



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

February 28, 1992

FmHA AN NO. 2480 (1924)

SUBJECT: Revisions Related to Entering 5-Year History into
the ORACLE Version of the Automated Farm and Home
Plan, Form FmHA 431-2

TO: State Directors, District Directors and County
Supervisors

ATTN: Farmer Programs Chiefs

PURPOSE/INTENDED OUTCOME

The purpose of this Administrative Notice (AN) is to provide additional guidance and further clarification on the implementation process of the ORACLE version of the automated Farm and Home Plan (FHP), Form FmHA 431-2. The success in establishing a database in the ORACLE FHP will improve program delivery and reduce potential losses to the government by minimizing errors in farm planning.

COMPARISON WITH PREVIOUS AN

This AN replaces FmHA AN NO. 2429 (1924-B) dated, December 18, 1991. The updates in this AN will provide additional clarification regarding entering 5-year historical data into the FHP system.

IMPLEMENTATION RESPONSIBILITIES

All field offices should be familiar with the ORACLE FHP system and the Credit and Financial Analysis (CFA) worksheets. Presently, field offices must use the ORACLE FHP for completing all new plans. Field offices should also be utilizing the appropriate CFA worksheets, whether for loan making or servicing actions.

There are two enhancements under development that will require all borrowers to have plans entered into the ORACLE FHP. The first enhancement will be the automation of the CFA worksheets. Use of this system will require the entry of the borrower's past 5 years of financial and production data into the FHP database. The data entered in the FHP database will be utilized to generate the CFA worksheets as well as the Financial and Production Farm Analysis Summary, Form

EXPIRATION DATE: February 28, 1993

Filing Instruction:
Preceding FmHA
Instruction 1924-B



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

FmHA 1960-12. Therefore, all active borrowers who require an annual analysis will eventually have a current FHP and 5 years of historical data stored in the database.

In order to generate accurate CFA worksheets, field offices are instructed to enter the current FHP and 5 years of historical data into the system as they work with the borrowers. All borrowers who require annual analysis, e.g., limit resource reviews, annual chattel loans, must be on the system by January 1, 1993.

The second enhancement is an automatic borrower classification upload to the mainframe computer in Kansas City. A borrower must have a completed plan on the ORACLE FHP for the automatic upload to function and properly classify Farmer Programs borrowers. Those borrowers who are not required to have 5-year historical data entered, must have a complete current plan on the FHP system by January 1, 1993. This data will be updated as the borrower's operation and/or financial situation changes.

For those borrowers with insufficient historical data, enter only the recent consecutive years of good data. Do not corrupt your database with inaccurate borrower data. For borrowers with servicing flags, the most current data available would be entered in order for those borrowers to be classified.

The 'Copy' function key of the FHP software will be beneficial in entering the 5-year historical data. A user can enter one complete plan and then utilize the 'Copy' function in order to reduce entering duplicate data, year after year.

It is essential that the required data fields of the FHP be completed for all 5 years, unless not available, in order to properly generate the CFA worksheets and Form FmHA 1960-12. Both planned and actual data fields will be needed for the historical database. In order to have an efficient and useful database, data entry 'shortcuts' are not recommended.

Any questions or comments should be directed to Steven Rubin, Senior Loan Officer, Farmer Programs, Program Development Staff, on FTS 690-4003 or commercial (202) 690-4003.

This AN may not be revised and reissued by State Directors without prior approval by the Assistant Administrator, Farmer Programs, unless modification is necessary to comply with State law.



LA VERNE AUSMAN
Administrator

Sent by Time Delay Option to States at 11:00 on 3/3/92; to Districts at 1:00 on 3/3/92; and to Counties at 3:00 on 3/3/92; by GSS.