

Replaced after expiration by FmHA AN No. 1803 (1951)
dated 08 30 92



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN No. 1803 (1951)

September 22, 1988

SUBJECT: Limited Resource Loan Interest Rate
Review Requirements

TO: State Directors, District Directors,
County Supervisors, and Assistant
Administrator, Finance Office

Purpose/Intended Outcome:

This administrative notice (AN) addresses changes in the limited resource loan interest rate review process.

Comparison with Previous AN:

There are no previous AN's on this subject.

Implementation Responsibilities:

FmHA Instruction 1951-A, Account Servicing Policies, Section 1951.25, Review of Limited Resource Farm Ownership (FO) and Operating (OL) Loans, requires annual reviews of FO and OL loans. As part of an initiative to enhance management reporting concerning the review of limited resource loans, the automated accounting system is being modified to provide the capability to record the date of last review for these loans. Transaction code 8M, Limited Resource Loan Review, which is scheduled to be implemented in October 1988, will provide field offices the capability to input the date of last review. Upon implementation of transaction code 8M, the field offices must input the date of last review for all limited resource loans which have been reviewed.

Report Code (RC) 760, Limited Resource Loan Review Report - Past Due Reviews, which currently reflects limited resource loans eligible for interest rate review, will be modified to include the following sections.

--RC 760A, Limited Resource Loan Review Report - Past Due Reviews.
This report will reflect loans that are past due for review for each servicing office.

EXPIRATION DATE: September 30, 1989

FILING INSTRUCTIONS:
Preceding FmHA Instruction 1951-A



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- RC 760B, Limited Resource Loan Review Report - Past Due Reviews (State Recap). This report will provide state recaps by servicing office and District Office of past due reviews.
- RC 760C, Limited Resource Loan Review Report - Past Due Reviews. This report summarizes at the state level the number of borrowers, number of loans, amount of advances, amount of unpaid principal, and net schedule status for all limited resource loans past due for review.
- RC 760D, Limited Resource Loan Review Report - Six Month Notice of Reviews Due. This report will be provided to each servicing office and will identify the limited resource loans eligible for review during the next 6 months.
- RC 760E, Limited Resource Loan Review Report - Six Month Notice of Reviews Due (State Recap). This report will provide state recaps of loans eligible for review during the next 6 months. State and District Office totals will be provided for the number of borrowers, number of loans, amount of advances, amount of unpaid principal, and net schedule status for all borrowers eligible for review during the next 6 months.
- RC 760F, Limited Resource Loan Review Report - Six Month Notice of Reviews Due. This report summarizes at the state level the number of borrowers, number of loans, amount of advances, amount of unpaid principal, and net schedule status for all loans eligible for review during the next 6 months.
- RC 760G, Limited Resource Loans. This report summarizes at the state level the number of borrowers with limited resource loans, total number of limited resource loans, and amount of unpaid principal.

A. One-Time Reporting Requirements

RC 760 was last prepared on March 12, 1988. A cumulative report for all fiscal year 1988 activity will be prepared as follows.

RC 760D will be forwarded to each servicing office during October 1988. This report will list all limited resource loans by servicing office. Each servicing office will review case files and identify the date of last review of the limited resource loans. Transaction code 8M will be utilized to record the date of last review on all borrower accounts which have been reviewed. Field offices will be allowed 90 days to review and record the date of review on the borrower's accounts.

B. Normal Semiannual Reporting Requirements

RC 760 will be generated semiannually on March 31 and September 30.

RC 760A and RC 760D will be sent to each servicing office every 6 months giving information on loans that are past due for the annual review and loans eligible for review during the next 6 months. The servicing office will review and input the date of review of the loans using transaction code 3M. In some instances, borrowers who no longer receive the limited resource interest rate may appear on the report. If a borrower does not receive the limited resource interest rate but still appears on the report, the servicing office should submit a letter to the appropriate Finance Office loan servicing team identifying the case number, fund code, and loan number of the account that should not appear on RC 760.

RC 760B and RC 760E will be sent to each State Office giving past due review information and information on loans that are eligible for review during the next 6 months for each servicing office by district for that state.

RC 760C, RC 760F, and RC 760G will be sent to each State Office and the National Office for information.



VANCE L. CLARK
Administrator