

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Notice FSFL-105

For: State and County Offices

**Important Actions Required Related to the Shutdown
of the Automated System 36 for the FSFL Program**

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

Currently, FSFL's are processed using the System 36-based APSS in approximately 2,600 Service Centers nationwide. To streamline FSFL delivery, FLP DLS was enhanced to allow support for the FSFL Program. DLS is a web-based system used to track applications and loan processing.

DLS/FSFL will provide State, County, and National Office employees with a single system that will support FSFL:

- loan making
- loan servicing
- reporting.

All FSFL's processed in APSS must be migrated to DLS/FSFL; therefore, before DLS/FSFL deployment it is imperative that all FSFL's are reconciled according to Notice FI-3202. After DLS/FSFL is deployed, all outstanding FSFL's will be serviced in DLS/FSFL until those FSFL's are repaid in full or liquidated.

The shutdown of the System 36 FSFL software is scheduled for August 28, 2014. Nationwide implementation of DLS/FSFL is tentatively scheduled for mid to late September 2014.

National DLS/FSFL training is scheduled for the week of August 18, 2014.

Note: FSFL notices will be issued providing additional guidance before DLS/FSFL is implemented.

Disposal Date	Distribution
January 1, 2015 8-11-14	State Offices; State Offices relay to County Offices

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1 Overview (Continued)

B Purpose

This notice provides instructions to:

- close out pending System 36 FSFL transactions
- accept CCC-185's during the FSFL shutdown period
- enter FSFL application fees in NRRS
- accept FSFL annual installment repayments
- establish FSFL priorities once DLS/FSFL is functional.

C Contact

If there are any questions about this notice, contact either of the following.

Name	Contact Information
Stacy Carroll (automation)	Contact Stacy Carroll by either of the following: <ul style="list-style-type: none">• e-mail to stacy.carroll@wdc.usda.gov• telephone at 202-690-8037.
Toni Williams (policy)	Contact Toni Williams by either of the following: <ul style="list-style-type: none">• e-mail to toni.williams@wdc.usda.gov• telephone at 202-720-2270.

2 Closing Out System 36 FSFL Transactions

A Software That Will Be Disabled

All FSFL activity will be shutdown during the period of August 28, 2014, through mid to late September 2014.

To properly migrate all FSFL data residing on the System 36, all FSFL transactions must be disabled according to this subparagraph.

The FSFL Application Processing software will be disabled. This will prevent County Offices from:

- recording FSFL requests
- approving or obligating FSFL requests
- increasing or decreasing approved FSFL amounts
- canceling, deleting, or withdrawing FSFL requests.

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2 Closing Out System 36 FSFL Transactions (Continued)

A Software That Will Be Disabled (Continued)

The Note and Security software will be disabled. This will prevent County Offices from:

- closing a loan
- generating the amortization schedule
- generating CCC-186's and setting the interest start date.

For FSFL's obligated and disbursements requested before the shutdown, County Offices may continue to certify and sign the FSFL disbursement in NPS.

The Payment Requests software will be disabled. This will prevent County Offices from:

- requesting a check from NPS
- updating the status of a loan.

The Processing Repayments software will be disabled. This will prevent County Offices from processing FSFL annual installment repayments.

The following additional transactions will be disabled:

- administrative activities (reports)
- corrections
- loan inquiries
- loan servicing (assumptions, liquidations, and bankruptcies).

B Actions To Be Completed Before Software Is Disabled

County Offices shall complete the following by **3 p.m. c.t., Wednesday, August 27, 2014:**

- close loans
- request payments
- cancel or certify and sign all FSFL-related payments in NPS
- process FSFL annual installment repayments.

All FSFL files must be properly queued in the System 36 during end-of-day processing, according to 20-PS.

If the items in this subparagraph are **not** completed timely, the actions must be completed once DLS/FSFL is operational.

3 Continuing FSFL Transactions

A Accepting CCC-185's and FSFL Requests

State and County Offices shall continue to accept CCC-185's during the shutdown.

STC's and COC's may continue to approve FSFL requests during the shutdown.

The following actions may be continued for FSFL approval during the shutdown:

- financial analysis, including requesting a credit report through One Source Credit Reporting, LLC
- lien searches
- filing UCC-1's
- filing, recording, and terminating UCC-1's and UCC-3's.

The manual CCC-185 must be entered in DLS/FSFL as a FY 2015 FSFL request once the system is operational.

FSFL assumption requests may still be accepted according to 1-FSFL, paragraph 177; however, they **will not** be recorded until DLS/FSFL is operational.

B Recording FSFL Application Fee in NRRS

For FSFL requests received during the shutdown period, State and County Offices **must** correctly record the \$100 FSFL application fee as "15FSFLFEES" under "Direct Sales" Collection Type in NRRS.

Note: The NRRS FSFL application fee code "15FSFLFEES" **must** be selected.

C Accepting FSFL Annual Installment Repayments

County Offices are authorized to accept FSFL annual installment repayments during the shutdown period; however, the FSFL annual installment repayment will **not** be entered in the system, including processing the repayment in NRRS until DLS/FSFL is operational.

The FSFL annual installment repayment must be correctly recorded on:

- CCC-198 according to Exhibit 1
- FSA-603 according to 3-FI, paragraph 19.

Notes: If the FSFL annual installment repayment is in the form of cash and/or coins, 3-FI must be followed to convert the cash and/or coins into a money order before COB and hold the money order until DLS/FSFL is operational.

3 Continuing FSFL Transactions (Continued)

C Accepting FSFL Annual Installment Repayments (Continued)

All methods of payments received during the shutdown must be immediately secured in a County Office fire-proof safe until further instructions are provided.

An FSFL notice will be provided with instructions for:

- recording FSFL annual installments
- submitting CCC-198 to the National Office.

D FSFL Letters

County Offices must manually prepare the following letters during the FSFL shutdown period:

- Reminder and Notification Letters
- Demand Letters
- Call Letters.

Note: 1-FSFL, paragraph 158 must continue to be followed for preparing the letters during the shutdown.

4 FSFL Priorities Once DLS FSFL Is Functional

A FSFL Priorities

State and County Offices must process FSFL transactions in the following order:

- record all FSFL annual installment repayments received during the shutdown immediately in DLS/FSFL **only**, according to instructions that will be provided in a forthcoming handbook

Notes: The FSFL annual installment repayment will be entered in DLS/FSFL only and the payment record will be interfaced to NRRS.

Once FSFL annual installment repayments are recorded in DLS/FSFL, County Offices must follow instructions according to 64-FI to prepare CCC-257's in NRRS.

- disburse pending FSFL's by certifying and signing FSFL's in NPS
- approve or obligate pending FSFL's
- enter all FSFL requests received during the shutdown in DLS/FSFL
- cancel, delete, or withdraw FSFL requests.

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5 Action

A State Office Action

State Offices shall:

- assist County Offices with questions about this notice
- contact PSD with any questions about this notice according to subparagraph 1 C
- ensure that County Offices understand the importance of reconciling all FSFL System 36 and NRRS discrepancies according to Notice FI-3202.

B County Office Action

County Offices shall contact the State Office for questions or concerns about procedure in this notice.

CCC-198, Farm Storage Facility Loan (FSFL) Repayment On-Hold Register for State and County Offices

A Completing CCC-198

Follow these instructions for recording FSFL remittances that are being held in the County Office during the FSFL shutdown.

Note: A FSA-603 must be completed according to 3-FI, paragraph 19.

Item or Column	Instructions
1	Enter State name.
2	Enter County Office name.
3	Enter page number.
A	Enter date remittance was received. Example: "10-01-2014".
B	Enter either of the following: <ul style="list-style-type: none"> pre-printed name on check of customer who submitted the remittance customer's ID number, if the customer is found in SCIMS or Financial Service.
C	<ul style="list-style-type: none"> Enter check number of remittance. If the remittance is in form of cash and/or coins that is being converted to money order, enter the money order fee amount.
D	Enter amount collected.
E	<p>Columns E through I should remain blank until the repayment is recorded in DLS/FSFL and CCC-257 is verified in NRRS.</p> <ul style="list-style-type: none"> Enter the CCC-257 number on which the remittance is recorded. Enter the date CCC-257 is verified. <p>The FSFL annual installment repayment will be entered only in DLS/FSFL.</p>
F	This field should remain blank until the FSFL annual installment repayment is recorded in DLS/FSFL and the external receipt is generated in NRRS. Once DLS is operational, enter external receipt ID from NRRS.
G	Enter either of the following: <ul style="list-style-type: none"> borrower's name on the loan borrower's ID number (last 4 digits).
H	Enter loan number. Example: 2014- <u>00001</u> .
I	Enter program year. Example: <u>2014</u> -00001.

B Example of CCC-198 (Continued)

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