



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN 1924 (1910)

May 12, 1989

SUBJECT: Monitoring Promptness Standards for Farmer Programs
Loan Approval

TO: State Directors, District Directors and County
Supervisors

ATTN: Farmer Program Chiefs

PURPOSE/INTENDED OUTCOME:

The purpose of this AN is to insure compliance with the promptness standards required by the Food Security Act of 1985. Audits by the Office of Inspector General (OIG) have shown that loan applications are, in some instances, being delayed beyond the timeframes allowable by law and FmHA regulations.

COMPARISON WITH PREVIOUS AN:

This AN replaces FmHA AN 1668 (1910) dated October 23, 1987, which expired on October 31, 1988.

IMPLEMENTATION RESPONSIBILITIES:

When posting applications to Forms FmHA 1905-4, "Application and Processing Card--Individual," a notation will be made in item 17, "Remarks," to indicate the date a Farmer Programs loan application is considered complete, as defined in FmHA Instruction 1910-A, Section 1910.4 (b). This date then establishes the timeframe for the 30-day notification of loan eligibility and 60-day deadline for loan approval/disapproval.

EXPIRATION DATE April 30, 1990

FILING INSTRUCTION:
Preceding FmHA
Instruction 1910-A



Farmers Home Administration is an Equal Opportunity Lender.
Complaints of discrimination should be sent to:
Secretary of Agriculture, Washington, D.C. 20250

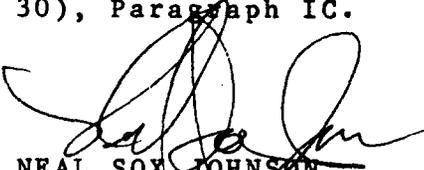
1924(1910)

Similarly, a notation will be made in item 17, "Remarks," of Forms FmHA 1905-4, to indicate the dates applicants were informed of adverse actions taken on their loan applications. The date(s) entered on the card must not be later than 10 days after the decision was made.

The applicable Instructions to implement this AN are FmHA Instruction 1900-B, 1910-A, 1941-A, 1943-A and 1945-D.

Monitoring:

A recent Office of Inspector General (OIG) audit reveals that the Agency is not adequately monitoring this part of application processing. To ensure that the promptness requirements of the Food Security Act of 1985 are met, District Directors are required to review Form FmHA 1905-4, on a monthly basis, to ensure that dates of completed applications and dates of adverse actions are entered thereon. The District Director will record the results of the review in the trip report as set forth in 2006.903 (b)(1) of FmHA Instruction 2006-S. In addition, Program Review Assistants (PRA) are required to review Form FmHA 1905-4 for compliance with promptness standards as outlined in FmHA Instruction 2006-S, Exhibit A, Farmer Program Loans (Insured-page 25&26), Paragraph IC, and Farmer Program Loans (Guaranteed-page 30), Paragraph IC.


NEAL SOX JOHNSON
Acting Administrator

Sent by ASD 10:00 Am to States, 12:00 Pm to District Directors, 2:00 Pm to County Supervisors on 5/15/89. State Directors will immediately distribute to Farmer Programs Chiefs and other State Office personnel as appropriate.