



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN No. 2520 (1910)

April 15, 1992

SUBJECT: Timely Processing of Farmer Programs Applications

TO: State Directors, District Directors, and County
Supervisors

ATTN: Farmer Programs Chiefs

PURPOSE/INTENDED OUTCOME:

The purpose of this AN is to emphasize the importance of timely processing of Farmer Programs loan and loan guarantee applications, and to clarify requirements for scheduling County Committee meetings, so that County Committee action is not a cause of delays in application processing.

The intended outcome is for all loan applicants to receive final action (loan approval or rejection) within the statutory timeframes, and to deliver timely service to applicants and borrowers.

COMPARISON WITH PREVIOUS AN:

No previous AN has been issued on this subject.

IMPLEMENTATION RESPONSIBILITIES:

Reports, CAR data, and complaints indicate that in many cases, loan applications are not being processed on a timely basis. Excessive delays in application processing can impose undue hardship on applicants and borrowers. This is not consistent with FmHA policies or objectives. FmHA Instruction 1910-A, Section 1910.4 requires that the applicant receive written notice of eligibility or ineligibility within 30 days after FmHA receives a complete application. Additionally, each Farmer Programs loan application must be approved or disapproved, and the applicant notified in writing, no later than 60 days after receipt of a complete application. These timeframes are MAXIMUM limits. Our goal is to process applications in less than the mandated timeframes to allow applicants and borrowers to conduct their business in a timely manner.

In order to ensure that the County Committee action does not delay application processing, all applications for Farmer Programs loans must be brought before the County Committee for action within seven calendar days after the date the application became a complete application. However, a complete application is

EXPIRATION DATE: March 31, 1993

FILING INSTRUCTIONS:
Preceding FmHA
Instruction 1910-A



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not required for County Committee action; the County Committee needs only to review information pertinent to the applicant's eligibility. In the case of applications from existing borrowers, the information in the case file should be adequate for County Committee action, unless the data is several years old or the County Supervisor is aware of significant changes which may affect the borrower's eligibility. County Committee action should occur as early in the application process as possible to avoid delays.

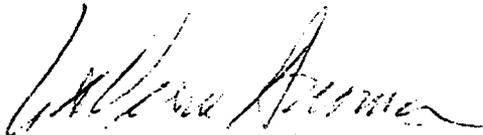
The County Committee must meet as often as necessary to ensure that eligibility determinations are made within the prescribed timeframes. During loan making season, weekly or more frequent meetings may be necessary to process applications on a timely basis. All County Offices should have three County Committee members and three alternates. If alternate members have not been appointed, they should be appointed immediately, in accordance with FmHA Instruction 2054-W. Attendance of any two of these six persons constitutes a quorum which can act on applications. County Committee meetings may be held outside County Office working hours, if necessary, and may be held at a site other than the County Office.

In emergency cases, teleconferences may be used for County Committee meetings, provided that the pertinent information is available to all County Committee members/alternates at the time of the teleconference, and the County Committee members/alternates sign the same certification form at the earliest opportunity. Teleconferences may also be used to follow-up on tabled applications. When teleconferences are used, County Committee members/alternates will receive their salary pay (basic daily rate of \$30). However, they will not receive an allowance since no travel will be involved. Therefore, each time the method of holding County Committee meetings is changed, a Standard Form 50-B, "Notification of Personnel Action," must be processed through the National Finance Center for each attending member.

Timely processing of loan applications is critical. Every effort must be made to expedite loan processing, without sacrificing credit quality.

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.

State Office personnel with questions regarding this AN should contact Penny R. Lott, Farmer Programs Loan Making Division, at FTS 720-1656, or commercial (202) 720-1656.



LA VERNE AUSMAN
Administrator