

OK Notice FLP-477

For: County Offices

GUIDANCE ON FARM BUSINESS PLAN

Approved by: State Executive Director



1 Overview

A Background

The web-based Farm Business Plan has been implemented in Oklahoma. As per Notice FLP 347 the Farm and Home plan has been obsoleted. All cash flow projections are to be prepared on the Farm Business Plan.

B Purpose

This notice provides guidance on the use of the Farm Business Plan.

C Contact

County Office personnel should direct their questions first to their District Coordinators. The District Coordinators are as follows:

- District 1 Steven Dusek
- District 2 Jennifer Worthington
- District 3 Joe Gelnar
- District 4 Chad Rudd
- District 5 Jared Lamb
- District 6 Jaramie Karcher and Cody McMurphy
- District 7 Tracy Imke

Disposal	Distribution
Date of Disposal Indefinite	Farm Loan Programs Teams, County Offices, DDs, CORs
Date of Issue 08-20-04	

Required Documents for Borrower Case File

- A After completing the Farm Business Plan, the following items will be printed and placed in the borrower file. Place items 1 thru 7 in position three of the file and items 8 and 9 in position one of the file.
1. Balance Sheet Summary
 2. Balance Sheet Schedules
 3. Income and Expense Trends
 4. Projected Income and Expense Schedules
 5. Farm Assessment
 6. Credit Presentation
 7. DALRS Input Report (If 1951-S Servicing Action)
 8. Chattel Appraisal
 9. Security Agreement
- B Print the eligibility only sheet out of the credit action. Select under the credit action model “eligibility only” and place in position 3 of the file.
(This replaces FSA 440-2.)
- C Classification will be printed separate of the credit presentation and kept in Position 2 of the file.
- D When completing 1951-S servicing, you will complete three Farm Business Plans. as noted below and print the following with each.
1. Current year plan
 - a. Balance Sheet Summary
 - b. Balance Sheet Schedules
 - c. Income and Expense Trends
 - d. Projected Income and Expense Schedules
 2. Deferral plan (unless borrower has greater than 110% cash flow margin)
 - a. Income and Expense Trends
 - b. Projected Income and Expense Schedules
 3. Post-closing plan
 - a. Balance Sheet Summary
 - b. Balance Sheet Schedules
 - c. Income and Expense Trends
 - d. Projected Income and Expense Schedules
 - e. Credit Presentation

The chattel appraisal, security agreement and farm assessment can be printed off either the current or post closing plan.

3 **Denoting Prior Liens and Purchase Money Interest on Security Agreement**

- A Denote a prior lien with a single asterisk and indicate such on bottom line of applicable security list. (Ex. *Prior lien)
- B Denote purchase money interest in an item with a double asterisk and indicate such on bottom line of applicable security list. (ex. **Purchase Money Interest)

4 **Period covered by cash flow projections**

- A The cash flow should be projected one year from the date you work plan.
(Do not complete interim cash flow plans)

5 **Debt verifications**

- A Narrative will include a statement that income and debt verifications are in the file and are less than 90 days old.

6 **Filing Instructions**

This notice will be filed in chronological order with FLP series notices, and a copy of this notice will filed preceding FmHA Instruction 1951-S, 1941-A, and 1943-A.