



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN No. 2349 (1940)
August 19, 1991

SUBJECT: Procedures for Processing Fiscal Yearend
Obligations of Loan Authorizations

TO: State Directors
Assistant Administrator, Finance Office

Purpose/Intended Outcome

This administrative notice (AN) provides guidelines to assure that all fiscal yearend loan and grant obligations are timely and properly recorded in the Finance Office records and that borrowers are officially notified by the field offices of loan and grant approval by close of business (COB) on September 30, 1991.

Implementation Responsibilities

The following procedures MUST BE FOLLOWED in processing all loan and grant obligation requests.

1. All obligation requests must be processed through the FmHA field office terminal system NO LATER THAN the dates shown in the following paragraphs. Obligation transactions entered through the field office terminals that show up as rejections on October 1, 1991, must not be reprocessed until the National Office advises you that fiscal year 1992 funding authority is available.
2. Obligation requests for loan and grant programs requiring a 6-workday reservation of funds must be processed through the field office terminal system no later than September 20, 1991, to comply with the 6-workday reservation of funds requirement. Reprocessing of obligation transactions that show up as rejections on September 21 must be approved/coordinated through the appropriate program division in the National Office as the obligation date will be September 30 and the reservation of funds would be less than 6 workdays.
3. Obligation requests for all other loans and grants must be processed through the field office terminal system no later than COB September 30, 1991. The terminal system will be available on Saturday September 21, and Saturday September 28, and Sunday September 29 from 8 a.m. to 3:30 p.m., CST. The Field Support Section, at FTS 262-2591 or commercial (314) 539-2591, will be staffed from 9 a.m. to 1 p.m., CST, on these days to resolve any problems related to the manuscripting or discrepancy correcting of obligation transactions.

EXPIRATION DATE: October 31, 1991

FILING INSTRUCTIONS:
Preceding FmHA Instruction 1940-G



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4. Requests for cancellation of loan and grant obligations with related voucher cancellations for loan and grant programs requiring a 6-workday reservation of funds must be received in the Finance Office no later than September 11, 1991. Obligation-only cancellations entered through the field office terminal system must be processed by COB September 13. These cutoff dates will ensure that funds are available for processing other obligation requests to comply with the 6-workday reservation of funds requirement.

5. Requests for cancellation of loan and grant obligations with related voucher cancellations for all other loans and grants must be received in the Finance Office no later than September 19, 1991. Obligation-only cancellations entered through the field office terminal system must be processed by COB September 20. It is important to submit cancellation requests as far in advance of the cutoff dates as possible to ensure the funds are available for processing other obligation requests.

6. Forms FmHA 424-4, Request for Compensation for Construction Defects, must be received in the Finance Office no later than September 16, 1991, to ensure payment by September 30. Any unprocessed Forms FmHA 424-4 in the Finance Office as of October 1 will be retained for processing from fiscal year 1992 funds.

All loan and grant applicants should be notified that loan and/or grant approval is subject to the availability of funds.

Because of anticipated revisions to the automated system required for fiscal year 1992, the automated system will not be available for processing during the period of October 1-6, 1991. As a result, requests for loan advances normally processed during that time should be completed earlier if possible. The current schedule is for transaction processing and the first update to begin on October 7, 1991. If terminals become available at an earlier date, the field offices will be notified.

For control purposes and for purposes of keeping the unprocessed inventory of obligation transactions at a manageable level, field offices may manuscript obligation transactions through the field office terminals after October 6, 1991. However, until you are advised that fiscal year 1992 funding authority is available, the transactions should be entered leaving the process code as "C," which will cause the transactions to be held in suspense. After you are notified that funding authority has been received and you determine that you want to process the transactions, change the process code of "C" to "P."

The State Director should advise other personnel as appropriate.



LA VERNE AUSMAN
Administrator