

**For:** State and County Offices

**State Office Annual Review of the FSFL Program**

**Approved by:** Deputy Administrator, Farm Programs



**1 FSFL Program Annual Review**

**A Background**

To measure and evaluate the effectiveness of FSFL policies and internal controls, the National Office will select a sample of outstanding FSFL's for loan processing and servicing reviews.

The State Office from which the FSFL's are selected will receive a notification memorandum informing them of the selection from the National Office by **March 14, 2014**. The notification memorandum will provide details for the FSFL annual review.

A future FSFL notice will be issued to provide the common processing and servicing errors discovered, after the completion of the FSFL annual review.

**B Purpose**

This notice informs State and County Offices of the requirement for State Office annual review of the FSFL program.

**C Contact**

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

| Name          | Contact Information  |
|---------------|--|
| Toni Williams | <ul style="list-style-type: none"> <li>• E-mail at <b>toni.williams@wdc.usda.gov</b></li> <li>• Telephone at 202-720-2270</li> <li>• Fax at 202-690-1703.</li> </ul> |
| Kathy Sayers  | <ul style="list-style-type: none"> <li>• E-mail at <b>kathy.sayers@wdc.usda.gov</b></li> <li>• Telephone at 979-680-5155.</li> </ul>                                 |

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|----------------------|--|
| <b>Disposal Date</b> | <b>Distribution</b>                                  |
| September 1, 2014    | State Offices; State Offices relay to County Offices |

## Notice FSFL-98

### 2 Action

#### A SED Action

SED's shall:

- designate the State Office reviewing official, such as the State Office Price Support specialist or DD
- ensure that the original approving official is **not** the reviewer of the selected FSFL file.

#### B State Office Action

State Offices shall:

- review and thoroughly follow the instructions provided in the notification memorandum
- contact the applicable County Offices, according to the memorandum, for the selected FSFL files
- initiate the State Office review of the FSFL files using the instructions provided in the memorandum
- provide corrective actions to the applicable County Offices
- report the review findings and corrective actions taken to the National Office
- follow the instructions provided by the National Office, if contacted, to forward the file to the National Office for a subsequent review
- contact PSD with any questions about this notice according to subparagraph 1 C.

#### C County Office Action

County Offices shall:

- ensure that all requested FSFL files are provided to the State Office within 3 workdays after the date of request

**Notes:** FSFL files may be provided to the State Office by FAX, or scanned and e-mailed. Any documentation containing PII data shall be protected according to applicable encryption or e-mailing procedures.

Hard copy mailing should be avoided.

- **not** sanitize the documents before sending the files to the State Office
- complete, in a timely manner, all required corrective actions provided by the State Office
- contact the State Office with any questions about this notice.