

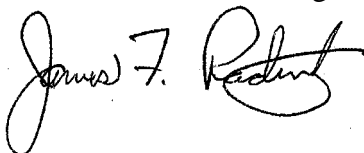
UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

General Program Administration
1-FLP (Revision 1)

Amendment 113

Approved by: Acting Deputy Administrator, Farm Loan Programs



Amendment Transmittal

A Reasons for Amendment

Subparagraphs 4 A, C, and D have been amended to update National Office contacts.

Paragraph 5 has been amended to update NFAOC contacts.

Subparagraph 25 A has been amended to provide that no more than 1 Microloan file may be submitted to obtain loan approval authority.

Subparagraphs 41 I, 50 C, 52 A, B, and E, and 444 A and Exhibit 36, subparagraph E 2 A have been amended to update NFAOC references.

Subparagraph 52 I has been amended to update:

- NFAOC reference
- ADPS TC's.

Exhibit 15 has been amended as follows:

- subparagraph B 2 b to clarify printing instructions for running records
- subparagraph J 7 a to provide guidance when incorrect approval status is selected.

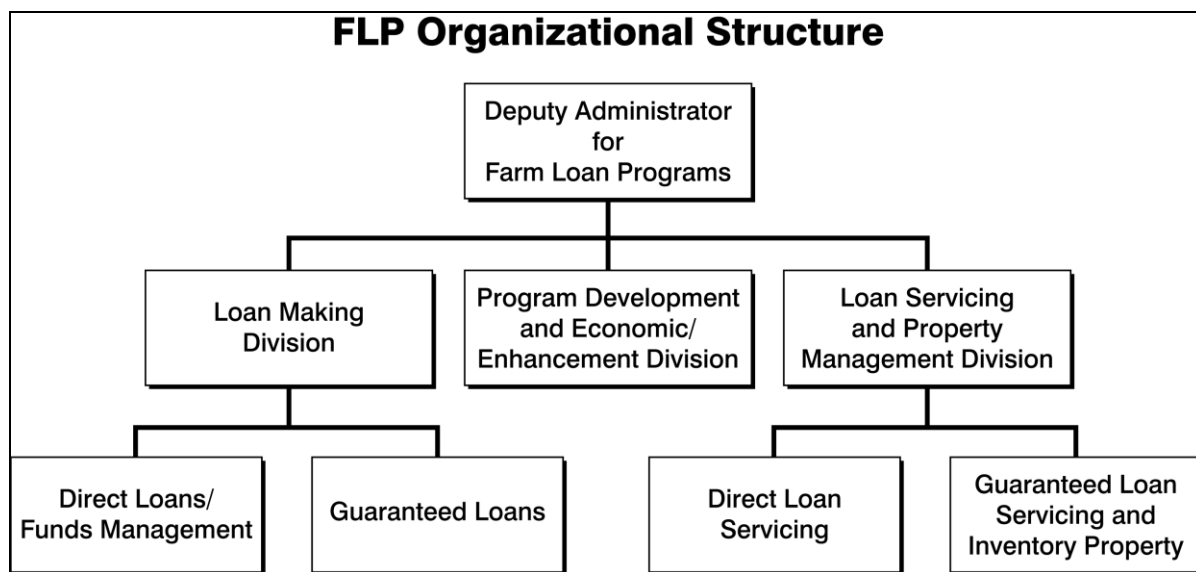
Exhibit 17 has been amended to provide interest rates for FLP's.

| Page Control Chart | | |
|--------------------|-------------------|--------------------|
| TC | Text | Exhibit |
| | 1-7 through 1-14 | 1, pages 3-6 |
| | 1-15 | 15, pages 33, 34 |
| | 2-9, 2-10 | pages 98.21, 98.22 |
| | 3-6.7, 3-6.8 | 17, pages 1, 2 |
| | 3-29 through 3-40 | 36, pages 59, 60 |
| | 9-85, 9-86 | |

4 FLP Organizational Structure

A National Office FLP Organizational Structure

The following is the National Office FLP organizational structure.



B Contacts for the Office of the Deputy Administrator

The following provides the address for the Office of the Deputy Administrator.

| For USPS delivery | For FedEx or UPS delivery |
|---|--|
| USDA FSA DAFLP STOP 0520 1400 INDEPENDENCE AVE SW WASHINGTON DC 20250-0520 | USDA FSA DAFLP ROOM 3605 SOUTH BUILDING 1400 INDEPENDENCE AVE SW WASHINGTON DC 20250-0520 |

Note: County Offices shall address questions to the State Office. State Offices shall contact the National Office as needed.

The following provides names, titles, and telephone and FAX numbers for the Office of the Deputy Administrator.

| Office of the Deputy Administrator FAX Number 202-690-3573 | | |
|---|---------------------------------------|--------------|
| Name | Title | Phone Number |
| *--James F. Radintz | Acting Deputy Administrator | 202-720-4671 |
| James F. Radintz | Assistant Deputy Administrator | 202-720-4671 |
| Vacant--* | Secretary to the Deputy Administrator | * * * |

4 FLP Organizational Structure (Continued)

C LMD Contacts

The following provides names, address, and telephone and FAX numbers for LMD.

| For USPS delivery | For FedEx or UPS delivery |
|---|--|
| USDA FSA DAFLP LMD STOP 0522 1400 INDEPENDENCE AVE SW WASHINGTON DC 20250-0522 | USDA FSA DAFLP LMD ROOM 3629 SOUTH BUILDING 1400 INDEPENDENCE AVE SW WASHINGTON DC 20250-0522 |

Note: County Offices shall address questions to the State Office. State Offices shall contact the National Office as needed.

| LMD FAX Number 202-720-6797 | | |
|--------------------------------------|---------------------|-----------------|
| Office of the Director | | |
| Name | Title | Phone Number |
| Connie Holman | Director | 202-690-0756 |
| *--John Tamashiro | Deputy Director | 202-720-5199--* |
| Carrie Novak | Senior Loan Officer | 202-720-1643 |
| Shanita Staten | Program Assistant | 202-720-3889 |
| Direct Loans/Funds Management Branch | | |
| Russ Clanton | Branch Chief | 202-690-0214 |
| * * * | * * * | * * * |
| Dan Jackson | Senior Loan Officer | 202-720-0588 |
| Joseph Marcoccia | Senior Loan Officer | 202-401-0087 |
| Mike Moore | Senior Loan Officer | 202-690-0651 |
| Jerry Moseman | Senior Loan Officer | 202-690-4006 |
| Ann Smith | Senior Loan Officer | 202-720-1656 |
| Anne Steppe | Senior Loan Officer | 202-690-4017 |
| Guaranteed Loans Branch | | |
| Randi Sheffer | Branch Chief | 202-205-0682 |
| Steve Ford | Senior Loan Officer | 202-304-7932 |
| * * * | * * * | * * * |
| Trent Rogers | Senior Loan Officer | 202-720-1657 |

4 FLP Organizational Structure (Continued)

D PDEED Contacts

The following provides names, address, and telephone and FAX numbers for PDEED.

| For USPS delivery | For FedEx or UPS delivery |
|---|--|
| USDA FSA DAFLP PDEED STOP 0521 1400 INDEPENDENCE AVE SW WASHINGTON DC 20250-0521 | USDA FSA DAFLP PDEED ROOM 3622 SOUTH BUILDING 1400 INDEPENDENCE AVE SW WASHINGTON DC 20250-0521 |

Note: County Offices shall address questions to the State Office. State Offices shall contact the National Office as needed.

| PDEED FAX Number 202-690-3573 | | |
|-------------------------------|---------------------------------|------------------------|
| Name | Title | Phone Number |
| Courtney Dixon | Director | 202-720-1360 |
| William Cobb | Deputy Director | 202-720-1059 |
| Thomas Dobbin | Chief Appraiser | 208-378-5671 |
| Linda Baldwin | Document Control Technician | 202-720-5489 |
| Lorraine Campbell | Senior Writer/Editor | 202-690-2850 |
| Niki Chavez | Senior Loan Officer | 202-690-6129 |
| Gene Christie | Senior Loan Officer | 202-690-2517 |
| Robert Fleming | Lead Review Appraiser-Southeast | 803-435-2201, Ex. 103 |
| Pixie Greer | Senior Loan Officer | 202-720-1652 |
| Jennifer Haley | Program Analyst | 202-720-9898 |
| Donald Howard | Lead Review Appraiser-West | 503-692-1973, Ex. 238 |
| Mike Ittel | Lead Review Appraiser-Midwest | 320-251-7800, Ext. 117 |
| *--Tracy Jones | Senior Loan Officer | 202-720-6771--* |
| Teresa Martin | Program Analyst | 202-690-0431 |
| Dirk Nysveen | Senior Loan Officer | 701-893-2239 |
| Sheila Oellrich | Program Analyst | 202-720-2990 |
| Marquita Peoples | Program Analyst | 202-720-8320 |
| Chris Tarr | Lead Review Appraiser-Northeast | 315-568-6124, Ext. 104 |
| Vernon Tesch | Regional Appraiser-West | 406-605-3442, Ext. 108 |

4 FLP Organizational Structure (Continued)

E LSPMD Contacts

The following provides names, address, and telephone and FAX numbers for LSPMD.

| For USPS delivery | For FedEx or UPS delivery |
|---|--|
| USDA FSA DAFLP LSPMD STOP 0523 1400 INDEPENDENCE AVE SW WASHINGTON DC 20250-0523 | USDA FSA DAFLP LSPMD ROOM 3627 SOUTH BUILDING 1400 INDEPENDENCE AVE SW WASHINGTON DC 20250-0523 |

Note: County Offices shall address questions to the State Office. State Offices shall contact the National Office as needed.

| Office of the Director FAX Number 202-720-5804 | | |
|---|----------------------------------|---------------------|
| Name | Title | Phone Number |
| Michael R. Hinton | Director | 202-720-1984 |
| Craig Nehls | Deputy Director | 202-720-1984 |
| Michael Cumpton | Assistant to the Director | 202-690-4014 |
| Vera Harris | Division Secretary | 202-720-1984 |
| Brenda McNeill | Program and Management Assistant | 202-720-4572 |
| Direct Loan Servicing Branch FAX Number 202-720-5804 | | |
| Bruce Mair | Branch Chief | 202-720-1645 |
| Jacqueline King | Program Analyst | 202-720-2820 |
| Jenny Breece | Senior Loan Officer | 202-690-4011 |
| Rebecca Deaton | Senior Loan Officer | 202-690-2854 |
| Richard Cardona-Diaz | Senior Loan Officer | 202-720-0078 |
| Mary Durkin | Senior Loan Officer | 202-720-1658 |
| Sharilyn Hashimoto | Senior Loan Officer | 202-720-2743 |
| Jonathan (Lee) Nault | Senior Loan Officer | *--on detail--* |
| Rick Stewart | Senior Loan Officer | 202-720-1654 |
| Gary Wheeler | Senior Loan Officer | 202-690-4021 |
| Tamara Wilson | Senior Loan Officer | 202-690-4012 |

4 FLP Organizational Structure (Continued)

E LSPMD Contacts (Continued)

| Guaranteed Loan Servicing and Inventory Property Management Branch FAX Number 202-720-5804 | | |
|---|---------------------|--------------|
| Name | Title | Phone Number |
| Jeff King | Branch Chief | 202-720-1651 |
| Polly Anderson | Senior Loan Officer | 202-720-2558 |
| Patricia Elzinga | Senior Loan Officer | 202-690-1729 |
| Sharon Harris | Senior Loan Officer | 202-401-0191 |
| Marilyn Meese | Senior Loan Officer | 202-690-4002 |
| Theresa Null | Senior Loan Officer | 202-720-7862 |
| Cynthia Van Nostrand | Senior Loan Officer | 202-720-0900 |

5 NFAOC Contacts

A NFAOC Contact Information

The following provides name, address, telephone, and FAX numbers for the main points of contact in NFAOC.

Note: There are now different contacts for Direct Loan Servicing and Guaranteed Loan Servicing.

B Direct Loan Servicing

The following provides the Direct Loan Servicing address.

*--

| For USPS Delivery | For FedEx or UPS Delivery |
|--|--|
| USDA, RURAL DEVELOPMENT, NFAOC, FaSB, FC-1311 BUILDING 104 4300 GOODFELLOW BLVD # 1321 SAINT LOUIS MO 63120-1703 | USDA, RURAL DEVELOPMENT ATTN: <i>(Insert Name)</i> , NFAOC, FaSB, FC-1311 BUILDING 105E - DOCK DELIVERY 4300 GOODFELLOW BLVD ST. LOUIS, MO 63120 |

--*

5 NFAOC Contacts (Continued)

B Direct Loan Servicing (Continued)

*--The following provides contact information for the Direct Loan, FaSB.

| Direct Loan, FaSB--* | | | |
|-----------------------------|-----------------------|--------------|--|
| ECM FAX Number 314-457-4539 | | | |
| Name | Title | Phone Number | State Assignment |
| Cynthia Haas | Branch Chief | 314-457-4121 | |
| Sharon Maull | Accountant | 314-457-4146 | |
| Betty Nunnery | Accountant | 314-679-6850 | |
| Kathryn White | Accountant | 314-679-6837 | |
| Yvonne Collins-Myers | Accounting Technician | 314-679-6824 | FL, GA, ID, IA, KY, MS, TN, UT, VI |
| Kathleen Farid | Accounting Technician | 314-679-6826 | CO, IL, IN, ME, NY, ND, OR, WY |
| Lawrence Mullen | Accounting Technician | 314-679-6834 | CT, KS, MA, MO, MT, PA, RI, SC, WV, WI |
| Barbara Lee | Accounting Technician | 314-679-6846 | AZ, LA, MI, NH, OK, PR, SD, VT, VA |
| Byron Luster | Accounting Technician | 314-679-6848 | AR, NE, NV, NJ, NC, OH, WA, WP |
| Susan Pennock | Accounting Technician | 314-679-6835 | AL, AK, CA, DE, HI, MD, MN, NM, TX |

C Guaranteed Loan Servicing

The following provides the Guaranteed Loan Servicing address.

*--

| For USPS Delivery | For FedEx or UPS Delivery |
|--|--|
| USDA, RURAL DEVELOPMENT, NFAOC, FCSB, FC-1321 BUILDING 104 4300 GOODFELLOW BLVD # 1321 SAINT LOUIS MO 63120-1703 | USDA, RURAL DEVELOPMENT ATTN: <i>(Insert Name)</i> , NFAOC, FCSB, FC-1321 BUILDING 105E - DOCK DELIVERY 4300 GOODFELLOW BLVD ST. LOUIS, MO 63120 |

--*

5 NFAOC Contacts (Continued)

C Guaranteed Loan Servicing (Continued)

*--The following provides contact information for the Guaranteed Loan, FCSB.

| Guaranteed Loan, FCSB--* Main Line 314-457-6402 ECM FAX Number 314-457-4539 | | | |
|--|-----------------------|---------------------|---|
| Name | Title | Phone Number | Assignments |
| Sharon Sachs | Branch Chief | 314-679-6804 | |
| *--Christine Knecht | Lead Accountant | 314-457-4301--* | |
| Richard Lahr | Lead Accountant | 314-457-4206 | |
| Kim Dixon | Accountant | 314-457-4325 | RD programs only. |
| Paul Quante | Accountant | 314-679-6836 | Farm Loan Programs. |
| Jeanine Shoults | Accountant | 314-457-4201 | RD programs only. |
| Jeanette Broeckling | Accounting Technician | 314-679-6823 | AZ, AR, IN, * * * MS, NE, NC, TX, VA, WV |
| Kyle Logan | Accounting Technician | 314-679-6847 | * * * FL, ID, IL, MN, * * * NY, OH, OR, PR, UT, WA, * * * |
| Mary Jordan | Accounting Technician | 314-679-6831 | AK, CO, CT, DE, GA, HI, KS, * * * ME, MD, MA, * * * MT, NV, ND, RI, SC, SD |
| *--Barbara Jungenberg | Accounting Technician | 314-679-6805 | AL, KY, LA, MI, MO, NJ, WY--* |
| Linda Willman | Accounting Technician | 314-679-6853 | CA, IA, NH, * * * NM, OK, PA, TN, VT, VI, WI, WP |
| Paige Maue | Student Intern | 314-679-6828 | |

D Debt Collection

*--The following provides DCIB address.

| For USPS Delivery | For FedEx or UPS Delivery |
|--|--|
| USDA, RURAL DEVELOPMENT, NFAOC, DCIB, FC-1331 BUILDING 104 4300 GOODFELLOW BLVD # 1331 SAINT LOUIS MO 63120-1703 | USDA, RURAL DEVELOPMENT ATTN: <i>(Insert Name)</i> , NFAOC, DCIB, FC-1331 BUILDING 105E - DOCK DELIVERY 4300 GOODFELLOW BLVD ST. LOUIS, MO 63120 |

--*

5 NFAOC Contacts (Continued)

D Debt Collection (Continued)

*--The following provides contact information for DCIB.

| DCIB--* Telephone Number 314-679-6870 ECM FAX Number 314-457-4478 FAX Number 314-679-6871 | | | |
|--|----------------------|---------------------|---|
| Name | Title | Phone Number | Assignments |
| Karen Campbell | Branch Chief | 314-679-6861 | |
| Mariella Harstick | Accountant | 314-679-6863 | Internal Administrative Offset |
| WYVONE HAYMON | Accountant | 314-679-6864 | TOP Timeline Notifications and ADPS Screen Messages; Cross Servicing Referrals and Cash |
| Katina Mims | Accountant | 314-679-6833 | TOP Referrals, Weekly Updates and Cash; Credit Bureau Reporting |
| Charles Spencer | Accountant | 314-679-6868 | TOP Refunds |
| Karen Johnisee | Financial Specialist | 314-679-6865 | Federal Salary Offset; Cross Servicing Proof of Debt/Disputes; CAIVRS |

E Program Reporting

*--The following provides PRB address.

| For USPS Delivery | For FedEx or UPS Delivery |
|---|---|
| USDA, RURAL DEVELOPMENT, NFAOC, PRB, FC-1332 BUILDING 104 4300 GOODFELLOW BLVD # 1332 SAINT LOUIS MO 63120-1703 | USDA, RURAL DEVELOPMENT ATTN: <i>(Insert Name)</i> , NFAOC, PRB, FC-1332 BUILDING 105E - DOCK DELIVERY 4300 GOODFELLOW BLVD ST. LOUIS, MO 63120 |

--*

5 NFAOC Contacts (Continued)

E Program Reporting (Continued)

*--The following provides contact information for PRB.

| PRB--* Telephone Number 314-457-4310 FAX Number 314-457-4273 | | | |
|---|----------------------|---------------------|--|
| Name | Title | Phone Number | Assignments |
| Debra Deters | Branch Chief | 314-457-4307 | |
| Mariella Harstick | Accountant | 314-679-6863 | FSA-2065; IRS Form 1099-INT; RC 540; RC 541; RC 565; RC 655 |
| Charles Spencer | Accountant | 314-679-6868 | IRS Forms 1098 and 1099-C; RC 533, RC 534, RC 535; RC 542; RC 543; RC 544; RC 547; RC 606; RC 676; RC 692; RC 830; RC 951; RC 970/971 |
| Timothy Orf | Accountant | 314-457-4256 | RC 573, RC 593, RC 595, RC 597 |
| Karen Johnisee | Financial Specialist | 314-679-6865 | IRS Forms 1099-A and 1099-G; County Information File; RC 531; RC 661; RC 960/961; RC 980/981 |

6-20 (Reserved)

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

Note: 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.

25 Delegating Loan Approval Authority (Continued)

A Receiving Approval Authority (Continued)

The files trainees submit for State Office review and approval must be of sufficient complexity to reflect the ability to make good credit decisions and analyze an applicant's or borrower's operation. The files submitted must include **all** of the following types of loans:

- direct loans

***--Notes:** May submit no more than 1 Microloan.--*

May **not** submit youth loans.

- guaranteed loan applications from SEL only
- PLS applications.

Notes: In cases where SEL and/or PLS applications are **not** available, FLC may substitute direct loans, excluding youth loans, to meet this requirement.

When substituting a direct loan for SEL and/or PLS, note "File Substitution for SEL or PLS" in the "Comments" section.

Files submitted for review may include credit actions recommended for approval or rejection.

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.

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"

41 Nondiscrimination in FLP (Continued)

I 2008 Farm Bill Acceleration and Foreclosure Moratorium (Continued)

[7 CFR 766.358(d)] A borrower is considered to be in foreclosure status under this section anytime after acceleration of the account.

A borrower is considered to be at the point of foreclosure anytime **after** acceleration.

The borrower will be notified of the temporary moratorium of interest accrual and offset by ~~SED~~, or State Office designee, using FSA-2120 with a courtesy copy FAXed to FaSB according to subparagraph 5 B.

Note: The offset is **not** canceled, but only temporarily suspended until the claim is resolved.

FaSB will update the borrower's account to suspend interest accrual and offset activity.--*

[7 CFR 766.358(e)] The moratorium will end on the earlier of:

- (1) The date the program discrimination claim is resolved by USDA or**
- (2) The date that a court of competent jurisdiction renders a final decision on the program discrimination claim if the borrower appeals the decision of USDA.**

FSA-2121 will be used by SED, or State Office designee, to inform the borrower that the ~~moratorium~~ has ended. FaSB will be FAXed a courtesy copy and notified by separate--* correspondence of the requirements of any Settlement Agreement about interest accrual and offsets.

If FSA prevails, the suspended interest will be reinstated and interest accrual and offsets will immediately resume.

42 Appeals

A General Requirements

FLP applicants and borrowers have the right to request reconsideration, file appeals, and enter into ADR about adverse decisions according to 7 CFR Part 780 and 7 CFR Part 11. See 1-APP for FSA's appeal procedure.

Exceptions: For adverse decisions on:

- loan servicing requests under 5-FLP, use the appropriate forms and exhibits to notify borrowers

Note: Appraisals used for homestead protection, including appraisals used in exercising the option to purchase homestead property, or used to determine the amount due under shared appreciation agreements under 5-FLP, may be appealed according to paragraph 144 and 1-APP.

- nonprogram loan borrowers, see 4-FLP, paragraph 248.

Note: Regulations published in 7 CFR are available on the GPO web site at <http://www.gpoaccess.gov/cfr/index.html>.

B Mandatory Language for Adverse Decision Letters

See 1-APP for mandatory language about reconsideration, appeal, and ADR, to be included in adverse decision letters. Additional guidance may be issued under the APP notice series.

A Purpose and Overview

GLS was designed to account for all loan making and servicing activity for guaranteed loans. GLS is used to:

- track the processing of guaranteed loan applications, including obligation and loan closing
- process all loan servicing transactions, including interest assistance claims, transfers and assumptions, repurchases, reamortizations, and loss claims
- record guaranteed loan status and default status reports
- maintain lender information, including lender status
- obtain reports for monitoring the guaranteed loan portfolio.

The data entered into GLS is used to monitor individual loan accounts, as well as to provide reports to Congress, CR, Executive Branch, FSA senior management, and parties making FOIA requests. It is FSA's accounting tool for the Guaranteed Loan Program.

B GLS User Assistance

*--For specific guidance, the GLS User Guide can be found by doing either of the following:

- logging in the GLS web site using required eAuthentication permissions and selecting "Help"
- selecting the GLS User Guide from the Farm Loan Programs Home Page.--*

50 GLS (Continued)

C Responsibility for Maintaining and Updating GLS

--FCSB is responsible for system upgrades. The National Office is responsible for user requirements, updates to accommodate regulatory and statutory changes, and other revisions as needed. County Office and FCSB employees are responsible for data entry of customer-- and loan information.

D Security

To obtain a GLS ID and password, users must submit requests according to appropriate IRM directives.

E Important Calendar 2014 Year-End Dates

Various transactions are suspended or disabled as needed to perform calendar year-end activities. The following dates are applicable to the availability of GLS.

| Action | Date | |
|---|----------------------------|-----------------|
| Loan Activity Cutoff – the last day that loan activity dated in calendar year 2014 can be processed to be reflected on 2014 IRS forms. | Wednesday, January 7, 2015 | |
| Transactions, Suspension, and Enabled Dates | | |
| Transactions | Suspension Date | Enabled Date |
| <ul style="list-style-type: none">• TC 4A• TC 4C• TC 4D <p>Note: Transactions for Debt Offset Collection, Refund, and Write-off maintenance cannot be processed during this period.</p> | December 29, 2014 | January 9, 2015 |

51 FOCUS**A Purpose and Overview**

FOCUS is an ad-hoc reporting system used by the National and State Offices for monitoring purposes. Users may choose to use “canned” reports or may prepare specific reports, as needed, using:

- direct loan data entered through ADPS
- application data entered in DLS.

B User Assistance

Refer to the USDA FOCUS Ad Hoc Reporting System Manual – Field Office User’s Manual for guidance. The User’s Manual may be obtained by ordering Item 257 from the Kansas City Warehouse.

C Training

State Office employees shall submit requests for training, through SED, to either of the following:

- USDA FSA DAFLP
STOP 0520
1400 INDEPENDENCE AVE SW
WASHINGTON DC 20250-0520
- FAX: 202-690-3573

D Security

To obtain an ID and password, users must submit requests according to appropriate IRM directives.

52 ADPS**A Purpose**

ADPS is a terminal application system that allows users to process FLP accounting transactions and view borrower or acquired property information. ADPS connects users *--located at State and County Offices to FaSB, FCSB, and PLAS. Authorized users shall--* enter and use information in ADPS for both loan making and servicing purposes.

B Overview

ADPS is used to:

- manuscript select transactions and analyze and correct those transactions if rejected from PLAS (discrepancies)
- view a borrower's loan status information, which lists the following:
 - unpaid balances of existing direct loans along with basic information about each loan
 - cross-reference data from throughout the nation
 - detailed history of transactions
- route selected ADPS-manuscripted or discrepancy transactions that are only processed *--by FaSB using special routing codes--*
- view received, processed, and corrected payment activity
- view acquired property information and detailed history of transactions processed for an acquired property.

52 ADPS (Continued)**C ADPS Assistance**

ADPS Online Help is:

- a computer-based system that provides ADPS processing information in the form of online reference material (Reference) and pop-up windows
- accessed from the terminal screen.

The online material reference provides general information about ADPS transactions, definitions, and code values for all short descriptions and mnemonics on transaction detail screens and status screens, discrepancy code definitions, and corrective actions. Pop-up windows provide information for pre-manuscripting validations and manuscript transactions.

For information on ADPS, contact the State Office Automation Coordinator or, if authorized, the Help Desk at 1-800-457-3642. The Help Desk will provide information, guidance, and technical assistance in resolving problems about ADPS operations.

D Requesting Changes to the User Documentation

To initiate a change to the user documentation, submit FmHA 2006-21 to the following.

USDA RURAL DEVELOPMENT
USER DOCUMENTATION STAFF
MAIL CODE 421
--4300 GOODFELLOW BOULEVARD--
ST LOUIS MO 63120

52 ADPS (Continued)**E Maintaining Program Records**

--When submitting transaction information through ECM to FaSB and FCSB, the-- authorized agency official must retain the original documents, screen printouts, and transmittal letters. These will be filed in the case folder after verifying that the transaction has been processed.

ADPS screen printouts must be retained in position 2 of the case folder according to 25-AS retention requirements for the folder and its entire contents.

When applicable, users must access ADPS to determine that the selected transactions have been processed or rejected. Users must file processed transaction screens, correct discrepancies, and annotate the related source/input document with the corrected information. Users must generate screen printouts of all corrections and file them with the original input document.

F Using “OK to Apply Codes”

“OK to Apply Codes” are used to process a transaction or correct a discrepancy as required by the online assistance for processing transactions. The user shall file a copy of the screen printout to verify the use of an “OK to Apply Code”. Screen printouts will be retained in the case folder according to 25-AS retention requirements for the folder and its entire contents.

G Processing Schedule

Users must process transactions within 10 calendar days of the effective date. If a discrepancy occurs, the transaction must be corrected within 5 calendar days of the initial rejection date. An additional 15 calendar days are allowed for correcting discrepancies with a suspend code on the borrower account.

52 ADPS (Continued)**H State Office Action**

SED shall ensure timely automation processing and that a County Office is at an acceptable level by:

- training at least 2 employees to process transactions
- processing ADPS transactions as of the effective date or the next workday thereafter
- using “Action Pending Codes” from Online Help when necessary to delay initial processing or make discrepancy corrections.

I ADPS and DLS TC's and Titles

The following provides ADPS TC's and titles.

| TC | Title |
|---------------|--|
| 1A <u>2</u> / | Direct or Guaranteed Loan - Obligation Only |
| 1C <u>2</u> / | Check Request |
| 1D <u>2</u> / | Cancellation of Loan/Grant - Obligation Only |
| 1E <u>1</u> / | Check Cancellation - Obligation Retained |

--1/ Transactions processed by FaSB only.--

2/ Transactions processed through DLS to PLAS.

52 ADPS (Continued)

I ADPS and DLS TC's and Titles (Continued)

| TC | Title |
|---------------|--|
| 1F <u>2</u> / | Loan Closing |
| 1G | Credit Sale |
| 1H | Cash Sale/Transfer - Acquired Property |
| 1I | Judgment Cost |
| 1J <u>1</u> / | Cancellation of Loan and/or Check |
| 1K <u>1</u> / | Nonrecoverable Cost |
| 1L/L1 | Recoverable Loan Cost |
| 1M <u>2</u> / | Assumption |
| 1M <u>2</u> / | Consolidation |
| 1M <u>2</u> / | Reamortization |
| 1M <u>2</u> / | Reschedule |
| 1O <u>1</u> / | Natural Resource Conservation Service Advance |
| 1P <u>1</u> / | Insurance Charge |
| 1R <u>1</u> / | Default Charge |
| 1S | Lease of Real Property |
| 1T | Correction of Statistical Information |
| 1W <u>1</u> / | Loan Charge Adjustment |
| 1X | Acquired Property Cost |
| 1Y <u>1</u> / | Loan/Grant Cancellation - Obligation and Check |
| 2A <u>1</u> / | Field Office Cash Collection - Initial Update |
| 2B <u>1</u> / | Field Office Cash Collection - Subsequent Update |
| 2C <u>1</u> / | Cash Uncollectible - Field Office Payment |
| 2E <u>1</u> / | Cash Collection - Acquired Property or Lease Payment |
| 2F <u>1</u> / | Reversal and Reapplication of Payment - Same Borrower |
| 2R <u>1</u> / | Cash Collection Refund |
| 2U <u>1</u> / | Reversal and Reapplication of Payment - Different Borrower |
| 2W <u>1</u> / | Cash Uncollectible - Direct Payment |
| 2X <u>1</u> / | Direct Payment Cash Collection - Initial Update |
| 2Y <u>1</u> / | Direct Payment Cash Collection - Subsequent Update |
| 2Z <u>1</u> / | Reapplication - Correct Payment Type |
| 3B | Notice of Judgment |
| 3C <u>1</u> / | Default Credit |

--1/ Transactions processed by FaSB and FCSB.--

2/ Transactions processed through DLS to PLAS.

52 ADPS (Continued)

I ADPS and DLS TC's and Titles (Continued)

| TC | Title |
|--------------|--|
| 3E | Acquisition - Property |
| 3F <u>1/</u> | Employee Defalcation |
| 3G <u>1/</u> | Noncash Credit - Administrative Adjustment |
| 3H <u>2/</u> | Conservation Contract |
| 3K | Debt Settlement |
| 3L | Writeoff Lease Account |
| 3N <u>1/</u> | Noncash Application - Assumption Agreement |
| 3O <u>1/</u> | Equity Receivable Amortization - Shared Appreciation Loan |
| 3P <u>1/</u> | Noncash Credit - 3 rd Party Judgment |
| 3Q | Net Recovery Buyout/SFH Equity Recapture |
| 3Q <u>2/</u> | Market Value Buyout |
| 3R | Shared Appreciation Writedown |
| 3T | Notice of 3 rd Party Judgment |
| 3V <u>2/</u> | Equity Receivable - Full Sale |
| 3V <u>2/</u> | Equity Receivable - Maturity |
| 3V <u>2/</u> | Equity Receivable - Maturity With Partial Sale |
| 3V <u>2/</u> | Equity Receivable - Partial Sale |
| 3Y | Acquired Property - Conservation Easement |
| 4A <u>2/</u> | Loan Transfer |
| 4A <u>2/</u> | Manage Case Number - Loan |
| 4C <u>1/</u> | Change in Name and Address |
| 4D <u>2/</u> | Customer Transfer |
| 4D <u>2/</u> | Manage Case Number - Customer |
| 4E <u>1/</u> | Replacement of Interim Instruments - Amortized/Bond Accounts |
| 4F <u>1/</u> | Change in Loan Number |
| 4G <u>1/</u> | Assumption Agreement - Same Rates and Terms |
| 4J <u>1/</u> | Focal Interest Adjustment |
| 4K <u>1/</u> | Reopen Closed Property/Lease Account |
| 4K/K4 | Reopen Closed Borrower/Holder/Equity Account - Establish Settlement Code |
| 4L <u>1/</u> | Correction of Annual Installments |
| 4M <u>1/</u> | Maturing of Account |
| 4N <u>1/</u> | Acceleration of a Borrower Account |
| 4O <u>1/</u> | Deceleration of a Borrower Account |

-1/ Transactions processed by FaSB and FCSB.--

2/ Transactions processed through DLS to PLAS.

52 ADPS (Continued)

I ADPS and DLS TC's and Titles (Continued)

| TC | Title |
|---------------|---|
| 4P <u>1</u> / | Schedule Status Adjustment |
| 4Q <u>1</u> / | Loan Bond Installments |
| 4R <u>1</u> / | Adjustment of Bond Installments |
| 4S <u>1</u> / | Miscellaneous Adjustments |
| 4U <u>1</u> / | Reestablish Loan Account - Name and Address |
| 5A | Case Reclassification - Collection Only to Active |
| 5B | Case Reclassification - Active to Collection Only |
| 5C <u>1</u> / | Change in Kind Code |
| 5D | Change in Veteran Status - to Veteran |
| 5E <u>1</u> / | Establish Suspend Code |
| 5F <u>2</u> / | Remove Suspend Code |
| 5G <u>2</u> / | Add Customer Flag |
| 5H <u>2</u> / | Remove Customer Flag |
| 5J <u>1</u> / | Change Purchase Code |
| 5K | Change in Veteran Status - to Nonveteran |
| 5L | Acquired Property Maintenance |
| 5M | Change in Race/Type of Applicant/Collateral/Acceleration Date/Training Code and Dates |
| 5N | Change in Statistical Codes |
| 5Q <u>1</u> / | Correction of Association/Bond/Document/Payment Code |
| 5R <u>1</u> / | File Adjustment |

--1/ Transactions processed by FaSB only.--

2/ Transactions processed through DLS to PLAS.

52 ADPS (Continued)

I ADPS and DLS TC's and Titles (Continued)

| TC | Title |
|---------------|---|
| 5S <u>1</u> / | Record Debt Set-Aside |
| 5S <u>2</u> / | Record Disaster Set-Aside |
| 5T <u>1</u> / | Reverse Debt Set-Aside |
| 5T <u>2</u> / | Cancel Disaster Set-Aside |
| 5W <u>2</u> / | Record Loan Deferral |
| 5X <u>1</u> / | Reverse Loan Deferral Expiration/Cancellation |
| 5Y <u>2</u> / | Cancel Loan Deferral |
| 8H <u>1</u> / | Split/Combine Loans - Account Status |
| 8M | Limited Resource Loan Review |
| 8N | Record Borrower/Loan Classification Data |
| 8P | Acquired Property - Subdivision |
| 8R <u>2</u> / | Interest Rate Adjustment |
| 9E | Suspend Code - Acquired Property |
| 9G <u>2</u> / | Change in Borrower/Property Mail Code |
| * * * | * * * |

--1/ Transactions processed by FaSB only.--

2/ Transactions processed through DLS to PLAS.

52 ADPS (Continued)

***--J Important Calendar 2014 Year-End Dates**

Various transactions are suspended or disabled as needed to perform calendar year-end activities. The following dates are applicable to the availability of ADPS.

| Action | Date | |
|--|---|-----------------|
| Loan Activity Cutoff – the last day that loan activity dated in calendar year 2014 can be processed to be reflected on FSA-2065 for 2014 and related IRS forms. | Wednesday, January 7, 2015 | |
| Availability of ADPS Terminals | | |
| Holiday Schedule: Terminals available until 3 p.m. c.t. because of the holiday | Wednesday, December 24, 2014 (no update) Friday, December 26, 2014 (no update) Wednesday, December 31, 2014 | |
| Transaction Processing: Terminals will be available to provide additional time for initial transaction entry and discrepancy correction before preparing the Annual Statements. | Saturday, January 3, 2015 Terminals available from 6 a.m. to 3 p.m. c.t. | |
| Loan Activity Cutoff: Transactions recorded through the terminals after the Loan Activity Cutoff, will be scheduled for update on the evening of January 7, 2015. | Wednesday, January 7, 2015 Terminals available from 6 a.m. to 7 p.m. c.t. | |
| Transaction suspension/Enabled Dates | | |
| Transactions | Suspension Date | Enabled Date |
| TC 4A TC 4C TC 4D TC 4F TC 4G TC K4 | December 29, 2014 | January 9, 2015 |

--*

443 Responsibilities (Continued)**C State Office Responsibilities**

SED's shall ensure that timely FLP oversight reviews are completed by DD's in DDORS.

FLC's shall:

- assign a State System Administrator for DDORS
- *--review quarterly reports submitted--*
- followup on any identified action items
- discuss concerns with DD and SED
- *--document the actions taken to remedy identified deficiencies in the operational file.--*

D National Office Responsibilities

DDORS oversight reports shall be reviewed with the FLPPRA process. Reports for each FLP Service Center within a State shall be reviewed to ensure that:

- consistent oversight reviews are being conducted by DD's in the State
- SED's and FLC's are monitoring and addressing any deficiencies or apparent problems identified by DD's.

444 DDORS Organization Updates

A About Organization Updates

The MRT database is the system of record for all organizational data in DDORS. State
 --Offices must submit FSA-2125 to DCIB to add, delete, or move Service Centers and/or--
 districts. These changes are processed in the PLAS database that populates MRT.

Each Tuesday evening, DDORS searches MRT for changes. Any changes found will flow into DDORS and become organization updates.

DDORS automatically generates an e-mail to the State DDORS administrator when changes have been found, alerting the State DDORS administrator that the pending changes are ready for review and acceptance. The e-mail includes a hyperlink to the DDORS Organization Updates Screen for quick and easy access.

| Number of Organization Updates | | | |
|--------------------------------|-----------|-------|--------------|
| Additions | Deletions | Moves | Name Changes |
| 1 | 1 | 0 | 0 |

The State administrator must click “**Review & Accept the Organization Updates**” link and accept the pending changes in DDORS before any changes are made to the Service Centers and/or districts in DDORS.

Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)

Forms (Continued)

| Number | Title | Display Reference | Reference |
|--------------|--|-------------------|--------------------|
| FSA-2212 | Preferred Lender Application for Guarantee | | 44, 47 |
| FSA-2232 | Conditional Commitment | | 43, Ex. 7 |
| FSA-2235 | Loan Guarantee | | Ex. 7 |
| FSA-2242 | Assignment of Guarantee | | Ex. 7 |
| FSA-2292 | Guaranteed Loan Processing Checklist | | Ex. 36 |
| FSA-2301 | Request For Youth Loan | | 44, 47, 48, Ex. 15 |
| FSA-2304 | Notice of Incomplete Application | | Ex. 36 |
| FSA-2305 | Second Notice of Incomplete Application | | Ex. 36 |
| FSA-2306 | Notice of Application Withdrawal/Pending Withdrawal | | Ex. 36 |
| FSA-2307 | Notice of Complete Application | | Ex. 36 |
| FSA-2308 | Notice of Eligibility for FSA Assistance | | Ex. 36 |
| FSA-2311A | Emergency Loan Calculations | | Ex. 15 |
| FSA-2313 | Notification of Loan Approval and Borrower Responsibilities | | 202 |
| FSA-2314 | Streamlined Request for Direct OL Assistance | | 48 |
| FSA-2330 | Request for Microloan Assistance | | 44, 48 |
| FSA-2341 | Certification of Attorney | | 43 |
| FSA-2342 | Certification of Title Insurance Company | | 43 |
| FSA-2510 | Notice of Availability of Loan Servicing to Borrowers Who Are 90 Days Past Due | | 3 |
| FSA-2512 | Notice of Availability of Loan Servicing to Borrowers Who Are Current, Financially Distressed, or Less Than 90 Days Past Due | | 3 |
| FSA-2514 | Notice of Availability of Loan Servicing to Borrowers Who Are in Non-Monetary Default | | 3 |
| FSA-2535 | Conservation Contract | | 3 |
| FSA-2543 | Shared Appreciation Agreement | | 3 |
| FSA-2544 | Request for Information on Capital Improvements | | Ex. 36 |
| FSA-2545 | Borrower Notification of Shared Appreciation Due | | Ex. 36 |
| IRS 1098 | Mortgage Interest Statement | | 5 |
| IRS 1099-A | Acquisition or Abandonment of Secured Property | | 5 |
| IRS 1099-C | Cancellation of Debt | | 5 |
| IRS 1099-G | Statement for Recipient of Certain Government Payments | | 5 |
| IRS 1099-INT | Interest Income | | 5 |
| OF-347 | Order for Supplies and Services | | 165 |
| RD 1922-15 | Administrative Appraisal Review for Single Family Housing | | 143 |

Reports, Forms, Abbreviations, and Delegations of Authority (Continued)

Forms (Continued)

| Number | Title | Display Reference | Reference |
|------------|--|-------------------|------------|
| RD 1940-22 | Environmental Checklist for Categorical Exclusions | | Ex. 15, 36 |
| SF-1449 | Solicitation/Contract/Order for Commercial Items | | 165 |

Note: SF-1449 is available on GSA's form web site at www.gsa.gov/portal/forms/type/TOP.

Abbreviations Not Listed in 1-CM

The following abbreviations are not listed in 1-CM.

| Approved Abbreviation | Term | Reference |
|-----------------------|--|----------------------------------|
| AASM | Application Authorization Security Management | Ex. 18 |
| ACCP | accelerated payment | 169 |
| ACIF | Agricultural Credit Insurance Fund | 163 |
| ADR | alternative dispute resolution | 42 |
| ARRA | American Recovery and Reinvestment Act of 2009 | 28, 163, Ex. 16 |
| AS | Agricultural Specialist | 23, 26, Ex. 7 |
| BIR | Business Information Report | 48 |
| BP | Business Partner | 44, 46, Ex. 14, 15 |
| BPA | Blanket Purchase Agreement | 161, 162, 165, 166 |
| BOPR | Borrower Property Table | 166 |
| CCR | Central Contractor Registration | 162 |
| CDAT | Consent Decree Action Team | Ex. 12, 13.5 |
| CL | conservation loan | Text, Ex. 2, 15, 16 |
| CMT | Constant Maturity Treasury | Ex. 17 |
| CNC | currently not collectible | 41, 251, Ex. 5, 12, 13, 13.5, 15 |
| CONACT | Consolidated Farm and Rural Development Act | 1, 21, 29, 142, 251 |
| CPA | Certified Public Accountant | Ex. 26 |
| CSA | community supported agriculture | 242, Ex. 28 |
| DCIB | Debt Collection Improvement Branch, NFAOC | 4, 444, Ex. 36 |
| DDORS | District Director Oversight Reporting System | 442, 443, 444, Ex. 2, 36 |
| eDALR\$ | electronic Debt and Loan Restructuring System | Ex. 13.5, 15, 17 |
| DUNS | Data Universal Numbering System | 43 |
| ECM | Enterprise Content Management | 5, 52 |
| EIN | employer identification number | 53 |
| EPM | Enterprise Performance Management | 54 |
| ERSR | Electronic Repository of Security Requests | 53, Ex. 15 |

Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)

Abbreviations Not Listed in 1-CM (Continued)

| Approved Abbreviation | Term | Reference |
|------------------------|--|--------------------------------|
| FaSB | Farm Services Branch, NFAOC | 5, 41, 52 |
| FAR | Federal Acquisitions Regulation | 162, 165, 166 |
| FCSB | Farm and Community Services Branch, NFAOC | 5, 50, 52 |
| FCAO | Farm Credit Applications Office | 49, Ex. 15 |
| FHP | Farm and Home Plan | Ex. 5, 15 |
| FLOTRACK | Farm Loan Officer Trainee Tracking System | 25 |
| FLPRA | Farm Loan Programs Risk Assessment | 401-403, 443, Ex. 36 |
| FmHA | Farmers Home Administration | 52, Ex. 5 |
| FMMI | Financial Management Modernization Initiative | 162-169 |
| ISA | installment set-aside | Ex. 15 |
| ITLAP | Indian Tribal Land Acquisition Program | 2, Ex. 16 |
| LOA | Loan Analyst | 23, 26, Ex. 7 |
| LOC | line of credit | 29, Ex. 15, 16 |
| LR | limited resource | 223, 261, 263, Ex. 15, 16 |
| LRS | Loan Resolution Specialist | 23, 26, Ex. 7 |
| MADS | margin after debt service | Ex. 15 |
| ML | microloan | 222, 242, Ex. 15, 16 |
| MRT | Master Reference Table | 444 |
| NFAOC | National Financial Accounting and Operations Center | 5, Ex. 14 |
| OA | Office of Adjudication | 41 |
| OTI | Opportunity to Improve Plan | 25 |
| PAC | Program Authority Code | 162, 164, 167 |
| PARLC, LAO (FFIS Team) | Policy, Accounting, Reporting, and Loan Center, Loan Accounting Office | 169 |
| PCA | Production Credit Association | Ex. 18 |
| PIP | Performance Improvement Plan | 25 |
| PLP | Preferred Lender Program | 29, 43, 143, Ex. 5 |
| PLS | Primary Loan Servicing | 25, 27, 29, 42, 144, Ex. 5, 36 |
| PRB | Programs Report Branch, NFAOC | 5 |
| RCI | recoverable cost items | Ex. 15 |
| SALP | Special Apple Loan Program | 2, 29 |
| SAM | System for Award Management | 43, 166 |
| SEL | standard eligible lender | 25, 43, 143, Ex. 5, 36 |
| SLR | Security Liaison Representative | 53, Ex. 14, 15 |

Reports, Forms, Abbreviations, and Delegations of Authority (Continued)

Abbreviations Not Listed in 1-CM (Continued)

| Approved Abbreviation | Term | Reference |
|-----------------------|--|--|
| TC | transaction code | 46, 49, 50, 52, 164, Ex. 14 |
| TDCLC | term debt capability lease coverage | 252, Ex. 15 |
| TY | payment voucher transaction | 167-169 |
| WEM | Web Equity Manager | Ex. 15 |
| WP | Western Pacific | 5 |
| YEA | year-end analysis | 162, 201, 251, 261-263, Ex. 15, 26, 36 |
| ZMY | Obligating document or purchase order created in FMML. | 167-169 |

Delegations of Authority

SED's may redelegate their:

- loan approval authority to FLC, FLS, or DD
- authority to allow the use of a restricted appraisal report to the designated State staff appraiser.

Farm Business Plan - FSA User Guide (Continued)

B Electronic File Maintenance, Reports, and Signatures (Continued)

2 Running Record (Continued)

a FOIA Running Record

All comments and entries that are exempt from disclosure according to FOIA should be documented in a running record separate from the customer's standard running record. To create the new running record, CLICK “Notes” and “Add/Modify/Delete”. The suggested Note Title/Description of the new running record should be “FOIA Running Record” or something similar.

b Printing Running Records

--Running records should always be printed using the “Print Manager” option. Running-- case records will be printed and placed in the County Office file under the following circumstances:

- preparation for NAD appeals
- preparation for civil and criminal inquiries, investigations, audits, and litigations in conjunction with OIG, OGC, OCR, and GAO.

c Copying From Word Documents

Microsoft Word applies special formatting to word documents so that the text appears correctly. When copying to a WordPad in FBP, the text must be stripped of the formatting for the text to print correctly using the Microsoft Reporting Service (MRS) feature.

Copy text from Microsoft Word to the WordPad located in “Notes” according to the following:

- highlight desired text in MS Word
- copy and paste in the appropriate WordPad block
- CLICK “**Word**” icon on the right side of the WordPad.



Figure 10c

Note: Bolding, tables, and bullet points will be removed during the “cleaning” process.

Farm Business Plan - FSA User Guide (Continued)

B Electronic File Maintenance, Reports, and Signatures (Continued)

--3 Footnotes and Comments--

Footnotes are narrative comments which can be added in the WordPad block located at the bottom of the balance sheet, income and expense summary, and other documents.

Comment NotePads provide the capability to add comments on the balance sheet or income and expense schedules, as well as other areas of the applications. What looks like a small piece of paper next to a field indicates that comments can be entered in small text boxes after the indicator is clicked. After entering a comment, this same indicator will look like a sheet of paper with writing. The information entered in the text boxes will be saved and linked to the respective field.

*--a Printing Footnotes and Comments

To print footnotes and/or comments on a selected report, CLICK “**Reports**” and the “**Print Manager**” or “**Reports Setup**” options will be displayed, as follows.

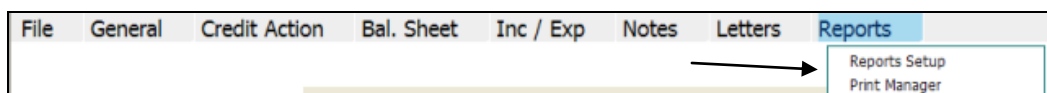


Figure 11a

Option 1: If users click “**Print Manager**” and click the “**Report Options**” tab, users can add comments or footnotes using the “**Comments**” or “**Footers**” drop-down menus. If users click “**Comments**”, the following “**Comments**” section will be displayed. CHECK (✓) the appropriate boxes to select the reports.

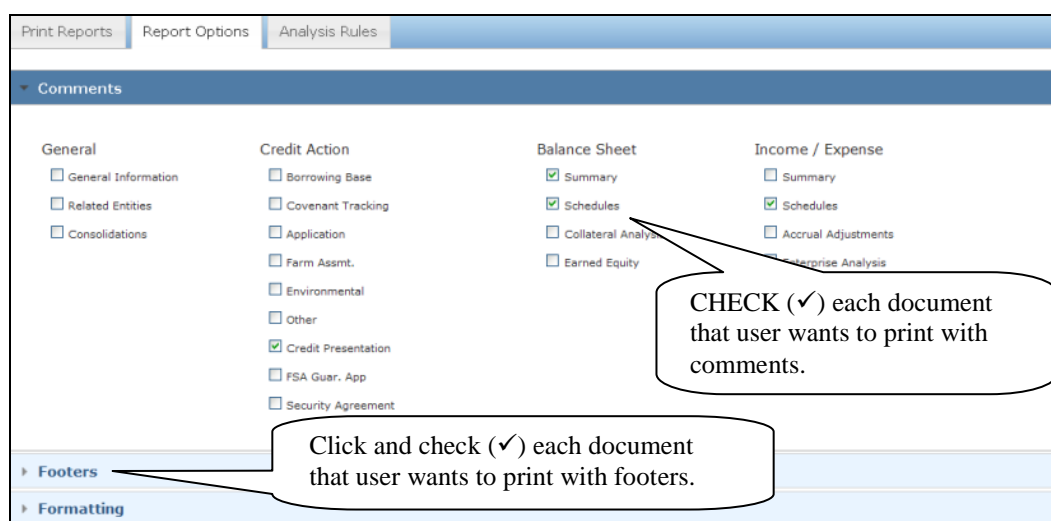



Figure 11b, Using “**Print Manager**”--*

Farm Business Plan - FSA User Guide (Continued)

J Credit Actions (Continued)

7 Credit Presentation (Continued)

a Approval Decision (Continued)

To eSign the approval decision, CLICK “Add” or “Add & ”.



, and Cancel & .


Figure 61q, Add to eSign

When both a recommending official and approving official status is needed, the following steps will be used.

- The recommending official will CLICK “**Plan Approval**” to recommend approval or denial of the credit decision. The user’s eSignature and the date/time stamp will appear on the Credit Presentation.
- The recommending official will notify the approval official to review the Credit Presentation.
- The approving official will review the Credit Presentation and CLICK “**Plan Approval**” to select the approval or declined decision. Include any additional approval requirements in the “**Loan Closing Requirements**” text box in the Credit Presentation.

***--Note:** When an incorrect credit status is selected, user should immediately select the correct status and document in the text box the reason for the correction. Status needs to be corrected before status is selected in DLS.

Example: FLOT selects “Approved” and should have selected “Recommend Approval”.

|  | Status | ID | User | Time |
|---|---|----|-------------------|----------------------|
| <input type="checkbox"/> | Recommend Approval | | Jesse James, FLOT | 3/17/2015 9:10:30 AM |
| | Correction to status due to loan approval limitations. Submitted for "Approval" to FLM. | | | |
| <input type="checkbox"/> | Approved | | Jesse James, FLOT | 3/17/2015 9:03:39 AM |

--*

Farm Business Plan - FSA User Guide (Continued)

J Credit Actions (Continued)

7 Credit Presentation (Continued)

b Completing the Credit Presentation/Borrower Classification

One of the Credit Presentation forms that is used in FBP is the “Cred. Pres./Borr. Class.”. This same form is used in the following 3 credit action models:

- “D-Loan Making”
- “D-Loan/Special Serv.”
- “D-Loan/Regular Serv.”

To complete the Credit Presentation, CLICK “**Credit Action**” [*Credit Action Name*], “Cred. Pres./Borr. Class.”. After the Cred. Pres./Borr. Class. form is accessed, it must be updated with information from other parts of the FBP system. To update CLICK “**Save & Update**” link in the top-left corner of the screen.

In the “Update Credit Presentation” dialog box CHECK (✓) **only** the following boxes:

- “**Ultra Financials/Customized Ratios**”
- “**Collateral Analysis**”, select the balance sheet from which the collateral analysis will be calculated
- “**Credit Relationship**”, select the balance sheet from which the credit relationship information will come.
- “**General Information**”.

FLP Rates

A Interest Rates for FLP's

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

| Loan Type | Current Rate (%) | Date Set |
|--|-------------------------|-----------------|
| Rural Housing - Farm Loan Purposes | | |
| Note: For the current interest rate, contact the National Office. | | |
| Operating | *--2.375 | 4/1/15--* |
| Operating - Limited Resource | 5.000 | 12/1/90 |
| Farm Ownership and Conservation Loans | *--3.375 | 4/1/15--* |
| 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 | *--3.375 | 4/1/15--* |
| Soil and Water - Limited Resource | 5.000 | 7/1/92 |
| Recreation - Individual | *--3.375 | 4/1/15 |
| Farmer Program - Homestead Protection | 3.375 | 4/1/15 |
| Shared Appreciation Amortization | 2.375 | 4/1/15 |
| Softwood Timber Loans | 3.375 | 4/1/15 |
| Economic Emergency - Operating | 2.375 | 4/1/15 |
| Economic Emergency - Real Estate | 3.375 | 4/1/15 |
| Emergency - Amount of Actual Loss | 3.375 | 4/1/15 |
| Emergency - Major Adjustment: Subtitle A Purpose (Excess of Loss) | 6.125 | 4/1/15 |
| Emergency - Major Adjustment: Subtitle B Purpose (Excess of Loss) | 4.250 | 4/1/15 |
| Emergency - Annual Production | 4.250 | 4/1/15 |
| Nonprogram - Chattel Property | 4.250 | 4/1/15 |
| Nonprogram - Real Property | 6.125 | 4/1/15 |
| Apple Loans | 0.875 | 2/1/15 |
| Association - Grazing | 3.375 | 4/1/15 |
| Association - Irrigation and Drainage | 3.375 | 4/1/15--* |
| 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
2312 East Bannister Road
Kansas City MO 64131-3011.

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) | *--0.250 | 4/1/15--* |

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 March 6, 2015. 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 |

DD FLP Oversight Review User Guide (Continued)

E Part B: Semiannual Reviews (Continued)

2 Direct Loan Servicing

A Shared Appreciation Agreements

Review all accounts listed. Information sources include the following:

- 5-FLP
- borrower case file
- FLM discussion
- operational file
- Report Code 565-A, “Borrowers with Expiring Equity Recapture Agreements”.

| Question | Source |
|------------------|--|
| 1: Borrower Name | <p>View current and past Reports 565-A sent to Service Centers monthly *--by DCIB.--*</p> <p>Review all borrowers with upcoming expirations or Shared Appreciation Agreements that have expired since the last review. Agreement may have matured for a reason other than time.</p> <div data-bbox="576 1068 1432 1669"> <p>This form is available electronically.</p> <p>FSA-2544 (04-03-12)</p> <p>U.S. DEPARTMENT OF AGRICULTURE Farm Service Agency</p> <p>Position 4</p> <p>REQUEST FOR INFORMATION ON CAPITAL IMPROVEMENTS</p> <p>Date</p> <p>Mr. John Farmer Mrs. Jane Farmer 12123 County Road Four Washington, DC 20250</p> <p>Certified 48151623424815462342</p> <p>Our records show that you have a Shared Appreciation Agreement with the Farm Service Agency (FSA) that has or will soon be coming due.</p> <p>FSA regulations (7 CFR Part 766) allow the value of certain improvements to be deducted from the current market value of your property to determine any shared appreciation due. The improvement has to have been added to the property since you received your writedown from FSA and capitalized on your income taxes. The capital improvements must also meet at least one of the following criteria:</p> <p>A. It is your primary residence. If a new residence is affixed to the real estate security for a home which existed on the security property when the SAA was originally executed, or the living area square footage of the original dwelling expanded, only the value added to the real property by the new or expanded portion of the original dwelling (if it added value) will be deducted from the current market value. Living area square footage will not include square footage of patios, porches, garages, and similar additions.</p> <p>B. The item is an improvement to the real estate with a useful life of over 1 year and is affixed to the property. The item must have been capitalized and not taken as an annual operating expense on Federal income tax records. You must provide copies of appropriate tax documentation to verify the capital improvements claimed.</p> </div> <p>A copy of FSA-2544 sent to the borrower should be located in the borrower case file.</p> |

DD FLP Oversight Review User Guide (Continued)

E Part B: Semiannual Reviews (Continued)

2 Direct Loan Servicing (Continued)

A Shared Appreciation Agreements (Continued)

| Question | Source |
|--|---|
| 2: Expiration dates of agreements are monitored | Discuss with FLM how expiration dates are monitored and review Service Center operational file if necessary. |
| 3: Proper notifications are sent to borrowers | <p>Borrowers who have Shared Appreciation Agreements expiring within 6 months are sent FSA-2544 notifying the borrower of the upcoming expiration and requesting information about improvements made to the property.</p> <div data-bbox="578 804 1455 1335"> <p>This form is available electronically.</p> <p>FSA-2545 (04-25-12) U.S. DEPARTMENT OF AGRICULTURE Farm Service Agency Position 4</p> <p>BORROWER NOTIFICATION OF SHARED APPRECIATION DUE</p> <p>05/12/2013</p> <p>Farmer Brown 123 Any Street Farmville, CO 25810</p> <p>CERTIFIED 10010011100011001010</p> <p>This notice is to inform you that the Shared Appreciation Agreement (SAA) you executed on <u>05/09/2008</u> has or will soon become due for the following reason:</p> <ul style="list-style-type: none"> The Shared Appreciation Agreement will mature on <u>05/09/2013</u>. <p>The Agency has completed a current appraisal on the real estate that secured the Shared Appreciation Agreement and considered any capital improvements that you reported. Based on this information, we have determined that you owe <u>\$12,333.00</u> in SAA recapture.</p> </div> <p>FSA-2545 should be sent to all borrowers who have expired Shared Appreciation Agreements.</p> |
| 4: Expiring agreements are serviced according to 5-FLP | Borrowers with expired Shared Appreciation Agreements must be notified of the recapture due using FSA-2545. Review borrower case-file documentation and discuss with FLM to determine borrower's response to notification. |