

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

General Program Administration 1-FLP (Revision 1)	Amendment 121
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Approved by: Acting Deputy Administrator, Farm Loan Programs



Amendment Transmittal

A Reasons for Amendment

Subparagraph 5 F has been added to provide contacts for the Cash Management Disbursement Branch.

Subparagraphs 29 A and D have been amended to provide the guaranteed loan limits for FY 2016.

Subparagraph 49 E, 50 E, and 52 J have been amended to provide the important calendar year 2015 year-end dates.

Subparagraph 101 B has been amended to update instructions for establishing a supervised bank account.

Subparagraph 103 has been amended to provide instructions on annual SBA review reporting requirements.

Exhibit 17 has been amended to update FLP interest rates.

Exhibit 18 has been amended to update the “Date Last Modified” column for:

- Transfer Assumption Application Processing Report
- Transfer Assumption Completed Actions Report.

Page Control Chart		
TC	Text	Exhibit
	1-15 1-16 (add) 2-15 through 2-18 3-27 through 3-30 3-39, 3-40 4-1 through 4-4 4-7, 4-8	1, pages 1-6 17, pages 1, 2 18, pages 11, 12

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

5 NFAOC Contacts (Continued)

*--F Cash Management Disbursement Branch

The following provides CMDB address.

Mailing Address
USDA/RURAL DEVELOPMENT NFAOC, CMDB, FC-1412 BUILDING 105 – DOCK DELIVERY 4300 GOODFELLOW BLVD ST. LOUIS, MO 63120

The following provides contact information for CMDB.

Note: For EFT validations, call the CMDB main line at 314-457-4031.

Cash Management Disbursement Branch Main Line 314-457-4031 ECM Fax Number 314-457-4371		
Name	Title	Phone Number
Linda Schmidt	Branch Chief	314-457-4111
Deborah Stokes	Lead Accountant	314-679-6840
Julie Carlson	Accounting Technician	314-457-4022
Sylvester Cooks	Financial Specialist	314-457-4034
Roger Fordahl	Accountant	314-457-4175
Joann Fults	Financial Specialist	314-457-4025
Erin Greco	Accountant	314-679-6728
Teressa Henry	Accountant	314-457-4011
Curtis Hunt	Accounting Technician	314-457-4093
Dorothy Wise	Financial Specialist	314-457-4016

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6-20 (Reserved)

28 Establishing Credit Quality Standards (Continued)

B Continuing Education Requirements

Beginning in FY 2014, FLP continuing education shall become mandatory annual training for all employees with loan approval or servicing authority. SED shall:

- add the requirement for completing continuing education to the State supplement that addresses the State's credit quality standards
- monitor AgLearn to ensure that required continuing education released the previous FY was completed by employees with loan approval or servicing authority at the time credit quality reviews are conducted.

Notes: Annually, the National Office will issue a FLP notice to:

- announce the year's new continuing education courses
- provide employees required to complete the new courses.

Failure to complete the required continuing education courses will result in a failed credit quality review.

29 Maximum Loan Authorities

A OL, FO, CL, and EM Program Loan Limitations

Limitations on maximum loan amounts for OL, FO, and EM are established in CONACT. The Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act of 1999 (Pub. L. 105-277), amended the limitations applicable to guaranteed OL and FO by providing for an annual adjustment based on the rate of inflation applicable to FY.

[7 CFR 761.8 (a)] The outstanding principal balances for a farm loan applicant or anyone who will sign the promissory note cannot exceed any of the following at the time of loan closing or assumption of indebtedness. If the outstanding principal balance exceeds any of the limits at the time of approval, the farm operating plan must reflect that funds will be available to reduce the indebtedness prior to loan closing or assumption of indebtedness.

(1) Farm Ownership, Down payment loans, Conservation loans, and Soil and Water loans:

(i) Direct--\$300,000;

(ii) Guaranteed--\$700,000 (for fiscal year 2000 and increased at the beginning of each fiscal year in accordance with paragraph (b) of this section) (subparagraph B);

***--Notes:** FY 2016 loan limit is \$1,399,000.--*

This limit includes land contract guarantees.

29 Maximum Loan Authorities (Continued)

A OL, FO, CL, and EM Program Loan Limitations (Continued)

(iii) Any combination of a direct Farm Ownership loan, direct Conservation loan, direct Soil and Water loan, guaranteed Farm Ownership loan, guaranteed Conservation loan, and guaranteed Soil and Water loan--\$700,000 (for fiscal year 2000 and increased each fiscal year in accordance with paragraph (b) of this section) (subparagraph B);

***--Notes:** FY 2016 loan limit is \$1,399,000.--*

This limit includes land contract guarantees.

(2) Operating loans:

(i) Direct--\$300,000;

(ii) Guaranteed--\$700,000 (for fiscal year 2000 and increased each fiscal year in accordance with paragraph (b) of this section) (subparagraph B);

***--Note:** FY 2016 loan limit is \$1,399,000.--*

(iii) Any combination of a direct Operating loan and guaranteed Operating loan--\$700,000 (for fiscal year 2000 and increased each fiscal year in accordance with paragraph (b) of this section) (subparagraph B);

***--Note:** FY 2016 loan limit is \$1,399,000.--*

(3) Any combination of guaranteed Farm Ownership loan, guaranteed Conservation loan, guaranteed Soil and Water loan, and guaranteed Operating loan--\$700,000 (for fiscal year 2000 and increased each fiscal year in accordance with paragraph (b) of this section) (subparagraph B);

***--Notes:** FY 2016 loan limit is \$1,399,000.--*

This limit includes land contract guarantees.

(4) Any combination of direct Farm Ownership loan, direct Conservation loan, direct Soil and Water loan, direct Operating loan, guaranteed Farm Ownership loan, guaranteed Conservation loan, guaranteed Soil and Water loan, and guaranteed Operating loan--the amount in paragraph (a)(1)(ii) of this section plus \$300,000;

***--Notes:** FY 2016 loan limit is \$1,699,000.--*

This limit includes land contract guarantees.

(5) Emergency loans--\$500,000;

29 Maximum Loan Authorities (Continued)

A OL, FO, CL, and EM Program Loan Limitations (Continued)

(6) Any combination of direct Farm Ownership loan, direct Conservation loan, direct Soil and Water loan, direct Operating loan, guaranteed Farm Ownership loan, guaranteed Conservation loan, guaranteed Soil and Water loan, guaranteed Operating loan, and Emergency loan--the amount in paragraph (a)(1)(ii) of this section plus \$800,000.

--Notes: FY 2016 loan limit is \$2,199,000.--

This limit includes land contract guarantees.

B Adjustment for Guaranteed Loans

[7 CFR 761.8 (b)] The dollar limits of guaranteed loans will be increased each fiscal year based on the percentage change in the Prices Paid by Farmers Index as compiled by the National Agricultural Statistics Service, USDA. The maximum loan limits for the current fiscal year are available in any FSA office and on the FSA website at <http://www.fsa.usda.gov>.

C LOC Advances

[7 CFR 761.8 (c)] The total dollar amount of guaranteed line of credit advances and income releases cannot exceed the total estimated expenses, less interest expense, as indicated on the borrower's cash flow budget, unless the cash flow budget is revised and continues to reflect a feasible plan.

A Standard Eligible Lender must obtain Agency approval before issuing future year's funds according to 2-FLP, subparagraph 265 C. Approval may be provided by any Agency official with loan approval authority, and is not subject to the maximum loan limits established in subparagraph D.

Note: PLP and CLP lenders may provide future years' funds without prior FSA approval.

D Official Loan Approval Limitations for OL, FO, CL, and EM

The following identifies the maximum loan approval authority for OL, FO, CL, and EM by grade and title of approval officials at the time of loan closing. All loan approval limitations include the loan being made plus any outstanding principal balances owed by anyone who will sign the promissory note. For LOC's, the maximum amount of the LOC ceiling will be considered the outstanding principal balance. An approval official cannot approve or reject a loan request that will exceed the official's approval authority at the time of loan closing. The official must forward the loan and recommendations to the appropriate approval official for action.

*** * *** County Office employees who have loan approval authority may not exceed the authority of the equivalent grade FLO or FLM.

29 Maximum Loan Authorities (Continued)

D Official Loan Approval Limitations for OL, FO, CL, and EM (Continued)

Type of Loan	FLO			FLM, DD, FLS, FLC, or Senior FLO	SED
	GS-7	GS-9	GS-11	GS-11/12/13	
Maximum approval by assistance type – limitation I					
Guaranteed OL	\$100,000	\$200,000	\$400,000	\$700,000	*--\$1,399,000
Direct OL	\$50,000	\$100,000	\$175,000	\$225,000	\$300,000
Guaranteed FO+SW+CL	\$0	\$175,000	\$400,000	\$700,000	\$1,399,000
Land Contract Guarantee	\$0	\$125,000	\$150,000	\$225,000	\$500,000
Direct FO+SW+CL	\$0	\$125,000	\$150,000	\$225,000	\$300,000
Direct EM	\$50,000	\$100,000	\$150,000	\$300,000	\$500,000
Maximum approval for combined assistance types – Limitation II					
OL Total Direct & Guaranteed	\$100,000	\$200,000	\$400,000	\$700,000	\$1,399,000
FO+CL+SW+ Land Contract Total Direct & Guaranteed	\$0	\$200,000	\$400,000	\$700,000	\$1,399,000
Total approval for multiple assistance types – Limitation III					
OL+FO+CL+SW+ Land Contract Total Direct and Guaranteed	\$0	\$400,000	\$550,000	\$850,000	\$1,699,000
Total Guaranteed	\$100,000	\$400,000	\$550,000	\$850,000	\$1,399,000
Total approval for FO, CL, OL, EM and Land Contract – Limitation IV					
OL+FO+CL+SW+EM+ Land Contract Total Direct and Guaranteed	\$0	\$400,000	\$550,000	\$850,000	\$2,199,000--*

SED, in consultation with FLC, may raise the loan approval authority limits for FLM’s and senior FLO’s who routinely show a higher than average loanmaking proficiency by the following:

- direct loanmaking, increase up to an additional \$50,000
- guaranteed or a combination of direct and guaranteed loanmaking, increase up to an additional \$200,000.

SED, after consulting with FLC, shall issue a State supplement establishing the method and standards, including what constitutes higher than average proficiency, for monitoring and evaluating the basis for raising loan approval authorities. This State supplement must be submitted for preapproval.

Note: Loans to employees in a County Office must be approved by the State Office. Loans to State Office employees must be approved by the National Office.

49 DLS

--A DLS Uses--

DLS is the required system for loan making and * * * servicing information and activities.

DLS:

- tracks each loan request in an application package from receipt to final disposition
- obligates loans through its interaction with PLAS
- submits check/EFT requests through PLAS
- submits loan closings to PLAS
- provides an interactive tasks checklist
- monitors the disbursement of loan funds
- provides reports of loanmaking activities and processing timeframes
- tracks routine loan servicing activities, and timeframes
- has automated follow-up reminders to assist County Office employees in meeting deadlines for routine loan servicing activities
- provides loan account information, such as principal and interest amounts, and account flags
- provides the ability to manage case numbers and mail codes for customer accounts
- warehouses information for reporting purposes
- has automated reporting capabilities.

The National Office uses DLS data in reports to Congress, CR, and FSA senior management. In addition, the data is used to determine whether FSA loan servicing goals are being/have been met.

49 DLS (Continued)

B User Assistance

The DLS Loan Making and Loan Servicing User’s Guides can be referenced for any specific questions. They may be obtained by accessing the FLP web site’s manuals page located at <https://amistad.sc.egov.usda.gov/flp/IndexServlet> and then selecting manuals on the left navigation bar.

C Maintaining and Updating DLS

FCAO is responsible for computer implementation and upgrades. The National Office is responsible for user requirements, updates to accommodate regulatory and statutory changes, and other revisions as needed. State and County Office employees are responsible for data entry of customer and loan information as it is received.

D Security

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

***--E Important Calendar Year 2015 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 DLS.

Action	Date	
Loan Activity Cutoff – the last day that loan activity dated in calendar year 2015 can be processed to be reflected on FSA-2065 for 2015 and related IRS forms	Thursday, January 7, 2016	
Transactions, Suspension, and Enabled Dates		
Transactions	Suspension Date	Enabled Date
<ul style="list-style-type: none"> • TC 4A • TC 4D • SCIMS to PLAS data upload to create TC 4C <p>Notes: SCIMS data must be entered by December 29, 2015, to generate TC 4C on December 30, 2015.</p> <p>Until TC 4A and TC 4D are enabled, do not use the following DLS sections:</p> <ul style="list-style-type: none"> • Transfer and Assumption • Manage case number under Customer Management. 	December 30, 2015	January 13, 2016

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50 GLS**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 2015 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 2015 can be processed to be reflected on 2015 IRS forms.		Thursday, January 7, 2016	
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 30, 2015	January 13, 2016

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 2015 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 2015 can be processed to be reflected on FSA-2065 for 2015 and related IRS forms.		Thursday, January 7, 2016
Availability of ADPS Terminals		
Holiday Schedule: Terminals available until 3 p.m. c.t. because of the holiday		Thursday, December 24, 2015 (no update) Thursday, December 31, 2015
Transaction Processing: Terminals will be available to provide additional time for initial transaction entry and discrepancy correction before preparing the Annual Statements.		Saturday, January 2, 2016 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.		Thursday, January 7, 2016 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 30, 2015	January 13, 2016

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Part 4 Supervised Bank Accounts

101 Overview

A Supervised Bank Account

A supervised bank account is an account with a financial institution established through a deposit agreement entered into between the borrower, FSA, and the financial institution.

B Establishing a Supervised Bank Account

[7 CFR 761.51 (a)] Supervised bank accounts will be used to:

- (1) Assure correct use of funds planned for capital purchases or debt refinancing and perfection of the Agency's security interest in the assets purchased or refinanced when electronic funds transfer or treasury check processes are not practicable;
- (2) Protect the Agency's security interest in insurance indemnities or other loss compensation resulting from loss or damage to loan security; or
- (3) Assist borrowers with limited financial skills with cash management, subject to the following conditions:
 - (i) Use of the supervised bank account for this purpose will be temporary and infrequent;
 - (ii) The need for a supervised bank account in this situation will be determined on a case-by-case basis; and
 - (iii) The borrower agrees to the use of a supervised bank account for this purpose by executing the deposit agreement.

*--Until CFR is amended, supervised bank accounts may be used to:

- protect the Agency's security interest in insurance indemnities or other loss compensation resulting from loss or damage to loan security
- assure correct use of funds planned with proceeds from the sale of basic security and perfection of the Agency's security interest in the assets purchased
- assure correct use of funds planned for performing construction and other development work.--*

101 Overview (Continued)**B Establishing a Supervised Bank Account (Continued)**

*--FSA-2140 will be signed by all borrowers.

A supervised bank account will be used, only when necessary, to ensure that loan or security proceeds are used according to the farm operating plan, agreement to use proceeds, construction and development plan, or other agreement with FSA.

Note: Supervised bank accounts must **not** be used in place of EFT or Treasury checks, according to 7 CFR 764.402(e)(3) (3-FLP, subparagraph 431 A), if practicable.--*

C Justification for Using a Supervised Bank Account

County Offices must:

- ensure that a supervised bank account is established according to this Part
- document in FBP Credit Presentation the reason a supervised bank account was established.

Note: For servicing actions that do not require a Credit Presentation be completed, justification will be documented in FBP.

See 3-FLP, 4-FLP, and 5-FLP for specific loan making and servicing situations where a supervised bank account is needed.

DD's and State Offices must review case files of borrowers with supervised bank accounts during County Office reviews to:

- verify that documentation is in place
- document in FBP their concurrence that the supervised bank account is needed.

If the review determines that the supervised bank account is not needed, DD or State Office must:

- document the results of the review in FBP
- instruct the authorized agency official to close the supervised bank account.

102 Establishing a Supervised Bank Account**A Selecting a Financial Institution**

[7 CFR 761.51(b)] The borrower may select the financial institution in which the account will be established, provided the institution is Federally insured. If the borrower does not select an institution, the Agency will choose one.

[7 CFR 761.51(c)] Only one supervised bank account will be established for any borrower.

[7 CFR 761.51(d)] If both spouses sign an FLP note and security agreement, the supervised bank account will be established as a joint tenancy account with right of survivorship from which either borrower can withdraw funds.

B Opening a Supervised Bank Account

The authorized agency official must provide the financial institution with FSA-2140, which addresses:

- services to be provided
- frequency and method of transmission for account statements
- countersignature requirements
- waiving of service charges whenever possible.

The authorized agency official, the financial institution, and any borrower authorized to write checks must sign FSA-2140. File the original in the borrower's case file and provide 1 copy to the borrower and 1 copy to the financial institution.

The authorized agency official is not required to provide his or her SSN to the financial institution. Government agencies are exempt from the requirements of the Customer Identification Program. FSA-2139 will be sent to financial institutions that require documentation of the exempt status of Government agencies on this issue.

***--Note:** Supervised bank accounts shall remain open no longer than 12 months, unless justified by the loan official, and concurrence by DD. DD must document the reason in the FBP running record.--*

C Type of Account

[7 CFR 761.53(a)] A supervised bank account, if possible, will be established as an interest bearing deposit account provided that funds will not be immediately disbursed, and the account is held jointly by the borrower and the Agency if this arrangement will benefit the borrower.

The authorized agency official, the borrower, and the financial institution must complete FSA-2141 when an interest bearing account is used.

102 Establishing a Supervised Bank Account (Continued)**D Account Balance Exceeding the Maximum Amount Insured by the Government**

[7 CFR 761.51(e)] If the funds to be deposited into the account cause the balance to *--exceed the maximum amount insurable by the Federal Government, the financial--* institution must agree to pledge acceptable collateral with the Federal Reserve Bank for the excess over the insured amount, before the deposit is made.

*** * ***

Agency officials should use EFT or multiple advances when possible to minimize instances where the balance in supervised bank accounts will exceed the maximum insurable amount.

If an account balance will exceed \$250,000, County Offices must complete FSA-2144 and forward it to the State Office. The State Office shall submit FSA-2144 to:

- FMD FINANCIAL SYSTEMS AND PROCEDURES BRANCH
STOP 0581
1400 INDEPENDENCE AVE SW
WASHINGTON DC 20250-0581
- FAX: 703-305-1144.

FMD will coordinate the collateralization with the financial institution.

[7 CFR 761.51(e)] (1) If the financial institution is not a member of the Federal Reserve System, the institution must pledge acceptable collateral with a correspondent bank that is a member of the Federal Reserve System. The correspondent bank must inform the Federal Reserve Bank that it is holding securities pledged for the supervised bank account in accordance with 31 CFR Part 202 (Treasury Circular 176).

(2) When the balance in the account has been reduced, the financial institution may request a release of part or all of the collateral, as applicable, from the Agency.

Requests for release of collateral will be forwarded to FMD, Financial Systems and Procedures Branch.

103 Supervised Bank Account Transactions and Monitoring (Continued)**E Documentation**

The authorized agency official may retain copies of invoices, receipts, or other documentation, as necessary, to support withdrawals from the supervised bank account.

F Interest

[7 CFR 761.53(b)] Interest earned on a supervised bank account will be treated as normal income security.

See 4-FLP for further information on normal income security.

G Reconciliation

The authorized agency official must reconcile the supervised bank account statement with FSA-2142. Items to be reconciled are the payee, amount of each check, and the balance in the account. Deposits and withdrawals verified during the reconciliation will be initialed and *--dated. Any discrepancies must be resolved and documented in the FBP running record.

The authorized agency official must return the statement and canceled checks to the borrower after the reconciliation has been completed. The results of the reconciliation must be documented in the FBP running record.

Note: Signing checks and reconciliation must be completed by separate agency officials.

H Annual Report

The State Office will review all SBA's at least annually. Each State Office will submit the annual SBA Review Report, as of September 30 through SDMS, documenting the number of SBA accounts that are open, total present balance in all accounts, and justification for all accounts open longer than 12 months no later than October 31.

Note: See 1-AS, Exhibit 8 for guidance on using SDMS. ENTER "SBA Review Report" as the title.--*

104 Closing Accounts**A Account No Longer Needed**

[7 CFR 761.55(a)] If the supervised bank account is no longer needed and the loan account is not paid in full, the Agency will determine the source of the remaining funds in the supervised bank account. If the funds are determined to be:

(1) Loan funds:

- (i) From any loan type, except Youth loan, and the balance is less than \$1000, the Agency will provide the balance to the borrower to use for authorized loan purposes;**
- (ii) From a Youth loan, and the balance is less than \$100, the Agency will provide the balance to the borrower to use for authorized loan purposes;**

(2) Loan funds:

- (i) From any loan type, except Youth loan, and the balance is \$1000 or greater, the Agency will apply the balance to the FLP loan;**
- (ii) From a Youth loan, and the balance is \$100 or greater, the Agency will apply the balance to the FLP loan;**

(3) Normal income funds, the Agency will apply the balance to the remaining current year's scheduled payments and pay any remaining balance to the borrower; and

(4) Basic security funds, the Agency will apply the balance to the FLP loan as an extra payment or the borrower may apply the balance toward the purchase of basic security, provided the Agency obtains a lien on such security and its security position is not diminished.

B Uncooperative Borrowers

[7 CFR 761.55(b)] If the borrower is uncooperative in closing a supervised bank account, the Agency will make written demand to the financial institution for the balance and apply it in accordance with paragraph (a) (subparagraph 104A) of this section.

Written demand will be made by SED according to subparagraph 103 D.

Reports, Forms, Abbreviations, and Redelegations of Authority

Reports

This table lists the required reports of this handbook.

Reports Control Number	Title	Reporting Period	Submission Date	Negative Reports	Reference
FLP4	FLPRA Annual Report	Annually	By February 1 each year	Required	403
FLP5	SBA Review Report	Annually	By October 31 each year	Required	103

Forms

This table lists all forms referenced in this handbook.

Number	Title	Display Reference	Reference
CCC-10	Representations for Commodity Credit Corporation or Farm Service Agency Loans and Authorization to File a Financing Statement and Related Documents		Ex. 36
CCC-257	Schedule of Deposit		Ex. 36
FmHA 2006-21	Information Systems Management (ISM) Request for Changes to User Documentation		52
FM1	Data Security Access Authorization Form		167
FSA-13-A	Data Security Access Authorization Form		53, 54, 166, Ex. 15, 36
FSA-137	Address Information Request		46
FSA-159	Request for Supplies, Forms, and/or Publications		Ex. 17
FSA-470	Tractor Feed Post Card for Metered Postage		46
FSA-603	Collection Register for State and County Offices		Ex. 36
FSA-851	Environmental Risk Survey Form		Ex. 36
FSA-858	Determining if a Wetland May Be Present		222
FSA-2001	Request for Direct Loan Assistance		44, 47, 48, Ex. 36
FSA-2007	Statement Required by the Privacy Act for Non-Applicants		48
FSA-2028	Security Agreement		Ex. 36
FSA-2037	Farm Business Plan Worksheet Balance Sheet		Ex. 15
FSA-2038	Farm Business Plan Worksheet Projected/Actual Income and Expense		Ex. 15
FSA-2040	Agreement and Record of the Disposition of FSA Security/Release of Proceeds		262, 263, Ex. 7, 36
FSA-2065	Annual Statement Loan Account		5, 49, 52
FSA-2072	Cancellation of U.S. Treasury Check and/or Obligation		169

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

Forms (Continued)

Number	Title	Display Reference	Reference
FSA-2101	DD FLP Oversight Report Guide		Ex. 36
FSA-2103	Direct Loan Making File Review Questionnaire		28
FSA-2104	Guaranteed Loan Making File Review Questionnaire		28
FSA-2119	Delinquent Borrower Servicing File Review Questionnaire		28
FSA-2120	Moratorium Notice		41
FSA-2121	Termination of Moratorium		41
FSA-2125	Farm Loan Program County Information File Changes		46, 444
FSA-2126	Program Loan Cost Expense (PLCE) Request		162, 166-169
FSA-2127	Request for CED FLP Loan Approval Authority		25
FSA-2129	Microloan Making File Review Questionnaire		28
FSA-2139	Notification of Exemption From Requirement to Provide Social Security Number		102
FSA-2140	Deposit Agreement		101, 102, Ex. 15, 36
FSA-2141	Interest-Bearing Deposit Agreement		102
FSA-2142	Statement of Deposits and Withdrawals		103, Ex. 36
FSA-2144	Designated Financial Institution Pledge of Collateral		102
FSA-2145	Demand for Withdrawal of Supervised Bank Account Funds		103
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FSA-2153	Release by Claimants		122
FSA-2154	Release by Contractor		122
FSA-2160	Appraisal of Chattel Property		142
FSA-2161	Appraisal Report - Agricultural Tract		142
FSA-2162	Real Estate Sales Data		142
FSA-2163	Supplemental Forms-Agricultural Appraisal		142
FSA-2164	Appraisal for Mineral Rights		142
FSA-2165	Administrative Appraisal Review		143
FSA-2166	Technical Appraisal Review and Certification		143
FSA-2167	Administrative Appraisal Review for Chattel Appraisals		143
FSA-2171	Substitute Invoice		167, 169
FSA-2172	Request for Emergency Payment		169
FSA-2173	Program Loan Cost Expense (PLCE) Vendor Code Request		166, 167
FSA-2198 <u>1/</u>	Claimants With Closed Settlement Claims With No Appeal Hearing in Suspension		Ex. 13.5

1/ Contact Jenny Breece at 202-720-4572 to obtain FSA-2198 and FSA-2199.

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

Forms (Continued)

Number	Title	Display Reference	Reference
FSA-2199 <u>1/</u>	Claimants With Closed Settlement Claims With Appeal Hearing in Suspension		Ex. 13.5
FSA-2201	Lender's Agreement		47
FSA-2211	Application for Guarantee		44, 47
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

1/ Contact Jenny Brece at 202-720-4572 to obtain FSA-2198 and FSA-2199.

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

Forms (Continued)

Number	Title	Display Reference	Reference
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
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
AFCB	Administrative Funds Control Branch	169
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
CMDB	Cash Management Disbursement Branch	5
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

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

Abbreviations Not Listed in 1-CM (Continued)

Approved Abbreviation	Term	Reference
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
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
KZ	cancellation	169
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

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

Abbreviations Not Listed in 1-CM (Continued)

Approved Abbreviation	Term	Reference
PLS	Primary Loan Servicing	23, 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
SDMS	State Directives Management System	3, 103
SEL	standard eligible lender	25, 43, 143, Ex. 5, 36
SLR	Security Liaison Representative	53, Ex. 14, 15
TC	transaction code	46, 49, 50, 52, 164, 169 Ex. 14
TDCLC	term debt capability lease coverage	252, Ex. 15
TI	treasury in transit	169
TR	treasury reversal	169
TY	payment voucher transaction	161, 165-169
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 FMFI.	161, 163, 165-166, 168-169

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.

FLP Rates

A Interest Rates for FLP's

--The following provides interest rates for FLP's as of October 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	8/1/15
Operating - Limited Resource	5.000	12/1/90
Operating - Microloan - "Special Interest Rate"	5.000	2/7/14
Farm Ownership and Conservation Loans	*--3.750	10/1/15--*
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	*--3.750	10/1/15--*
Soil and Water - Limited Resource	5.000	7/1/92
Recreation - Individual	*--3.750	10/1/15
Farmer Program - Homestead Protection	3.750	10/1/15
Shared Appreciation Amortization	2.750	10/1/15
Softwood Timber Loans	3.750	10/1/15--*
Economic Emergency - Operating	2.625	8/1/15
Economic Emergency - Real Estate	*--3.750	10/1/15--*
Emergency - Amount of Actual Loss	3.625	8/1/15
Emergency - Major Adjustment: Subtitle A Purpose (Excess of Loss)	6.125	9/1/15
Emergency - Major Adjustment: Subtitle B Purpose (Excess of Loss)	4.625	9/1/15
Emergency - Annual Production	4.625	9/1/15
Nonprogram - Chattel Property	4.625	9/1/15
Nonprogram - Real Property	6.125	9/1/15
Apple Loans	1.000	7/1/15
Association - Grazing	*--3.750	10/1/15
Association - Irrigation and Drainage	3.750	10/1/15--*
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)	*--0.370	10/1/15--*

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 September 4, 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

List of Available Reports (Continued)

A Farm Loan Programs Data Mart (Continued)

3 DLS OnDemand Reports, Loan Servicing Reports, Routine Servicing (Continued)

Report Name	Report Description	User Selection Criteria	Date Last Modified
Reminder Report	Provides information on all routine loan servicing workflows. User can select pending, postponed, closed, or all reminders. User can search based on Alert Date, Due Date, or Closed Date. Includes both FLP and FSFL reminders.	<ul style="list-style-type: none"> • State • District • Servicing Office • County • Status • Program Type • Workflow • Reminder Type • Alert Date • Due Date • Closed Date • Borrower 	1/20/2015
Security Instrument Processing Report (SI-Other)	Provides tracking information for activities within the Security Instrument - Other workflow. User can search on Request type, Request Date, Final Disposition Date, or Date Security Action Completed.	<ul style="list-style-type: none"> • State • District • Servicing Office • County • Request Type • Request Date • Final Disposition Date • Date Security Action Completed 	4/7/2015
Shared Appreciation Workflow Report	Provides information for tracking requests for Shared Appreciation. User can search by Request Date and Amortization Date.	<ul style="list-style-type: none"> • State • District • Servicing Office • County • Status • Request Date • Final Disposition Date • Amortization Date 	4/7/2015
Status of Farm Loan Program (540)	Provides status information for all outstanding FLP loans.	<ul style="list-style-type: none"> • State • District • Servicing Office • Report Date •*--Program Type--* • Report Type 	*--7/13/2015--*

List of Available Reports (Continued)

A Farm Loan Programs Data Mart (Continued)

3 DLS OnDemand Reports, Loan Servicing Reports, Routine Servicing (Continued)

Report Name	Report Description	User Selection Criteria	Date Last Modified
Subordination Request Report	Provides information for tracking requests for Subordinations, as well as monitoring approved Subordinations. User can search on Request Date, Final Disposition Date, or Expiration Date.	<ul style="list-style-type: none"> • State • District • Servicing Office • County • Status • Security Type • Request Date • Final Disposition Date • Expiration Date 	4/7/2015
Terminated Workflows Report	Provides a list of terminated routine servicing workflows	<ul style="list-style-type: none"> • State • District • Servicing Office • County • Termination Date • Borrower 	8/17/2015
*--Transfer Assumption Application Processing Report	Provides information for tracking Assumption requests.	<ul style="list-style-type: none"> • State • District • Servicing Office • County • Status • Received Date • Final Disposition Date 	9/2/2015
Transfer Assumption Completed Actions Report	Provides a list of transfer and/or assumption actions that have been completed. This includes actions with or without an application package.	<ul style="list-style-type: none"> • State • District • Servicing Office • County • Status Date 	9/3/2015--*
Year End Analysis Workflow Report	Provides information for tracking YEA reviews. User can search on Due Date, Credit Action Date or Completed Date.	<ul style="list-style-type: none"> • State • District • Servicing Office • County • Status • Scheduled Date • Credit Action Date • Completed Date • Reason for Review • Complete by Contractor 	5/11/2015