



## Multi-Program Portfolio Risk Reporting

### PROBLEM STATEMENT

RD's \$224B portfolio spans RHS, RBCS, and RUS with materially different risk profiles per program (Section 502 Direct subsidy 45.76%; 502 Guaranteed at 90% guarantee; B&I Guaranteed FY24 blended subsidy 2.38%; IRP 30.35%; Water & Waste Disposal Direct 8.35%) and OBP must produce portfolio-level risk reporting for the Acting Under Secretary, OMB, and the AFR — but cross-program risk aggregation today is largely manual.

### WHY IT MATTERS

Portfolio-level risk reporting is the strategic-management lens through which RD leadership and OMB allocate scarce capital and policy attention. Weak portfolio risk reporting drives suboptimal program-mix decisions and erodes RD's standing on the OMB exam side.

### HSG'S APPROACH

1. Build a portfolio-risk reporting framework that aggregates each program's subsidy rate, default rate, prepayment rate, recovery rate, financing-account interest, and cohort heat map into a single management view.
2. Apply HSG's capital-markets-grade analytics from the Ginnie Mae / FHA / HUD bench — vintage analysis, scenario stress tests, default / prepay / recovery curves — to RD's portfolio.
3. Stand up a quarterly portfolio risk review with senior leadership and the three program-agency Administrators.
4. Maintain a portfolio risk dashboard tied to BICS / Essbase / CSC outputs with drill-down to program and cohort level.
5. Document Treasury USSGL Credit Reform Guidance, OMB A-129, and OMB A-11 §185 traceability throughout.

### EXPECTED DELIVERABLES

- Portfolio-risk reporting framework document
- Quarterly portfolio risk dashboard
- Vintage analysis and scenario-stress-test workbooks
- Quarterly portfolio risk review charter
- Documented traceability to A-11 §185, A-129, and USSGL Credit Reform Guidance

### EXPECTED OUTCOME

**Equip RD leadership with a portfolio-risk lens that supports strategic capital and policy allocation, with quarterly cadence and full audit-ready data lineage.**

### ENGAGEMENT TEAM

#### PRIMARY LEAD

**Brad Dillman**

Senior Quantitative Modeler · Federal Credit-Reform Modeling Lead

#### CONTRIBUTORS

**Jelani House**

Engagement Manager · Business Development Lead · AI Lead · FCRA & Budget Execution Lead

**Maurice W. House**

Senior USDA Subject-Matter Advisor · Alternate PM