

**For:** State and County Offices

**Borrower Training Requirements**

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

*Carolyn B. Cooksie*

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**1 Overview**

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**Background**

Regulations implementing the borrower training program became effective February 28, 1994. The regulation implements statutory requirements for attending training in farm production and financial management concepts, unless a waiver is granted. These requirements affect the following:

- all borrowers receiving Farm Loan Programs direct loan assistance
  - recipients of primary servicing action.
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**B**

**Purpose**

This notice provides:

- guidance on handling requests from applicants who previously agreed to complete borrower training, as a condition of receiving assistance
  - borrower training information on the automated data processing system (ADPS) and how to handle timeframe extensions on completing borrower training.
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<b>Disposal Date</b>	<b>Distribution</b>
April 1, 2002	State Offices; State Offices relay to County Offices

**Notice FLP-199**

**2 Additional Assistance Eligibility**

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**Criteria**

Applicants are **eligible** for additional assistance (benefits) when the following criteria applies.

<b>IF...</b>	<b>AND...</b>	<b>THEN...</b>
applicant requests assistance within the 2-year period allowed to complete the borrower training requirement		applicant must be enrolled in and attending an approved training course or be able to complete an approved training course within the 2-year period.
borrower agrees to complete training and has enrolled in approved classes or makes an honest effort to enroll	borrower was unable to actually attend training because of cancellation, postponement, or other unforeseen circumstances	borrower has met the “enrolled in and attending” rule. However, borrower is still responsible for completing the required training as soon as possible.
borrower is unable to complete the required training courses within the 2-year period because of circumstances beyond the borrower’s control		The Farm Loan Manager (FLM) may grant an extension of time based on the circumstances, usually 1 year. However, unusual circumstances may dictate an extension in excess of 1 year, such as no approved vendor, loss of approved vendor, serious illness, or other similar no-fault reasons. The Farm Loan Chief (FLC) or designee, such as the District Director or State Farm Loan Specialist, must approve in writing extensions in excess of 1 year.
borrower requests assistance after the 2-year period has expired	FLM has not granted an extension	borrower must have successfully completed an approved training course to be eligible for assistance. A borrower who successfully completes the training after the 2-year period has expired will again become eligible for assistance.

Borrowers who were required to complete borrower training and did not complete the training within the 2-year period, except as noted above, are **ineligible** for additional assistance.

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### 3 Borrower Training Information

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#### A

#### ADPS

#### Transactions

As of December 19, 1997, transaction codes and status screens were revised to include new fields for borrower training information. The 1F, 1G, 4A, 5M, and 1M transactions were revised with new fields, and their ability to process is affected by the training code values. The 1A and 1B transactions contain no new fields; however, 1A and 1B transactions are also affected by training code values.

The training code indicates the borrower's training status. The values are as follows:

- "C" for Training Successfully Completed
- "I" for Training Completed/Intensive Supervision
- "R" for Training Not Completed/Ineligible for Benefits
- "T" for Training Required
- "W" for Waiver Granted.

The training code must be established for each borrower on ADPS. The first value entered must be "T" for training required or "W" for waiver granted. The 1A, 1B, 4A, and 1M transactions will not process if "R" is entered or if the training expiration date exceeds 2 years from the training effective date, which is the date the agreement was signed.

Do **not** enter "W" for waiver granted for an applicant or borrower who is required to take training to make the transaction process. If this has been done, do a 5M transaction to correct the training status. The ADPS MI status screen will show borrower training information.

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#### B

#### Borrower

#### Training

#### Extensions

One-year extensions of the 2-year timeframe to complete borrower training may be approved by FLM. However, the approval of FLC or designee will be required for extensions over 1 year.

The 5M transaction will be used to enter all training timeframe extensions. Only the year can be changed, the month and day will stay the same. After the 5M transaction is completed, 1A, 1B, 4A, and 1M transactions can be processed for the borrower.

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**Notice FLP-199**

**4 Action**

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**SED Action**

SED's shall direct FLC's to provide:

- County Offices with a current list of approved borrower training vendors, including descriptions of the approved courses
- Kathleen Miller, LMD, with an updated list of approved vendors.

**Note:** See 1-FLP, subparagraph 3 C for address and FAX number.

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**Contact**

Questions may be directed as follows:

- County Offices shall contact the State Office
  - State Offices shall contact Kathleen Miller, LMD, at 202-720-1472.
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