

For: County Offices

2-FLP

## Guaranteed Loan Servicing - Electronic Funds Transfer

Approved by: State Executive Director



### 1 Overview

#### A Background

This notice replaces OK Notice FLP-313 issued August 14, 2001 and expired on September 1, 2002.

Legislation requires Federal agencies to pay recipients by electronic funds transfer. Payments are made by Financial Electronic Data Interchange (FEDI) through the Automated Clearing House (ACH) network. Instead of receiving paper checks, payments are directly deposited into the lender's account.

Unless a waiver is in place, interest assistance subsidy payments and loss claim payments shall be paid by EFT.

#### B Purpose

To establish procedures that verifies and/or establishes an EFT account (lender routing and account number) for all branch numbers established under a lender's Tax Identification Number (TIN).

#### C Contact

Direct any questions concerning this notice to Patty Wanger at (405) 742-1052 in the State Office.

#### D Filing Instructions

This notice should be filed with the FLP series Notices.

Disposal Date	Distribution
October 1, 2004	Farm Loan Program Teams, County Offices, DD's, COR's

## 2 Implementation

### A Lender Branch Number

EFT payments are transmitted to a lender based on the established lender **branch number** that is reflected on the Loan Detail (LD) screen for each individual guaranteed loan. A corresponding EFT payment profile must be established for **ALL** of the branch numbers under a lender's Tax Identification Number (TIN).

A lender with six (6) different branches that have been established by FSA will need to have 6 different EFT accounts established, one for each branch number. All branches may have the same routing and account number, but a separate EFT account must be established for each and every branch number that a lender has.

In order for the funds to be transferred electronically, the Lender ID and **Branch Number** on GLS must match with corresponding Lender ID and **Branch Number** account information on EFT.

### B Funds Transfer

With each Federal Payment received, the financial institution also receives an addendum containing information that identifies the transmission as a guaranteed loan payment, and also which borrower's account the money should be applied to. The CCD Plus ACH payment format is used transmit the payment and addenda records to the financial institution.

### C Accessing EFT

**Step # 1 – Start with NITC Logon**

```

NNN   NN   IIIIII  TTTTTTTT  CCCCC
NN NN  NN   II     TT     CC
NN     NNN   II     TT     CCCCC

***** PRODUCTION *****
***** 4.3 *****

USERID =====>
PASSWORD =====>
NEW PASSWORD ==>
NEW PASSWORD ==>          <==== VERIFY NEW PASSWORD

TAKE SESSION ==>
<ENTER> PROCESS  <PF1> HELP  <PF2> TIME  <PF3> END
<PF4> TERMINAL  <PF5> REFRESH
```

**D Accessing EFT Main Menu**

**Step # 2 – Find EFT or Type the number “30 “ and hit Enter to select EFT**

MODEL : LU2 -2/2E LUNAME: TCPT5209	U S D A TELEVIEW 4.3	USERID: ESCAPE: Attn			
COMMAND ==> 30					
Sesnum	System	Tag	I	Application Status	Remarks / Description
28	FKC12PRD		N	Available	IDMS 12.0 Production
29	FKC12TST		N	Unavailable	FCIC IDMS 12.0 Test
30	EFT		N	Available	EFT Info Database
31	EFTDVLP		N	Available	EFT Development Database
32	EFTTEST		N	Available	EFT Test Database
33	EFTPFIX		N	Available	EFT Production Fixes
34	CMS		N	Available	Cotton Management System
35	OTIS		Y	Available	Order, Trackng & Invt Sys
36	EISCCP		Y	Available	Exec Info System Plus
37	FMHACBT		Y	Available	Computer Based Training
38	TSODMS		Y	Available	Document Management Sys.
PF1= HELP PF3= END PF7= PAGE UP PF8= PAGE DOWN PF9= NOTEPAD PF10= ERASE NOTES					

**E Lender TIN & Branch #**

Prior to processing an interest assistance payment, verify if an EFT account has been established for the Lender TIN and Branch # that matches the lender information found on the “LD” screen for the account which a payment is being requested.

**Step # 3 – Select 3. UPDATE GLAS Payment Profile Detail**

ED00 CAB938	Electronic Funds Transfer System MENU	10/29/03 09:05:33
<ol style="list-style-type: none"> <li>1. UPDATE Payee Detail</li> <li>2. LIST SELECT Payee Account</li> <li>3. UPDATE GLAS Payment Profile Detail</li> <li>4. LIST SELECT PLAS Borrower Routing</li> <li>5. UPDATE PLAS Payment Profile Detail</li> <li>6. LIST SELECT AMAS Borrower Routing</li> <li>7. UPDATE AMAS Payment Profile Detail</li> <li>8. LIST SELECT Active Financial Institution</li> <li>9. LIST SELECT Obsolete Financial Institution</li> <li>10. Treasury Symbol MENU</li> </ol>		
Select option by typing the number and pressing ENTER: 3		
F3=Exit		

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**E Lender TIN & Branch #, cont.**

**Step # 4 – Type in the Lender TIN and Branch Number. The Branch Number is the key identifying link to the EFT account.**

**Enter “FLP” in Program**

ED03 CAB938	Electronic Funds Transfer System UPDATE GLAS Payment Profile Detail	10/29/03 09:16:03
Lender Id Disbursement Type Program Servicing Contact Phone Number	LE + Branch Number	
----- Payee Account Information -----		
Tax Id Payee Name Routing Number Account Id PreNote status  Updated by	+  Type	Payee Type  Obsolete as of Prenote Status Date  On
Option (A)dd (C)hange (D)elete (M)odify and press ENTER Go To AD=Acct Dtl RH=Rtg Hist PD=Payee Details PL=Payee Account List CI00809I: Display was successful F1=Help F3=Exit F4=Prompt F5=Clear F12=Cancel		

If an EFT account has been established and has been set up correctly, the following information will be displayed.

ED03 CAB938	Electronic Funds Transfer System UPDATE GLAS Payment Profile Detail	10/29/03 09:16:03
Lender Id Disbursement Type Program Servicing Contact Phone Number	123456789 Branch Number 001 LE LENDER DISBURSEMENT FLP + FARM LOAN PROGRAM BILLY BANKER 580 123 4567	
----- Payee Account Information -----		
Tax Id Payee Name Routing Number Account Id PreNote status  Updated by	987654321 HOME TOWN BANK 0123456 + HOME TOWN BANK 00000123 Type C A ASSUMED	Payee Type LENDER  Obsolete as of Prenote Status Date 09/13/1999  On 09/13/1999
Option (A)dd (C)hange (D)elete (M)odify and press ENTER Go To AD=Acct Dtl RH=Rtg Hist PD=Payee Details PL=Payee Account List CI00809I: Display was successful F1=Help F3=Exit F4=Prompt F5=Clear F12=Cancel		

**Look for the PreNote status of V Valid or A Assumed Valid**



**G Completing SF-3881**

Complete the SF-3881, according to this table.

Financial Institution Information	
Name	Enter the name of the lender.
Address	Enter the address correctly. Make sure it matches the same address for the Lender's ID and Branch # on GLS.
ACH Coordinator	Enter the name of the individual who should be contacted if problems with EFT occur.
Telephone #	Enter the telephone # of the ACH Coordinator.
Nine-Digit Routing Transit Number	Enter the 9-digit number, which identifies the lender to the Federal Reserve Banking System.
Depositor Account Title	Enter the title of the lender's account.
Depositor Account Number	Enter the lender's account number that ALL deposits will be made by federal agencies. <b><u>This not a borrower's account.</u></b>  The financial institution receives an addendum containing information that identifies the transmission as a guaranteed loan interest payment or loss claim and also which borrower's account and agency loan number that the money should be applied to.
Type of Account	Check either "Checking" or "Savings".
Signature and Title of Authorized Official	An authorized official <u>must sign</u> after the SF-3881 has been reviewed for completeness and accuracy. May be the ACH Coordinator.
Telephone Number	Enter the telephone number of the authorized official.

**H EFT Lender Review**

In order to comply with the intent of the law, the county office will review all active guaranteed loans to be assured than an active and valid EFT account has been established for all of the lender's branch locations. Remember, a separate EFT account must be established for each and every agency assigned branch number that's under a lender's Tax Identification Number.

**I Annual EFT Follow-up**

Once a year, the county office needs to contact the lender who has an active EFT account and verify that the routing number is still correct and the EFT account number is still correct and active. File the annual follow-up documentation in the county office lender operational file folder. If the account information is incorrect, County Offices should refer to Paragraph F of this notice.