compare the actual SNAP benefits received with the “not to exceed 20% of the total repayment income” calculation.	Calculation for “the lesser of the “not to exceed” figure or the actual SNAP benefits”	<b>Actual SNAP Benefits: \$200</b>  “Not to exceed” amount: \$250
Step 6	Add the repayment income from Step 2 and the lesser of the calculation in Step 5.	Monthly repayment income after SNAP consideration.	$(\$1,000 + \$200) =$ \$1,200

Example 2: The “not to exceed” is lower than the SNAP benefits received.

Step 1	Establish the amount of monthly SNAP benefits received by the applicant.	Applicant’s monthly SNAP benefits	\$550
Step 2	Calculate the repayment income (received by the note signers) <b>excluding</b> the SNAP benefits.	Monthly repayment income before SNAP consideration	\$2,000
Step 3	Equalize the repayment income using the standard assumption that a household spends 20% of their income on food.  This repayment income is equivalent to the monthly income for household that do not receive SNAP benefits.	First step to calculate the “not exceed 20 percent of the total repayment income”  Income Equalization: Repayment income / .80	$(\$2,000 / .80) =$ $\$2,500 - \$2,000 =$ \$500
Step 4	Determine the maximum amount of monthly SNAP benefits that may be included in the repayment income.	Calculation for the “not exceed 20 percent of the total repayment income”	$\$2,500 - \$2,000 =$ \$500
Step 5	Compare the actual SNAP benefits received with the “not to exceed 20% of the total repayment income calculation” calculation.	Calculation for “the lesser of the “not to exceed” figure or the actual SNAP benefits”	Actual SNAP Benefits: \$550  <b>Not to exceed amount: \$500</b>
Step 6	Add the actual repayment income from Step 2 and the lesser of the calculation in Step 5.	Monthly repayment income after SNAP consideration	\$2,500

Be sure to thoroughly document this consideration and calculation in the running record. In UniFi, **do not** enter the allowable SNAP benefit amount in the non-taxable income field in the Income Worksheet screen.

Field Staff may recalculate an applicant's repayment income to include the allowable portion of the SNAP benefits and reissue the Certificate of Eligibility (COE) if appropriate. However, the expiration date of the COE should remain unchanged. This guidance also applies to COE extensions.

To determine repayment ability for 504 loan applicants, only the food cost over and above the SNAP benefits should be reflected on *Form RD 1944-3, "Budget and/or Financial Statement"*, as a food expense. For example, if the monthly SNAP benefit is \$300 and the actual food expense is \$400 per month, only \$100 is considered food expense for budget purposes.

The Agency believes that by enhancing the guidance on SNAP income, we promote long-term homeownership in the communities we serve while protecting the government's investment.

Questions about this unnumbered letter may be directed to Migdaliz Bernier of the Single Family Housing Direct Loan Division at (202) 690-3833, or [migdaliz.bernier@wdc.usda.gov](mailto:migdaliz.bernier@wdc.usda.gov).

Sent by Electronic Mail on December 14, 2011 at 2:45 pm by Single Family Housing Direct Loan Division. The State Director should advise other personnel as appropriate.

December 15, 2011

TO: State Directors, Rural Development  
ATTN: Business Programs Directors  
SUBJECT: Business and Industry Guaranteed Loan Program  
Funding Information for Program Directors and Lenders  
Fiscal Year 2012

Obligations of Business and Industry (B&I) guaranteed loans for fiscal year (FY) 2011 are the third highest on record. Thank you for your contribution to our success!

#### Funding Information

The FY 2012 Appropriations Bill has been approved, which includes \$812 million for the B&I Guaranteed Loan Program (see attached) and a portion of these funds are available. Projects obligated prior to the passing of the Agriculture Appropriations Bill will have a maximum guarantee fee of 2 percent and projects obligated after such time will have a maximum guarantee fee of 3 percent. The annual renewal fee will remain at .25 percent. The National Office will notify you when funds have been deposited into your accounts. Until such notice, you may continue to approve applications and issue Conditional Commitments up to your State allocations based on the approved Appropriations Bill.

Applications can be uploaded into SharePoint and weekly deadlines will be set each Friday at noon EST, subject to availability of funding. Projects should not be loaded into SharePoint unless they are ready to be obligated.

#### Lender Communication

Lenders who have projects awaiting funding should be advised of the appropriate guarantee fee and the annual renewal fee as soon as possible. When approached by Lenders, advise them that we are still open for business and continue to encourage the filing of applications.

#### Opportunities to Maximize Impact

We strongly encourage you to prioritize the use of B&I guaranteed loan funds for projects with higher impacts on jobs and economic benefits. Pay close attention to the scoring criteria and award points appropriately for every opportunity available within our regulations. You should

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Community/Business Programs

also advise lenders of their options to improve their points (i.e., lower percentage of guarantee, lower interest rate, etc.). Submitting projects that will score well will increase the possibility of funding.

Leveraging with other financial partners will be very important, and now is a good time to be marketing and developing those partnerships. Leveraging B&I guaranteed loans with funds coming from other sources, such as Government guarantees (Small Business Administration (SBA), Department of Commerce, etc.), grants (State, local, or Community Development Block Grants), unguaranteed conventional loans, and non-bank loan programs are possible options. If the project is under \$5,000,000, SBA may be a possibility. Rural Development and SBA signed a Memorandum of Understanding that is intended to reach out to people and places in rural areas and small communities with under-served financial needs and to help increase access to capital.

A parity or junior lien position is acceptable to secure the B&I guaranteed loan as long as there is sufficient collateral coverage after discounting. B&I loans may also be secured by separate collateral or “carve-out” of collateral. As a reminder, RD Instruction 4279-B, section 4279.114(p), states that “Loans made with the proceeds of any obligation the interest on which is excludable from income under 26 U.S.C. § 103 or a successor statute are ineligible. Funds generated through the issuance of tax-exempt obligations may neither be used to purchase the guaranteed portion of any Agency guaranteed loan nor may an Agency guaranteed loan serve as collateral for a tax-exempt issue. The Agency may guarantee a loan for a project which involves tax-exempt financing only when the guaranteed loan funds are used to finance a part of the project that is separate and distinct from the part which is financed by the tax-exempt obligation, and the guaranteed loan has at least a parity security position with the tax exempt obligation.”

While there is no explicit regulatory provision prohibiting the refinancing of B&I guaranteed loans made in previous fiscal years, you should scrutinize all requests that include debt refinancing as a use of guaranteed loan proceeds and keep in mind that debt refinancing is only eligible when it is determined that the project is viable and refinancing is necessary to improve cash flow and create new or save existing jobs. As program funds will be limited, you should ensure that any refinancing included as a use of loan funds is critical to the project.

Consider transfers and assumptions or substitutions of lenders to conserve B&I loan funds. Transfers and assumptions to new borrowers can be made at different rates and terms in accordance with RD Instruction 4287-B, section 4287.134, and keep in mind that there is no guarantee fee associated with a transfer and assumption like there would be for a new loan to a new borrower. In any transfer and assumption, it is important to ensure that the entire balance of the loan is transferred and assumed and any additional new loan amount is properly obligated.

When the existing B&I guaranteed loan is with a different lender, a substitution of lender would have to be executed, in accordance with RD Instruction 4287-B, section 4287.135, before a transfer and assumption could be completed.

It is noteworthy that we are expecting to receive guidance from the Department in the near future regarding the release of the 2010 Census data and its impact to rural areas and applications on hand. If a project is in an area that is likely to exceed the population limit of 50,000 as a result of the 2010 Census, the lenders should be encouraged to submit the application as soon as possible. We have prepared a letter to send all existing lenders in your State to provide helpful funding information as well as funding procedures for FY 2012. We ask that you send this letter out by November 30, 2011, in order to demonstrate a nationwide uniform distribution. The letter can be downloaded at: <https://rd.sc.egov.usda.gov/teamrd/BP/BP/BI/Shared%20Documents/Forms/AllItems.aspx> under "Business and Industry - Processing" folder, then under the "Processing Guidance" folder.

The budget for FY 2012 will be a challenge, but we look forward to our continued relationships with lenders and encourage you to work with your staffs to solicit opportunities for new partners and to process applications and fund projects as usual. These challenges are not so different from last year and we proved together that we are up to the challenge. Thank you for your continued support!

If you have any questions or need further clarification, please contact the Business and Industry Division, at (202) 690-4103.

*(Signed by JUDITH A. CANALES)*

JUDITH A. CANALES  
Administrator  
Business and Cooperative Programs

Attachment

State Name	FY 2012 Distribution
Alabama	\$19,216,000
Alaska	\$6,896,000
Arizona	\$12,225,000
Arkansas	\$14,354,000
California	\$20,265,000
Colorado	\$10,392,000
Connecticut	\$7,410,000
Delaware	\$6,212,000
Florida	\$19,818,000
Georgia	\$24,211,000
Hawaii	\$6,418,000
Idaho	\$8,453,000
Illinois	\$16,850,000
Indiana	\$17,230,000
Iowa	\$12,261,000
Kansas	\$9,801,000
Kentucky	\$19,742,000
Louisiana	\$13,939,000
Maine	\$10,100,000
Maryland	\$9,021,000
Massachusetts	\$7,290,000
Michigan	\$23,731,000
Minnesota	\$14,929,000
Mississippi	\$17,775,000
Missouri	\$17,436,000
Montana	\$8,305,000
Nebraska	\$8,400,000
Nevada	\$7,759,000
New Hampshire	\$7,898,000
New Jersey	\$7,255,000
New Mexico	\$8,628,000
New York	\$19,254,000
North Carolina	\$26,284,000
North Dakota	\$6,690,000
Ohio	\$23,322,000
Oklahoma	\$13,348,000
Oregon	\$10,956,000
Pennsylvania	\$22,139,000
Puerto Rico	\$8,202,000
Rhode Island	\$5,358,000
South Carolina	\$17,926,000
South Dakota	\$7,488,000
Tennessee	\$21,463,000
Texas	\$26,284,000
Utah	\$7,147,000
Vermont	\$7,605,000
Virgin Islands	\$5,000,000
Virginia	\$17,331,000
Washington	\$12,444,000
West Virginia	\$11,081,000
Western Pacific	\$5,000,000
Wisconsin	\$15,903,000
Wyoming	\$6,235,000
Totals	\$690,680,000
National Office Reserve	\$121,882,723
Grand Total	\$812,562,723

December 19, 2011

TO: State Directors  
Area Directors  
Rural Development Managers

ATTN: Community Facilities Program Directors

FROM: Tammye Treviño *(signed by Bobby Lewis)* for  
Administrator  
Housing and Community Facilities Programs

SUBJECT: Interest Rate Changes for Community Facilities

Effective from January 1, 2012, through March 31, 2012, the interest rates for direct community facility loans are as follows:

Poverty Line...unchanged at.....4.500%  
Intermediate...unchanged at.....4.125%  
Market.....unchanged at.....3.750%

For this quarter, all loans may be obligated at the lower market rate. Please notify appropriate personnel of these rates.

EXPIRATION DATE:  
March 31, 2012

FILING INSTRUCTIONS:  
Administrative/Other Programs

Sent by Electronic Mail on 12-21-11, at 10:00 a.m. by Program Analysis Division. State Directors should advise other personnel as appropriate.

December 19, 2011

TO: State Directors  
Area Directors  
Rural Development Managers

ATTN: Rural Housing Program Directors

FROM: Tammye Treviño *(signed by Bobby Lewis)* for  
Administrator  
Housing and Community Facilities Programs

SUBJECT: Interest Rate Changes for Housing Programs  
and Credit Sales (Nonprogram)

The following interest rates, effective January 1, 2012, are changed as follows:

<u>Loan Type</u>	<u>Existing Rate</u>	<u>New Rate</u>
<b>ALL LOAN TYPES</b>		
Treasury Judgment Rate	0.120%	0.120%

The new rate shown above is as of the week ending November 24, 2011. The actual judgment rate that will be used will be the rate for the calendar week preceding the date the defendant becomes liable for interest. This rate may be found by going to the Federal Reserve website for the weekly average 1-year Constant Maturity Treasury Yield ([http://www.federalreserve.gov/releases/h15/data/Weekly\\_Friday\\_H15\\_TCMNOM\\_Y1.txt](http://www.federalreserve.gov/releases/h15/data/Weekly_Friday_H15_TCMNOM_Y1.txt)).

**RURAL HOUSING LOANS**

Rural Housing (RH) 502 Very-Low or Low	3.250	3.250
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EXPIRATION DATE:  
January 31, 2012

FILING INSTRUCTIONS:  
Administrative/Other Programs

Single Family Housing (SFH) Nonprogram	3.750	3.750
Rural Housing Site (RH-524), Non-Self-Help	3.250	3.250
Rural Rental Housing and Rural Cooperative Housing	3.250	3.250

Please notify appropriate personnel of these rates.

Sent by Electronic Mail on 12-21-11, at 10:00 a.m. by Policy Analysis Division. State Directors should advise other personnel as appropriate.

December 19, 2011

TO: State Directors  
Area Directors  
Rural Development Managers

ATTN: Utilities Program Directors

FROM: Jonathan Adelstein *(signed by James Newby)* for  
Administrator  
Rural Utilities Service

SUBJECT: Interest Rate Changes for Water and Waste Disposal Loans

Language in the Consolidated Farm and Rural Development Act requires that the poverty rate and the intermediate rate be determined based on the approval date of the loan. For those loans approved on or after May 23, 2008, the poverty rate will be set at 60 percent of the market rate and the intermediate rate set at 80 percent of the market rate, adjusted to the nearest one-eighth of one percent. Following are the new interest rates for water and waste disposal loans approved on or after May 23, 2008:

Poverty Line...unchanged at.....2.250%  
Intermediate...unchanged at.....3.000%  
Market.....unchanged at.....3.750%

For loans approved but not closed on or before May 22, 2008, the poverty rate will remain fixed at 4.500 percent and the intermediate rate will continue to be set at one-half of the difference between the poverty line rate and the market rate. Following are the new interest rates for water and waste disposal loans approved on or before May 22, 2008:

Poverty Line...unchanged at.....4.500%  
Intermediate...unchanged at.....4.125%  
Market.....unchanged at.....3.750%

EXPIRATION DATE:  
March 31, 2012

FILING INSTRUCTIONS:  
Administrative/Other Programs

For this quarter, all loans approved or obligated before May 22, 2008 may be obligated at the lower market rate. These rates will be effective from January 1, 2012, through March 31, 2012.

**Also, the rate for watershed protection and flood prevention loans and resource conservation and development loans is as follows:**

CURRENT RATE	NEW RATE
3.750%	3.750%

Please notify appropriate personnel of these rates.

Sent by Electronic Mail on 12-21-11, at 10:00 a.m. by Program Analysis Division. State Directors should advise other personnel as appropriate.

December 20, 2011

TO: State Directors  
Rural Development

FROM: Dallas Tonsager                      *(Signed by Dallas Tonsager)*  
Under Secretary

SUBJECT: Debarment/Suspension Query Tool for Loan/Grant Applicant  
Screening Documentation

The President's Memorandum of June 18, 2010, directs all Executive Departments and Agencies to implement key "Do Not Pay" safeguards in their loan and grant programs to avoid improper payments of Government funds. The risk of paying persons and entities debarred from federal programs, a key target of "Do Not Pay," is one which can be reduced by regular practice of effective applicant pre-screening procedures using the General Services Administration Excluded Parties List System (EPLS).

To ensure that our loan and grant processing operations comply with the President's directive, in accordance with our own internal regulations, we are planning to incorporate an automated control in the upcoming Common Loan Origination System which will check for debarment screening documentation. Deployment of that system is expected to occur by September 30, 2015. In the interim, a manual web-based electronic form incorporating EPLS has been developed for use by loan specialists in our program areas.

This manual tool not only facilitates use of EPLS for the screening of loan and grant applicants, but also allows the user to prepare a dated hardcopy or file image of the results of an EPLS query for inclusion in the respective loan/grant docket file to satisfy documentation requirements. The tool is accessible by Ctrl-Clicking the following hyperlink:  
[http://teamrd.usda.gov/rd/rhs/pss/debarment/epls\\_verification.htm](http://teamrd.usda.gov/rd/rhs/pss/debarment/epls_verification.htm)

Instructions for using the tool are given right on the screen form. A clickable button is also provided to print your query results. Any questions concerning use of this tool can be directed to Karen Jacobs, Program Support Staff, at (202) 720-9621, or karenm.jacobs@wdc.usda.gov.

EXPIRATION DATE:  
December 31, 2012

FILING INSTRUCTIONS:  
Administrative/Other Programs

December 20, 2011

TO: State Directors, Rural Development  
ATTN: Business Programs Directors  
SUBJECT: Rural Economic Development Loan and Grant Program  
Projects Funded for November, Fiscal Year 2012

Business Programs has announced loan and grant selections for the November funding for fiscal year (FY) 2012, under the Rural Economic Development Loan and Grant program. A listing of the loan and grant awards is attached for your information.

During the November cycle of FY 2012, three zero-interest loan applications, totaling \$1,697,750, were considered by Business Programs. Based on the availability of funds, all applications were selected for funding. These funds will be leveraged by \$4,387,001 of private and public financing, directly creating an estimated 92 jobs.

In addition to the loan selections, one grant, totaling \$300,000, to finance a revolving loan fund program that will be operated by a rural utility, was selected for funding. As a result of this grant, the initial zero-interest loan from the revolving loan fund program, leveraged by \$1,160,000 of private and public financing, will directly create an estimated 10 jobs and retain 10 jobs.

If you have any questions, please contact Robert Fry, Business Loan and Grant Analyst, at (202) 260-8625, or Cindy Mason, Business Loan and Grant Analyst, at (202) 690-1433, Specialty Programs Division.

*(Signed by PANDOR H. HADJY)*

PANDOR H. HADJY  
Deputy Administrator  
Business Programs

Attachments

EXPIRATION DATE:  
September 30, 2012

FILING INSTRUCTIONS:  
Community/Business Programs



**Attachment II**

**RURAL ECONOMIC DEVELOPMENT LOAN AND GRANT PROGRAM  
REQUEST FOR GRANT FUNDS – November Funding FY 2012**

FY 2012 Allocated Funds	\$ 4,930,086.22
Carryover Funds	<u>\$ 5,069,913.78</u>
Total Available	\$10,000,000.00
Less October Funding	\$ 850,000.00
Less November Funding	<u>\$ 300,000.00</u>
Balance Remaining	\$ 8,850,000.00

	<b>State Amount</b>	<b>Project Number</b>	<b>Grant</b>	<b>REDG</b>
NC 21		Four County Electric Membership Corporation	\$300,000	539
	<b>1 Grant</b>		<b>Total</b>	<b>\$300,000</b>
<b>Balance of Grant Funds After Above Request:</b>			<b>\$8,850,000</b>	

December 21, 2011

TO: State Directors  
Rural Development

ATTN: Program Directors and Coordinators  
Multi-Family Housing

FROM: Tammye Treviño  
Administrator  
Housing and Community Facilities Programs

SUBJECT: Fiscal Year 2012 - Special Appropriation Language  
for Farm Labor Housing Rental Assistance Units

This Unnumbered Letter provides guidance for Rental Assistance (RA) assigned to Farm Labor Housing (FLH) properties. The Fiscal Year 2012 appropriation language contains a special provision for FLH properties, only. The language reads as follows:

*Provided further*, that rental assistance provided under agreements entered into prior to fiscal year 2012 for a farm labor multi-family housing project financed under section 514 or 516 of the Act may not be recaptured for use in another project until such assistance has remained unused for a period of 12 consecutive months, if such project has a waiting list of tenants seeking such assistance or the project has rental assistance eligible tenants who are not receiving such assistance: *Provided further*, That such recaptured rental assistance shall, to the extent practicable, be applied to another farm labor multi-family housing project financed under section 514 or 516 of the Act.

The National Office has instructed the Deputy Chief Financial Office Direct Loan and Grant Branch - Miscellaneous Section (DCFO-DLGB-MS) to monitor the transfer of RA from FLH properties this fiscal year to assure that the FLH RA units are being transferred in accordance with the appropriation language. DCFO-DLGB-MS will contact the National Office if FLH RA units are input to the Automated Multi-Family Housing Accounting System that are not in accordance with the appropriation language.

EXPIRATION DATE:  
December 31, 2012

FILING INSTRUCTIONS:  
Housing Programs

If you have any questions, please contact Janet Stouder, Multi-Family Housing Portfolio Management Division, at (202) 720-9728.

December 21, 2011

TO: State Directors  
Area Directors  
Rural Development Managers

ATTN: Business Program Directors

FROM: Judith A. Canales *(Signed by Judith A. Canales)*  
  
Administrator  
Business and Cooperative Programs

SUBJECT: Interest Rate Changes for Business and Industry Loans

The following interest rate is in effect January 1, 2012, through March 31, 2012.

<u>Loan Type</u>	<u>Existing Rate</u>	<u>New Rate</u>
Direct Business and Industry	3.250%	3.250%

Please notify appropriate personnel of this rate.

EXPIRATION DATE:  
March 31, 2012

FILING INSTRUCTIONS:  
Administrative/Other Programs

Sent by Electronic Mail on 12-29-11, at 10:00 a.m. by Program Analysis Division. State Directors should advise other personnel as appropriate.

December 21, 2011

TO: State Directors  
Area Directors  
Rural Development Managers

ATTN: Rural Housing Program Directors

FROM: Tammy Treviño  
  
Administrator  
Housing and Community Facilities Programs

SUBJECT: Interest Rate Changes for Housing Programs  
and Credit Sales (Nonprogram)

The following interest rate is in effect for loans approved after the beginning of business January 1, 2012:

<u>Loan Type</u>	<u>Existing Rate</u>	<u>New Rate</u>
<b>ALL LOAN TYPES</b>		
Farm Labor Housing State Director Exception	5.250%	5.875%

Also, the benchmark used for FY 2011 interest rate for repayment of unauthorized assistance when the borrower was at fault was announced by Treasury to be 4.230%.

Please notify appropriate personnel of this rate.

EXPIRATION DATE:  
January 31, 2012

FILING INSTRUCTIONS:  
Administrative/Other Programs

Sent by Electronic Mail on 1-10-12, at 9:00 a.m. by Policy Analysis Division. State Directors should advise other personnel as appropriate.