

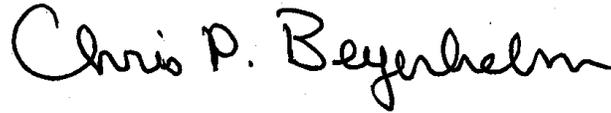
UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

**General Program Administration
1-FLP (Revision 1)**

Amendment 110

Approved by: Deputy Administrator, Farm Loan Programs



Amendment Transmittal

A Reasons for Amendment

Subparagraph 25 A has been amended to correctly align the bullet.

Exhibit 17 has been amended to provide interest rates for FLP's.

Page Control Chart		
TC	Text	Exhibit
	2-9, 2-10	17, pages 1, 2

25 Delegating Loan Approval Authority (Continued)

A Receiving Approval Authority (Continued)

- *--have an additional 1 calendar year to complete Phase 2 and be delegated loan--* approval authority, after completing Phase 1, training
- DD's and FLS' working toward obtaining loan approval authority shall:
 - meet the State-established credit quality standards on a minimum of 3 files of which at least 1 must be a term loan. Not more than 4 files may be submitted to meet this requirement
 - submit a minimum of 4 acceptable file reviews. Not more than 6 file reviews may be submitted to meet this requirement

Note: When recording trainee file reviews in FLOTRACK Docket information, note "File Review" in the comments area.

- be placed on an OTI or PIP as appropriate, if the trainee's:
 - 3 of the maximum of 4 independently prepared loan files fail to meet the State-established credit quality standards
 - 4 of the maximum of 6 file reviews are not acceptable.

Note: If trainee is placed on an OTI or PIP due to failure to meet the State-established credit quality standards on the independently prepared loan files or file reviews, this action must be documented in the "Comments" section of FLOTRACK.

- submit, at the end of the OTI or PIP, a new set of loan files that meet the State credit quality standards. If the trainee's 3 of the maximum of 4 independently prepared loan files again fail to meet the State-established credit quality standards, or 4 of the maximum of 6 file reviews are not acceptable, follow 6-PM, subparagraph 198 D to determine next action.
- have an additional 6 months to complete Phase 2 and be delegated loan approval authority, after completing Phase 1 training.

B Failure to Receive Loan Approval Authority

Follow 6-PM, subparagraph 198 D if an employee (DD, FLS, FLM, FLO, or FLOT) whose position description requires the employee to obtain loan approval authority, or CED designated to obtain loan approval authority, does not successfully meet the criteria in subparagraph A.

25 **Delegating Loan Approval Authority (Continued)****C CED Loan Approval Authority**

SED's, in consultation with FLC and the appropriate DD, may designate CED's to obtain loan approval authority if CED:

- agrees to maintain competency with ongoing FLP activity
- *--while completing the FLOT program and working toward obtaining loan approval authority, agrees to have added to the performance plan under Program Management, Execution of Duties, or similar element the following standard, "Successfully completes assigned training and training activities within established timeframes"--*
- is able to perform the duties according to 27-PM, Exhibit 4.4

Note: 27-PM, Exhibit 4.4 will be attached to the CED's position description when loan approval authority has been delegated.

- completes the formal FLOT program
- meets the requirements established in subparagraph A.

*--CED's, who held FLP loan approval authority **within** the previous 12 months immediately before the SED designation, may submit a statement requesting waiver of additional training. SED, in consultation with FLC and DD, shall determine any training required before CED is delegated loan approval authority.

CED's, who held FLP loan approval authority but **not** within the previous 12 months immediately before the SED designation, must submit the number of independently prepared files required under subparagraph A. SED, in consultation with FLC and DD, shall evaluate the CED's knowledge of **current** FLP loan requirements, financial analysis, and FBP to determine required training before CED is delegated loan approval authority.--*

D Circumstances for Designating CED's

SED's, in conjunction with FLC, should identify areas of their State that could justify and benefit from CED having loan approval and servicing authority.

The office or area where CED would be designated by SED to obtain loan making and servicing approval authority must meet both of the following conditions.

- Direct and/or guaranteed caseload in the office or area is high, complex, or geographically challenging and FLM, SFLO, or FLP team servicing the office or area needs additional help.

Notes: The requirement established in subparagraph 27 D shall be considered when evaluating this condition.

FLP Rates

A Interest Rates for FLP's

The following provides interest rates for FLP's as of January 1, 2015.

Loan Type	Current Rate (%)	Date Set
Rural Housing - Farm Loan Purposes		
Note: For the current interest rate, contact the National Office.		
Operating	2.625	12/1/14
Operating - Limited Resource	5.000	12/1/90
Farm Ownership and Conservation Loans	4.000	12/1/14
Farm Ownership - Limited Resource	5.000	4/1/86
Farm Ownership - Down Payment	1.500	5/22/08
Farm Ownership - Joint Financing	2.500	2/7/14
Soil and Water	4.000	12/1/14
Soil and Water - Limited Resource	5.000	7/1/92
Recreation - Individual	4.000	12/1/14
Farmer Program - Homestead Protection	4.000	12/1/14
Shared Appreciation Amortization	3.000	12/1/14
Softwood Timber Loans	4.000	12/1/14
Economic Emergency - Operating	2.625	12/1/14
Economic Emergency - Real Estate	4.000	12/1/14
Emergency - Amount of Actual Loss	3.625	12/1/14
Emergency - Major Adjustment: Subtitle A Purpose (Excess of Loss)	*--6.250--*	1/1/15
Emergency - Major Adjustment: Subtitle B Purpose (Excess of Loss)	4.750	12/1/14
Emergency - Annual Production	4.750	12/1/14
Nonprogram - Chattel Property	4.750	12/1/14
Nonprogram - Real Property	*--6.250--*	1/1/15
Apple Loans	0.875	1/1/15
Association - Grazing	4.000	12/1/14
Association - Irrigation and Drainage	4.000	12/1/14
Indian Land Acquisition	5.000	2/1/91

Publication 622, which provides amortization tables and financial basic payment tables, is available from MSD Warehouse. To request Publication 622, complete FSA-159, available at <http://intranet.fsa.usda.gov/dam/ffasforms/forms.html>, and submit it by 1 of the following methods:

- FAX to 816-823-4740 or 816-823-4741
- e-mail to ra.mokansasc2.kcasbwhse
- mail to:

USDA/FSA/Kansas City Warehouse
9240 Troost Ave
Kansas City MO 64131.

FLP Rates (Continued)

B Treasury Rates

The following table provides the applicable Treasury rates.

Treasury Rates	Current Rate (%)	Date Set
90-Day Treasury Bill	0.125	10/1/09
Treasury Judgment Rate (see Note)	0.140	12/1/14

Notes: The 90-Day Treasury Bill rate is entered in eDALR\$ as the “Discount Rate” and is used to calculate present value and net recovery value.

The treasury judgment rate is the interest rate applicable to deficiency judgments for all loan types (pursuant to 28 U.S.C. Section 1961). The rate is based on the weekly average 1-year CMT yield published by the Federal Reserve System, Board of Governors. The rate shown is the most current rate posted to the Federal Reserve web site and is dated the *--week ending November 28, 2014. The actual judgment rate is the rate for the calendar--* week preceding the date the defendant becomes liable for interest. Access the Federal Reserve web site www.federalreserve.gov/releases/H15/current for the weekly average 1-year CMT yield.

C Historical 90-Day Treasury Bill Rates

The following table provides the historical 90-day Treasury bill rates.

Effective Date	Rate (%)	Effective Date	Rate (%)
December 1, 1988	7.500	December 1, 1990	7.500
January 1, 1989	7.875	January 1, 1991	7.375
February 1, 1989	8.250	February 1, 1991	7.125
March 1, 1989	8.500	March 1, 1991	6.500
April 1, 1989	8.750	April 1, 1991	6.250
May 1, 1989	9.000	May 1, 1991	6.125
June 1, 1989	9.150	June 1, 1991	5.875
July 1, 1989	8.750	July 1, 1991	5.750
August 1, 1989	8.625	October 1, 1991	5.625
September 1, 1989	8.250	November 1, 1991	5.375
October 1, 1989	8.125	December 1, 1991	5.250
December 1, 1989	8.000	January 1, 1992	4.875
February 1, 1990	7.875	February 1, 1992	4.375
April 1, 1990	8.000	March 1, 1992	3.875
May 1, 1990	8.125	May 1, 1992	4.125
July 1, 1990	8.000	June 1, 1992	4.000
October 1, 1990	7.750	July 1, 1992	3.750
November 1, 1990	7.625	September 1, 1992	3.500