



United States
Department of
Agriculture

Rural Development



Presented by Richard Anderson
Chief, Portfolio Management Financial Operations Branch

Monitoring the RUS Loan Portfolio

2016 ACE School and RUS Symposium

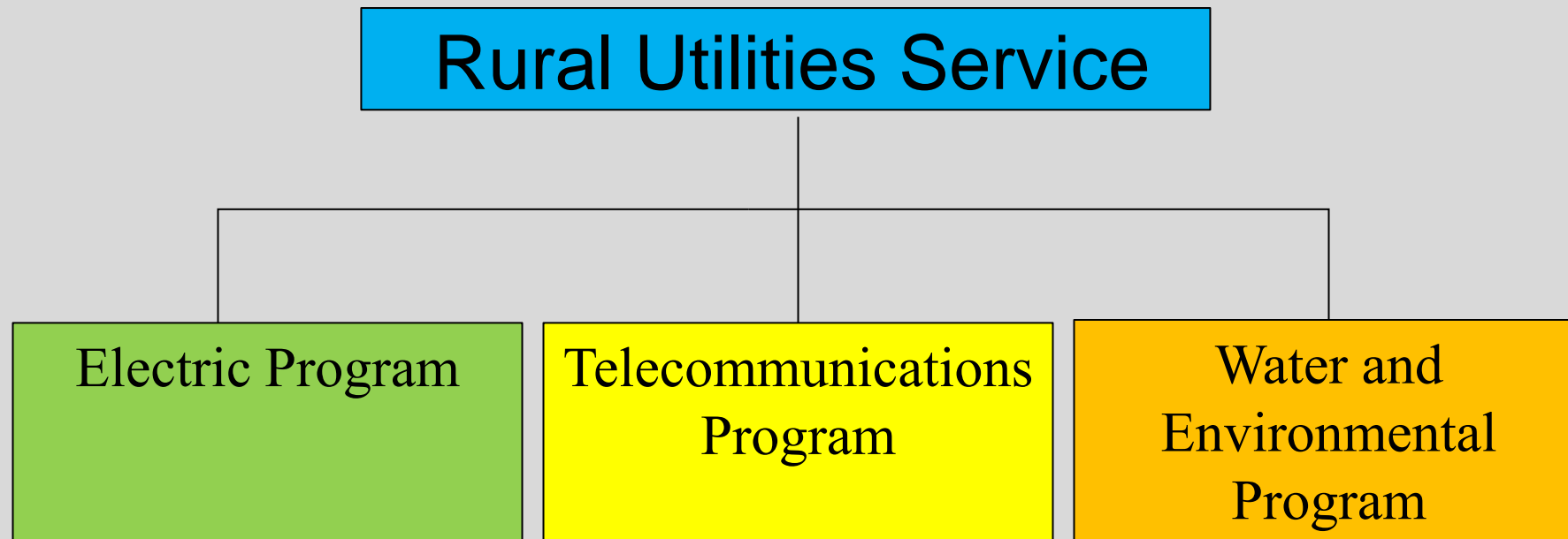
Monitoring the RUS Loan Portfolio

1. What is the RUS Loan Portfolio?
2. Who is monitoring it?
3. What is being monitored?

Monitoring the RUS Loan Portfolio

1. What is the RUS Loan Portfolio?

A. Telecommunications Program only



Monitoring the RUS Loan Portfolio

1. What is the RUS Loan Portfolio?
 - A. Telecommunications Program only
 - B. Loan Portfolio vs. Entire Portfolio

Monitoring the RUS Loan Portfolio

Entire Portfolio

- 657 active borrowers as of 3/31/2016
 - 201 ULO only
 - 315 Debt only
 - 141 ULO and Debt

Monitoring the RUS Loan Portfolio

Entire Portfolio

- 738 active borr. IDs as of 3/31/2016
 - 211 ULO only
 - 392 Debt only
 - 135 ULO and Debt

Monitoring the RUS Loan Portfolio

Entire Portfolio

- 738 active borr. IDs as of 3/31/2016

Type	Active	ULO	Debt	ULO/Debt
BB	165	0	162	3
CC	22	22	0	0
DLT	179	175	4	0
Pilot BB	3	0	3	0
PTV	11	11	0	0
Telecom	<u>358</u>	<u>3</u>	<u>223</u>	<u>132</u>
Totals	738	211	392	135

Monitoring the RUS Loan Portfolio

Entire Portfolio as of 3/31/2016

Active Loan Portfolio (\$ millions)	
Total Obligations	\$12,469
Cumulative Advances	\$11,307
Unadvanced Funds	\$1,162
Total Principal Outstanding	\$4,601
Cushion of Credit	\$342
Net Principal Outstanding	\$4,258

Active Grant Portfolio (\$ millions)	
Total Obligations	\$1,680
Cumulative Advances	\$1,598
Unadvanced Funds	\$83

Monitoring the RUS Loan Portfolio

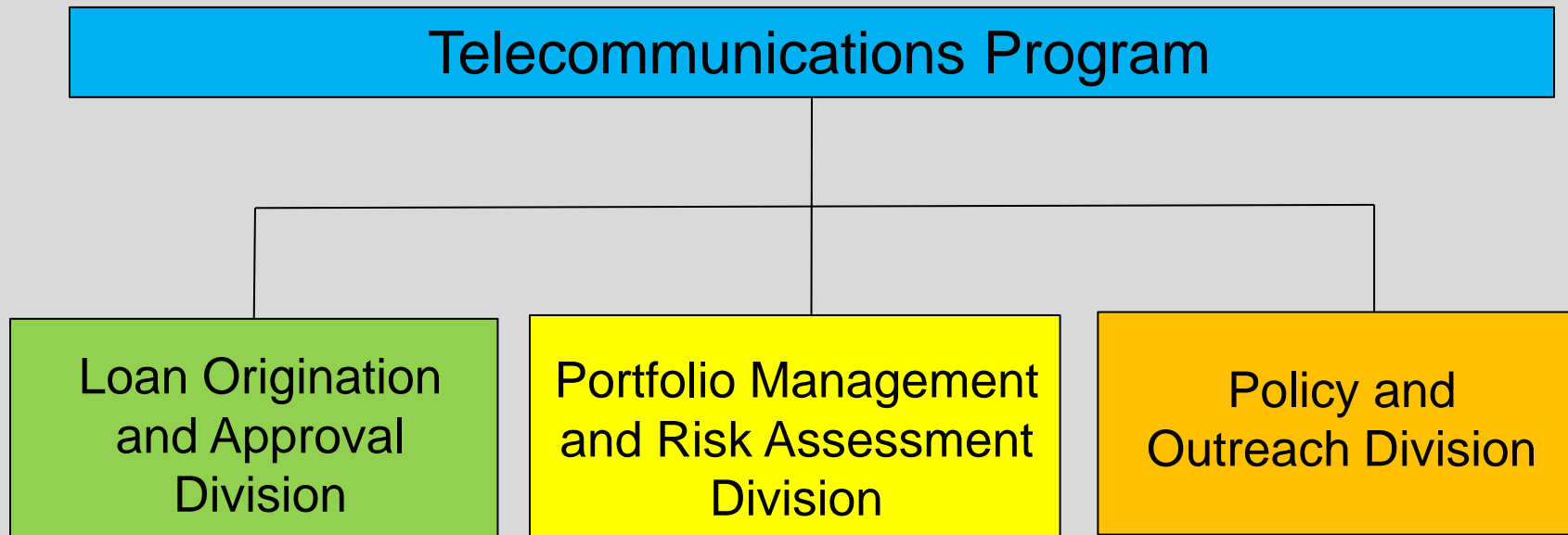
Loan Portfolio as of 3/31/2016

Active Loan Portfolio (\$ millions)	
Total Obligations	\$12,469
Cumulative Advances	\$11,307
Unadvanced Funds	\$1,162
Total Principal Outstanding	\$4,601
Cushion of Credit	\$342
Net Principal Outstanding	\$4,258

Type	Active	ULO	Debt	ULO/Debt
BB	165	0	162	3
DLT	4	0	4	0
Pilot BB	3	0	3	0
Telecom	<u>358</u>	<u>3</u>	<u>223</u>	<u>132</u>
Totals	530	3	392	135

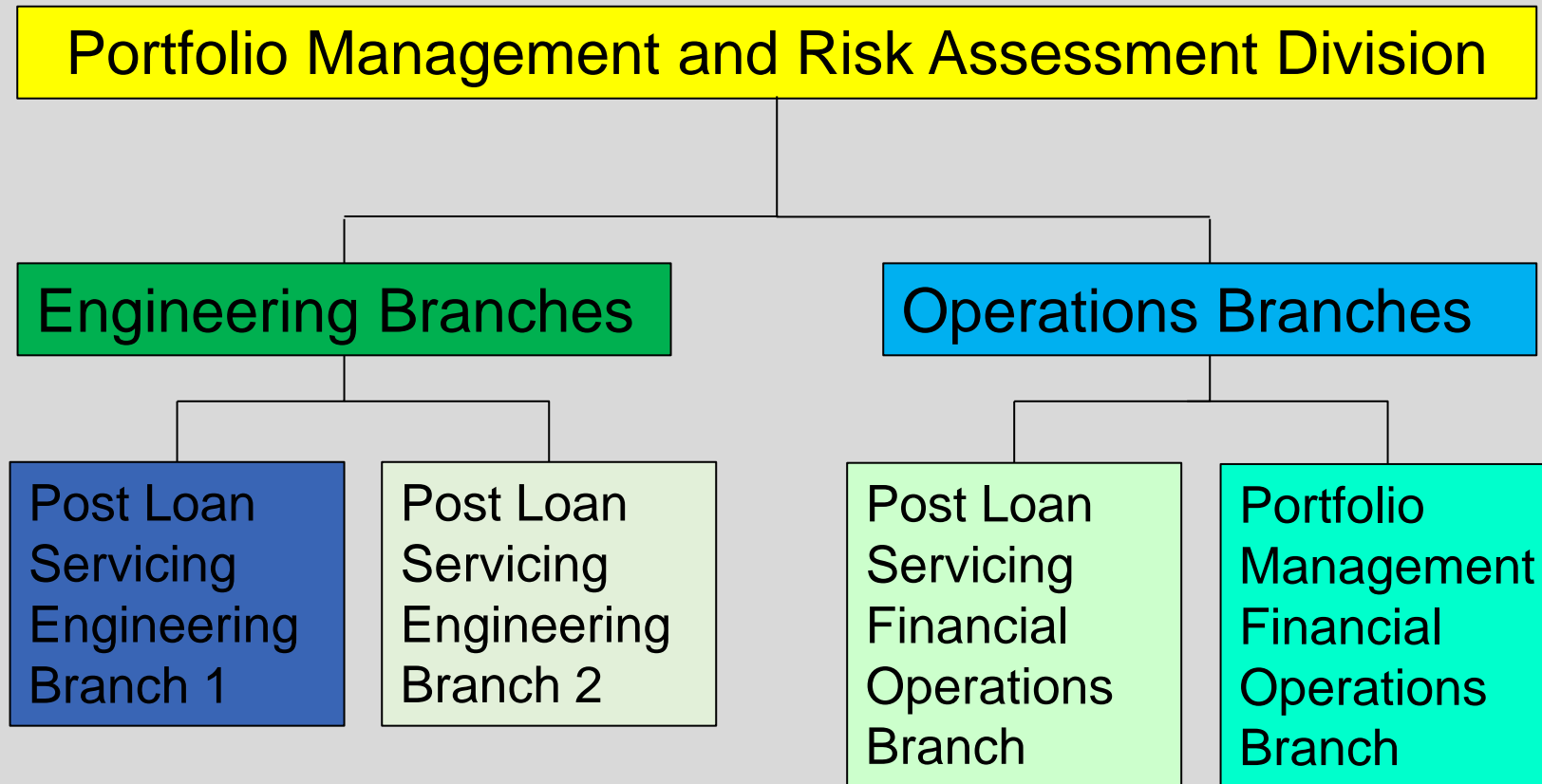
Monitoring the RUS Loan Portfolio

2. Who is monitoring it?



Monitoring the RUS Loan Portfolio

2. Who is monitoring it?



Grizzly bear



Gray wolf



Whooping crane



Endangered or Threatened Species

Operations branch chief

Giant panda



Black rhino



Monitoring the RUS Loan Portfolio

3. What is being monitored?
 - A. Borrower-based monitoring
 - B. Portfolio-based monitoring

Monitoring the RUS Loan Portfolio

3. What is being monitored?
 - A. Borrower-based monitoring
 1. Sources of information
 2. Primary concern

Monitoring the RUS Loan Portfolio

A. Borrower-based monitoring

1) Sources of information

a) Operating reports

b) CPA Audits

c) GFR reporting

Monitoring the RUS Loan Portfolio

A. Borrower-based monitoring

2) Primary concern

a) Compliance

i. TIER

ii. Distributions

iii. Related-party transactions

iv. Outside debt

Monitoring the RUS Loan Portfolio

3. What is being monitored?
 - B. Portfolio-based monitoring
 1. Sources of information
 2. Primary concerns
 3. Method of approach

Monitoring the RUS Loan Portfolio

B. Portfolio-based monitoring

1) Sources of information

a) Operating reports

b) FCC

Monitoring the RUS Loan Portfolio

B. Portfolio-based monitoring

2) Principal concerns

- a) Ability to repay debt
- b) Financial stability

Monitoring the RUS Loan Portfolio

B. Portfolio-based monitoring

3) Method of approach

a) Risk scoring

b) Forecasting scenarios

c) In-depth review, meetings, MAP



United States
Department of
Agriculture

Rural Development



Richard Anderson, Chief
Portfolio Management Financial Operations Branch
Telecommunications Program
Rural Utilities Service
richard.anderson@wdc.usda.gov

Office: 202.720.2281

www.rd.usda.gov

USDA Rural Development is committed to the future of rural communities.