



United States  
Department of  
Agriculture

Farmers  
Home  
Administration

Washington  
D.C.  
20250

FmHA AN No. 1216 (1951)

June 14, 1985

SUBJECT: Issuance of State Instructions Establishing a Timetable  
for Reviewing Farmer Program FmHA Borrowers for Graduation

TO: All State Directors, Farmer Programs Chiefs, District  
Directors, and County Supervisors, FmHA

PURPOSE/INTENDED OUTCOME

The purpose of this Administrative Notice (AN) is to advise you about the requirement for a State Instruction set out in FmHA Instruction 1951-F, Section 1951.261(b)(3), "Analyzing Credit Needs and Graduation of Borrowers," regarding the establishment of a timetable for the graduation review process.

IMPLEMENTATION RESPONSIBILITIES

The State Director, through the issuance of a State Instruction, will establish a timetable for reviewing all Farmer Program borrowers. Guaranteed, Watershed, and RC&D Loans will not be reviewed for graduation.

We recently reviewed several State Instructions that did not include program timetables for the graduation of Farmer Program borrowers. The following steps in the graduation process may be used as a guide for establishing a timetable for Farmer Program borrowers.

- A. Survey of lenders in the area.
- B. Complete the initial screening process.
- C. Complete the review of current financial information.
- D. Preparation of Form FmHA 1951-24, "Results of Borrower Graduation Review," and review with county committee.
- E. Request borrowers to graduate and plan follow-up actions.
- F. Submit those cases to State Director for borrowers who failed to graduate or respond to our request for information.

EXPIRATION DATE: June 30, 1986

FILING INSTRUCTIONS: Preceding  
FmHA Instruction 1951-F



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Secretary of Agriculture, Washington, D.C. 20250

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States that have not addressed the graduation of Farmer Program borrowers in State Instructions must do so as soon as possible.

*Dwight O. Calhoun*

DWIGHT O. CALHOUN

Acting Associate Administrator