

**UNITED STATES DEPARTMENT OF AGRICULTURE**

Farm Service Agency  
Washington, DC 20250

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

**Amendment 298**

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**Approved by:** Deputy Administrator, Farm Loan Programs



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**Amendment Transmittal**

**A Reasons for Amendment**

This handbook has been updated throughout to remove the reference to the POAD FLP Training SharePoint site.

Subparagraph 2 B has been amended to update the link to the FLP-related historical directives.

Subparagraph 3 H has been amended to update the system used for Clearance of State-Modified National Forms and State-Created Forms.

Subparagraphs 4 B through D have been amended to update contact information.

Subparagraphs 5 B and C have been amended to update RD Business Center contact information.

Subparagraph 25 A has been amended to clarify delegation of authority requirements for DHA hires.

Subparagraph 25 E has been amended to update the email address referenced.

Subparagraph 42 C has been added to provide guidance on withdrawing an adverse decision and providing the applicant with written correspondence.

Paragraph 57 has been added to include the Directives Management Tool and National Office Concurrence POCs for State directives.

Subparagraph 141 H has been amended to clarify third party appraisal use and review.

Subparagraph 143 E has been amended to update technical appraisal review requests.

## Amendment Transmittal (Continued)

### A Reasons for Amendment (Continued)

Subparagraph 161 C has been amended to update the point of contact for PLCE and FMMI inquiries.

Subparagraph 165 A has been amended to update the Contractual Responsibility Assessment (CRA) report resource.

Subparagraph 167 G has been amended to update the CRA report resource.

Exhibit 7 has been amended to add authority to complete asset investigations for debt settlement applications to SED delegations.

<b>Page Control Chart</b>		
<b>TC</b>	<b>Text</b>	<b>Exhibit</b>
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## Part 1 Introduction and Purpose

### 1 Purpose and Sources of Authority

#### A Handbook Purpose

[7 CFR 761.1(d)] **This part describes the Agency's general and administrative policies for its guaranteed and direct Farm Loan Programs. In general, this part addresses issues that affect both guaranteed and direct loan programs.**

This handbook is designed to assist FSA in understanding:

- general and administrative regulations governing FLP's
- roles and responsibilities in implementing those regulations and other general and administrative responsibilities.

#### B Sources of Authority

The sources of authority for this handbook include:

- 7 CFR Part 761 and other regulations that may be referenced throughout this handbook
- the various laws and statutes passed by Congress, including CONACT.

#### C Regulation References

Text in this handbook that is published in the CFR is printed in **bold** text. The CFR citation is printed in brackets in front of the text. The references and text:

- are intended to highlight the requirement spelled out in CFR
- may be used to support FSA adverse decisions.

#### D FLP Objectives

7 CFR Parts 761 through 767 set forth FSA's regulations for FLP's. **The objective of these \*--programs is to provide progression lending and management assistance to eligible--\* farmers to become owners or operators, or both, of family farms, to continue such operations when credit is not available elsewhere, or to return to normal farming operations after sustaining substantial losses as a result of a designated or declared disaster. These regulations apply to loan applicants, borrowers, lenders, holders, Agency personnel, and other parties involved in making, guaranteeing, holding, servicing, or liquidating such loans. The programs are designed to allow those who participate to transition to private commercial credit or other sources of credit in the \*--shortest period of time practicable through the use of progression lending, including--\* farm assessments, borrower training, market placement, and borrower graduation requirements.**

## 2 Related References

### A Related FSA Handbooks

The following FSA handbooks concern FLP.

<b>IF the area of concern is about...</b>	<b>THEN see...</b>
State and county organization and administration policies, procedures, principles, and standards, such as work organization	16-AO.
civil rights compliance and administration for FSA programs	18-AO.
appeals and mediation	1-APP.
State and county records management	32-AS.
policies and procedures for the acquisition of supplies, equipment, and services	42-AS.
common management and operating provisions for program management activities, functions, and automated applications, such as forms that cannot be accepted by FAX	1-CM.
environmental requirements	1-EQ.
processing collections and canceling loan checks and payments	3-FI.
guaranteed loan making and servicing	2-FLP.
direct loan making	3-FLP.
direct loan regular or routine servicing	4-FLP.
direct loan special servicing and inventory property management	5-FLP.
the Emergency Loan Seed Producers Program, Horse Breeder Loan Program, ITLAP, SALP, Land Contract Guarantee Program, and servicing of minor loan programs	6-FLP.
debt collection and resolution	7-FLP.
procedures for making records available to the public, other Federal agencies, and Congress	2-INFO.
procedures for collecting, maintaining, or disclosing data or information about an individual	3-INFO.
personnel management, such as employee conflict of interest	3-PM.
employee development and training	6-PM.

### B Helpful Links

The Helpful Links web site at [https://fsaintranet.sc.egov.usda.gov/flp/links\\_0515.htm](https://fsaintranet.sc.egov.usda.gov/flp/links_0515.htm) provides links to useful web sites.

FLP-related historical directives, including notices and Administrative Notices, are available \*--at <https://www.old.fsa.usda.gov/programs-and-services/laws-and-regulations/notices/index>.

Training information is available on the DAFLP Training and Guides SharePoint site at <https://usdagcc.sharepoint.com/sites/FSA-DAFLP/SitePages/training.aspx>.--\*

3 FLP Forms (Continued)

**\*--H Clearance of State-Modified National Forms and State-Created Forms**

The following provides guidance on obtaining approval of State-modified and State-created forms.

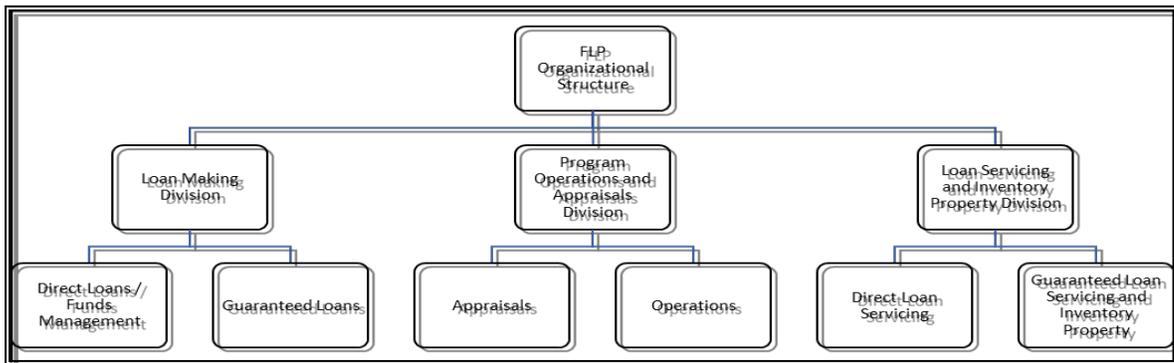
Instrument	State Office Action	National Office Action
<p>New State-modified and State-created forms.</p>	<p>*--In DMT, submit the following for prior--* approval:</p> <ul style="list-style-type: none"> <li>• State supplement that requires using the form</li> </ul> <p><b>Note:</b> Submit separately all the State supplements for forms in the 2000 series.</p> <ul style="list-style-type: none"> <li>• electronic or scanned copy of National or State-created form, providing modifications needed</li> <li>• revised instructions for completion for National form, if applicable; or instructions for completion for State-created form.</li> </ul> <p><b>Notes:</b> Include margins, font size, and any other specific requirements for forms that will be filed.</p> <p>State-obtained OGC approval of form may be requested during National Office review.</p>	<ul style="list-style-type: none"> <li>• Coordinate the development of the form with the appropriate National Office area.</li> <li>• Review and ensure nondiscrimination, privacy act, and public burden statements are included, as needed.</li> <li>• Send proposal to State for approval.</li> <li>• Coordinate uploading form and instructions for completion to <a href="http://intranet.fsa.usda.gov/dam/ffasforms/forms.html">http://intranet.fsa.usda.gov/dam/ffasforms/forms.html</a> when state supplement is approved.</li> </ul>
<p>Existing State-modified and State-created forms</p>	<p>*--In DMT, submit the following for prior--* approval:</p> <ul style="list-style-type: none"> <li>• electronic or scanned copy of form indicating needed changes</li> <li>• electronic or scanned copy of instructions for completion, as needed</li> <li>• State supplement that requires using the form, <b>only</b> if changes are needed.</li> </ul>	<ul style="list-style-type: none"> <li>• Review and ensure that current nondiscrimination, privacy act, and public burden statements are included, as needed.</li> <li>• Send proposal to State for approval.</li> <li>• Coordinate uploading form and instructions for completion to <a href="http://intranet.fsa.usda.gov/dam/ffasforms/forms.html">http://intranet.fsa.usda.gov/dam/ffasforms/forms.html</a>.</li> </ul>



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 will address questions to the State Office. State Offices will contact the National Office as needed.

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

\*--

Office of the Deputy Administrator		
Name	Title	Telephone Number
Houston Bruck	Deputy Administrator	202-650-7874
Ryan Lukassen	Assistant Deputy Administrator	308-222-0525
Vacant	Assistant to the Deputy Administrator	
Cindy Pawlikowski	Assistant to the Deputy Administrator	202-720-0900
Abraham Atansuyi	Assistant to the Deputy Administrator	202-690-0756
James Jackson	Assistant to the Deputy Administrator	202-692-4940
Jose Limon	Advisor to the Deputy Administrator	202-720-9152
Matthew Henderson	Advisor to the Deputy Administrator	202-720-5847
Shantelle Turner	CX and Credit Access Analyst	202-692-0062
Kristina Martorano	CX and Credit Access Analyst	202-690-2517
Darlene Canlas	CX and Credit Access Analyst	202-401-9143
Vacant	Administrative Support Specialist	

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4 FLP Organizational Structure (Continued)

C LMD Contacts

The following provides names, address, and telephone 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 will address questions to the State Office. State Offices will contact the National Office as needed.

\*--

Office of the Director		
Name	Title	Telephone Number
Vacant	Director	
Vacant	Deputy Director	
Kimberly Eilerman	Assistant to the Director	202-619-8519
Vacant	Mgmt & Prog Analyst	
Vacant	Program Analyst	
Direct Loan Making and Funds Management Branch		
Matthew Christian	Branch Chief	423-788-2007
David Bonnett	Senior Loan Officer	202-690-2269
Vacant	Senior Loan Officer	
Md Mutaleb	Senior Loan Officer	202-720-3168
Branigan Snyder	Senior Loan Officer	202-690-0214
Vacant	Senior Loan Officer	
Paul Peterson	Senior Loan Officer	507-702-3062
Javier Arenas	Senior Loan Officer	256-638-7424
Vacant	Senior Loan Officer	
Vacant	Senior Loan Officer	
Guaranteed Loan Making Branch		
Vacant	Branch Chief	
Calvin Greer	Senior Loan Officer	979-680-5229
Vacant	Senior Loan Officer	
Nicole Massey	Senior Loan Officer	202-401-0143
Heather Laubenthal	Senior Loan Officer	319-334-1046

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4 FLP Organizational Structure (Continued)

D POAD Contacts

The following provides names, address, and telephone numbers for POAD.

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

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

\*--

Office of the Director		
Name	Title	Telephone Number
Vacant	Director	
Travis Martin	Deputy Director	509-868-8093
Fernando Pineiro	Assistant to the Director	202-380-5960
Jennifer Ranke	Assistant to the Director	207-990-9132
Joseph Council	Systems Accountant	
Appraisals Branch		
Sherry Hulsey	Branch Chief	270-524-5631 Ext. 108
Alexander Patterson	Review Appraiser, East Regions (CT/MA/RI, NY, and NJ)	315-704-6208
James Baird	Review Appraiser, Midwest Region (MI)	517-318-3189
Karen Peterson	Review Appraiser, West Region (HI)	360-488-4858
Midwest Region		
Steven Glonek	Supervisory Review Appraiser  States Covered: IA, IL, IN, MI, MN, MO, and WI	608-662-4422 Ext. 159
Scott Anderson	Staff Appraiser  States Supported: IL and MO	309-164-1486

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## 4 FLP Organizational Structure (Continued)

## D POAD Contacts (Continued)

<b>Appraisals Branch</b>		
<i>Midwest Region</i>		
<b>Name</b>	<b>Title</b>	<b>Telephone Number</b>
Dennis Judkins	Staff Appraiser States Supported: IA	515-331-8455 or 515-254-1540 Ext. 8455
Anthony Payne	Staff Appraiser States Supported: IN and MI	317-295-5950
* * *	* * *	
* * *	* * *	
<i>East Region</i>		
Lloyd Richardson, II	Supervisory Review Appraiser	843-773-3851
<i>Northeast Region</i>		
CT/MA/RI, DE/MD, KY, ME, NJ, NY, OH, PA, VA, VT/NH, and WV		
James Fisher	Staff Appraiser	614-255-2456
Sunni Leach	Staff Appraiser	270-207-4024
Vacant	Staff Appraiser	

4 FLP Organizational Structure (Continued)

D POAD Contacts (Continued)

\*--

Operations Branch		
Name	Title	Telephone Number
Brian Rueckl	Branch Chief	920-895-0091
Vacant	Program Analyst	
Tracy Jones	Agricultural Loan and Grants Program Specialist	202-720-6771
Nicole Bonifas	Program Analyst	
Lora Morris	Program Analyst	202-692-4912
Kim Nguyen	Data Analyst	314-607-6395
Vacant	Program Analyst	
Marquita Peoples	Program Analyst	202-720-8320
Darby Ellis	Senior Loan Officer	
Morgan Barton	Program Analyst	
DeAntae Cooper	Data Analyst	
Kim Buchheit	Senior Loan Officer	
Franklin Timothy Storey	Senior Loan Officer	931-967-2521, Ext. 106
Gretchen Thomas	National Office FLP Training Coordinator	205-650-3373
Vacant	Program Analyst	

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Notes: The regional appraiser can refer to LRA or RRA.

See Exhibit 6 for the Regional Appraiser Area of Responsibility Map.

4 FLP Organizational Structure (Continued)

E LSPMD Contacts

The following provides names, address, and telephone 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 3635 SOUTH BUILDING 1400 INDEPENDENCE AVE SW WASHINGTON DC 20250-0523

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

Office of the Director		
Name	Title	Telephone Number
Carolyn Estrada	Director	202-690-1560
J. Lee Nault	Deputy Director	202-720-6834
Sheila Oellrich	Assistant to the Director	202-720-2990
Janet Kramer	Assistants to the Director (for IT Modernization)	785-336-3543 Ext. 125
David Sullivan		202-690-0658
Vacant	Program Analyst	
Direct Loan Servicing Branch		
email SM.FSA.DCWa2.AdmException or adminexception@usda.gov		
email SM.FSA.DCWa7.DirectLoans or fsa-directloans@usda.gov		
Bruce Mair	Branch Chief	202-720-1645
Janasuela (Jana) Davis	Senior Loan Officer	334-279-3537
Whitney Foster	Senior Loan Officer	202-401-6802
Tracy Hidde	Senior Loan Officer	202-720-5319
Thomas Nii	Senior Loan Officer	808-600-2910
Laura Fisher	Senior Loan Officer	804-287-1603
Christopher Wills	Senior Loan Officer	*--518-692-5518--*

4 **FLP Organizational Structure (Continued)**

**E LSPMD Contacts (Continued)**

<b>Guaranteed Loan Servicing and Inventory Property Management Branch</b>		
<b>Name</b>	<b>Title</b>	<b>Telephone Number</b>
*--J. Lee Nault	Acting Branch Chief	202-720-6834--*
Brittany Criswell	Senior Loan Officer	770-267-8363 Ext. 119
Steven Dusek	Senior Loan Officer	580-928-3113 Ext. 3018
Megan Everswick	Senior Loan Officer	202-720-7205
Becky Minter	Senior Loan Officer	202-260-9200
Frank Urbanick	Loan Officer	724-269-5257
Lisa Liska	Senior Loan Officer	402-437-5456
Mechalle Ore	Senior Loan Officer	405-742-1051

5 **RD Business Center Contacts**

**A RD Business Center Contact Information**

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

**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.

<b>For USPS Delivery</b>	<b>For FedEx or UPS Delivery</b>
USDA Rural Development RD Business Center, FLB 211 North Broadway, Mail Stop 2230, Suite 1701 St. Louis, MO 63102	USDA Rural Development Attn: RD Business Center, FLB 211 North Broadway, Mail Stop 2230, Suite 1701 St. Louis, MO 63102

## 5 RD Business Center Contacts (Continued)

## B Direct Loan Servicing (Continued)

The following provides contact information for the Direct Loan, FLB.

\*--

<b>Direct Loan, FLB</b>			
<b>Telephone Number 314-457-6404</b>			
<b>ECM FAX Number 314-457-4539</b>			
<b>Name</b>	<b>Title</b>	<b>Telephone Number</b>	<b>State Assignment</b>
	Branch Chief		
Kathy White	Accountant (CTR)	314-679-6736	AZ, FL, MS
Antoinette Taylor	Section Head, Section 1	314-457-4070	
Samuel Kayser	Accountant, S1	314-679-6734	LA, PR, WI
Makia Bush	Financial Specialist, S1	314-457-5284	IL, MN, MT, NE, OH, VI, WY
Barbara Lee	Financial Specialist, S1	314-679-6846	AR, CO, IN, KS, KY, MA, SD,
Christopher Sweet	Financial Specialist, S1	469-678-3728	ID, MI, ND, RI, TN, WA, WV
Mary Jordan	Accounting Technician, S1	314-679-6831	AK, AL, CT, DE, ME, MO, NH, NY, VT
Zachary Skaer	Accountant, S2	314-457-4094	OR, TX, VA
Randal Bennett	Financial Specialist, S2	314-679-6842	NC, NJ, OK, PA, SC, UT, GU/WP
Alfredo Gonzalez	Financial Specialist, S2	314-679-6714	CA, GA, HI, IA, MD, NM, NV

--\*

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

5 RD Business Center Contacts (Continued)

C Guaranteed Loan Servicing

The following provides the Guaranteed Loan Servicing email address.

<b>For Guaranteed Loan System Requests</b>
Guaranteed Commercial Branch Email Address: <a href="mailto:sm.rd.so.gcb@usda.gov">sm.rd.so.gcb@usda.gov</a>

The following provides names and contact information for the Guaranteed Commercial Branch.

\*--

<b>Guaranteed Commercial Branch</b> <b>Main Line 314-457-6402</b> <b>Please submit all ECF requests via the Guaranteed Commercial Branch e-mail:</b> <b><a href="mailto:sm.rd.so.gcb@usda.gov">sm.rd.so.gcb@usda.gov</a>.</b>			
Name	Title	Telephone Number	Assignments
Monique Kelly	Acting Branch Chief	314-457-4103	
Monique Kelly	FSA Lead Accountant	314-457-4103	
Madeline Bedwell	Accountant	314-457-4036	AK, CA, CO, HI, IL, IA, LA, MT, NE, NM, NV, OK, OR, TN, WP
Nina Chery	Accountant	314-457-4281	AR, AZ, CT, DE, FL, KS, MA, MD, ME, MN, NH, NJ, NY, PR, RI, SC, SD, VI, VT, WV
Barbara Jungenberg	Financial Specialist ECF Contact	314-679-6805	AL, GA, ID, IN, KY, MI, MS, MO, NC, ND, OH, PA, TX, UT, VA, WA, WI, WY

--\*

D Debt Collection

The following provides the DMB address.

For USPS Delivery	For FedEx or UPS Delivery
USDA - RURAL DEVELOPMENT DEBT MANAGEMENT BRANCH RD BUSINESS CENTER 211 NORTH BROADWAY, MAIL STOP 2313, SUITE 1701 ST. LOUIS, MO 63102	USDA - RURAL DEVELOPMENT ATTN: <i>(Insert Name)</i> , RD BUSINESS CENTER/ DEBT MANAGEMENT BRANCH 211 NORTH BROADWAY, MAIL STOP 2313, SUITE 1701 ST. LOUIS, MO 63102

5 RD Business Center Contacts (Continued)

D Debt Collection (Continued)

The following provides contact information for RD Business Center Servicing Office DMB.

<b>RD Business Center Servicing Office                      Debt Management Branch                      DMB Telephone Number 314-679-6870                      DMB ECM FAX Number 314-457-4478                      DMB FAX Number 844-587-2958                      DMB E-Mail Address: RD.SO.DCIB@USDA.GOV                      RA.RD.MOSTL.EFAX2958@usda.gov</b>			
Name	Title	Telephone Number	Assignments
*--Jose Ramirez--*	Branch Chief		
Adam Hill	Lead Accountant	314-457-4945	DCIA Status Reports; Treasury Report on Receivables; Problem Case Resolution; Coordinate IT Development Initiatives; Data Analytics; Team Leadership
Karen Warr	Lead Accountant	314-457-4291	DCIA Status Reports; Treasury Report on Receivables; Problem Case Resolution; Coordinate IT Development Initiatives; Data Analytics; Team Leadership
Donald Folston	Accountant, Contractor	314-457-4351	RD-Non SFH DCIA Support; Adhoc Reporting; Team Task Logs; FLP TOP Deletes; TROR Preparation/Review
*--Vacant--*	Accounting Technician, Contractor	* * *	RD (non-SFH) Proof of Debt, RD Disputes and Returned to Agency Debts; RD Unauthorized Assistance Cross Servicing DCIA processes
Wyvone Haymon	Senior Accountant	314-679-6864	Data Analytics; IT Development Initiatives; Project Management; FLP TOP Timeline Notifications and ADPS Screen Messages; FLP Cross Servicing Tasks, Recalls, Repayment Agreements, and Compromise Offers; TROR Preparation/Review
Katina Mims	Accountant	314-679-6833	FLP TOP and DCIA Referrals; FLP TOP Weekly Updates; FLP Federal Salary Offset; TROR Preparation/Review
Timothy Oge	Accountant	314-679-6844	FLP Cross Servicing Support; RD-SFH Cross Servicing Recall and Proof of Debt; RD Unclaimed Assets; TROR Preparation/Review
* * *	* * *	* * *	* * *

22 General Delegation Requirements (Continued)

B Sample Delegation Letter

The following letter may serve as a template for delegating authority.

\*--

<p>To: Name Title</p> <p>Subject: Delegation of Authority</p> <p>In my authority as <b>(Title of Delegator)</b>, I hereby delegate to you the following authority(ies):</p> <ul style="list-style-type: none"> <li>• _____</li> <li>• _____</li> <li>• _____.</li> </ul> <p>This/these delegation(s) will continue until:</p> <ul style="list-style-type: none"> <li>• revoked or revised in writing</li> <li>• you: <ul style="list-style-type: none"> <li>• resign</li> <li>• retire, or</li> <li>• accept a position that does not require the authorities.</li> </ul> </li> </ul> <p><b>(Signature)</b></p> <p><b>(Title)</b></p> <p><b>(Date)</b></p> <p>cc: State Office</p>
--

--\*

C Revising and Revoking Delegated Authority

SED, FLC, or FLM may revise or revoke any authority they have delegated to an employee as justified by the employee’s performance and need for the authority. FLM or FLC may not revise or revoke any authority delegated by SED. For existing employees, any revision or revocation of authority must be in writing. When an individual’s authority is reduced or revoked, the employee must be given specific reasons for the action.

\*--**Note:** Written documentation is not necessary as delegated authorities are automatically revoked for employees who resign, retire, or accept a position that does not require loan approval and servicing authorities.

Employees who return to positions that require delegated loan approval authority will be subject to credit quality reviews, as well as may be required to complete appropriate additional training.--\*

## 22 General Delegation Requirements (Continued)

### C Revising and Revoking Delegated Authority (Continued)

Delegated authorities that require completion of continuing education will be revoked if the employee does not complete the training within the required timeframe. A new delegation will be required after the education requirements are met

### D Delegation of Authority for APOC

APOC delegation is provided according to subparagraph 141 J.

### E Recording the Delegations of Authority

Delegations of authority will be uploaded to the Delegations of Authority Tracker at the FPAC-BC-FLP-Delegations Team site.

FLC's have been granted access to the Tracker and may request the National Office add delegates (typically other State Office FLP employees) to the Tracker to ensure timely updates to employee delegated authorities.

FLC's will review and ensure their respective state records are accurate as of March 31 and September 30, annually.

The user guide and video trainings for the Delegations of Authority Tracker are found on the \*--Delegations of Authority Teams General channel at **FPAC-BC-FLP-Delegations Team**--\*

## 23 State Office and Service Center Authorities

### A Overview

FSA's decisions to approve or reject a loan or servicing request have broad implications for the applicant or borrower and FSA. These decisions affect the applicants' lives, the achievement of program objectives, and FSA's risk exposure. Therefore, it is imperative that certain authorities be limited to those employees who have met the training and experience requirements and have been formally delegated authority.

### B State Office Employees

FLP authorities, except those that require SED delegation and those in Exhibit 7, subparagraph A, are inherent to the position for FLC, FLS, and DD. FLC may delegate authorities in Exhibit 7, subparagraph B to AS, LOA, or LRS, who have demonstrated experience and have received adequate training.

\* \* \*

## **24 Delegating Appraisal Authority**

### **A General Requirements**

Only SED's may delegate appraisal authority according to Exhibit 7, subparagraph A. SED's may delegate appraisal authority to FSA employees who have completed the required training and have the necessary experience.

### **B Chattel Appraisals**

SED may delegate chattel appraisal authority to employees who have completed the training requirements in subparagraph 145 A.

### **C Administrative Appraisal Reviews**

SED may delegate authority to complete administrative appraisal reviews to employees who have completed the training requirements in subparagraph 143 B.

25 **Delegating Loan Approval Authority**

**A Receiving Approval Authority**

Loan approval authority must be obtained by:

- employees hired as FLO's
- \*--Direct Hiring Authority (DHA) FLO or FLM--\*
- employees who have not been previously delegated loan approval authority and are selected for a FLC, DD, or FLS position
- CED's designated to obtain loan approval authority according to subparagraph C.

\*--To obtain loan approval authority, employees must complete Phase 1 of the FLOT program according to 6-PM, Part 13, within 1 year from date of hire.

**Exception:** GS-11 FLO's and GS-12 FLM's hired under DHA must complete Phase 1 within 6 months from date of hire.--\*

\* \* \*

Phase 2 will not begin until Phase 1 training and testing requirements have been met.

Complete Phase 2 of the FLOT program as follows:

- FLO's, FLOT's, and CED's will:
  - meet credit quality standards in subparagraph 28 D on a minimum of 5 but not more than 7 independently prepared loan docket, of which at least 2 must be term loans

28 Credit Quality Standards (Continued)

**F Continuing Education Requirements**

Employees who deliver FLP are strongly encouraged to complete at least one continuing education training activity each year. The training activity may include completing FSA-developed courses available in AgLearn, participating in National Office FLP training, or any other available courses in financial analysis and production management, such as:

- Extension Service webinars and workshops
- non-FSA developed AgLearn courses
- ABA or Farm Credit sponsored workshops and seminars
- local community college workshops.

FSA-developed courses in AgLearn can be found using the Dashboard search section and searching for “DAFLP” or “Farm Loan”.

\* \* \*



## 42 Appeals

**A General Requirements (Continued)**

During the progression of an application review, not all aspects of the loan making or servicing decision are made simultaneously. It may not be possible during an eligibility review to determine the feasibility of the proposal, or if adequate security is available. However, if substantial evidence is available to make a determination, the authorized agency official must take the time to discuss every applicable criterion that is adverse. Should it be unrealistic or unreasonable to address certain aspects, the adverse decision letter must specifically provide that disclaimer. For example, a statement similar to the following must be included in the adverse determination letter: “It should be noted that FSA has not made formal determinations regarding any other loan making criteria at this time, including security, environmental, eligibility or creditworthiness requirements.”

**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.\

As a reminder, when an appeal involves a guaranteed loan, 7 CFR Part 11 stipulates that when an adverse decision directly affects the applicant or borrower, the agency shall provide appeal rights. The lender would be an “interested party” and would not have appeal rights. However, the lender would be provided appeal rights for decisions involving liquidation plans or loss claims since these do directly affect the lender.

Authorized agency officials should be fully informed of any statutory reference they might be making in adverse decision letters, which may require OGC concurrence prior to issuing an adverse decision letter. For example, if the authorized agency official is uncertain if a previous loss was authorized under Section 353 of the CONACT, they should contact their regional OGC, through the State Office, as appropriate.

Decision letters must clearly state each basis for the adverse determination(s). FSA’s explanation of the determination(s) will include specific citation of related sections of CFR. Applicable handbook guidance beneficial to supplement CFR should also be cited within the decision letter.

**\*--C Withdrawing Adverse Decision**

1-APP, paragraph 24 provides guidance for withdrawing an adverse decision from the administrative appeals process. All FLP decisions to withdraw an adverse decision must be approved by FLC or designated State Farm Loan Specialist. The withdrawal letter should be addressed to the borrower with copies provided to the mediator or NAD as appropriate. A copy of the letter should be provided to the local service center for inclusion in the borrower’s case file.--\*



## 42 Appeals (Continued)

**D Adverse Decisions Involving Appraisals**

Text on appraisal reviews provided in subparagraphs D and E will be added to the reconsideration language provided in 1-APP or APP notices, as applicable, when an adverse decision is based on real estate or chattel appraisal, except when either of the following applies:

- the appraisal is for PLS or preservation servicing and 5-FLP requires using a specific form or exhibit
- the appraisal in question was associated with or connected to, an FSA decision wherein appeal rights were previously offered and concluded.

**Notes:** Appraisals may only be reconsidered or appealed. Mediation is not available on real estate or chattel appraisals.

See subparagraph 144:

- D for additional guidance about handling real estate independent technical appraisal reviews received from an applicant or borrower
- E for additional guidance about handling chattel independent appraisal reviews received from an applicant or borrower
- G for additional guidance when an applicant or borrower identifies errors in an appraisal.

## 42 Appeals (Continued)

**E Real Estate Appraisals**

The following text shall be added to the reconsideration paragraph in adverse decision letters involving a real estate appraisal.

*You may request a copy of the real estate appraisal used in our decision. We will provide you with a copy within five days of your request. If you would like to discuss the appraisal, or you believe there are errors, including mathematical or property description errors in the appraisal, you should request reconsideration.*

***Independent Technical Appraisal Review***

*If you believe the real estate appraisal FSA obtained is incorrect for reasons other than those stated above, you may obtain an independent technical appraisal review. The issue under reconsideration will be whether FSA's real estate appraisal is consistent with the Uniform Standards of Professional Appraisal Practice. If you want this option, you must include a copy of the independent technical appraisal review, or notify this office of your intent to obtain an independent technical appraisal review, in your request for reconsideration. This review must be provided to this office at the time of or before the reconsideration meeting. You must pay to obtain a current independent technical appraisal review from a State-certified general appraiser. The appraiser and the independent technical appraisal review must meet the standards contained in FSA regulations. You may request a copy of the regulations from this office. If you cannot find a qualified appraiser to conduct the independent technical appraisal review, a list of qualified appraisers is available in this office.*

*If you do not submit an independent technical appraisal review at the time of or before the reconsideration meeting, you waive your right to have us reconsider the appraisal. If you submit an independent technical appraisal review, we will determine whether the appraiser and the independent technical appraisal review meet FSA requirements. If the independent technical appraisal review meets FSA requirements, we will consider all comments contained in the independent technical appraisal review and determine if the appraisal obtained by FSA should be revised.*

**42 Appeals (Continued)****F Chattel Appraisals**

The following text shall be added to the reconsideration paragraph in adverse decision letters involving a chattel appraisal.

*You may request a copy of the chattel appraisal used in our decision. We will provide you with a copy within five days of your request. If you would like to discuss the appraisal, or you believe there are errors, including mathematical or property description errors in the appraisal, you should request reconsideration.*

***Independent Appraisal Review***

*If you believe the chattel appraisal FSA obtained is incorrect for reasons other than those stated above, you may obtain an independent appraisal review. The issue under reconsideration will be whether FSA's chattel appraisal is consistent with the present market value of like items in your area. If you want this option, you must include a copy of the independent appraisal review, or notify this office of your intent to obtain an independent appraisal review, in your request for reconsideration. You must pay to obtain a current independent appraisal review from a qualified appraiser. This review must be provided to this office at the time of or before the reconsideration meeting. The appraiser and the appraisal review must meet standards contained in FSA regulations. You may request a copy of the regulations from this office. If you cannot find a qualified appraiser to conduct the independent appraisal review, a list of qualified appraisers is available in this office.*

*If you do not submit an independent appraisal review at the time of or before the reconsideration meeting, you waive your right to have us reconsider the appraisal. If you submit an independent appraisal review, we will determine whether the appraiser and the appraisal review meet FSA requirements. If the independent appraisal review meets FSA requirements, we will consider all comments contained in the independent appraisal review and determine if the appraisal obtained by FSA should be revised.*

**G Nondiscrimination Statement**

The nondiscrimination statement in subparagraph 41 C must be included in all adverse decision letters.

## 42 Appeals (Continued)

**H Actions When Loan Servicing Denial Is Overturned in NAD Final Determination**

1-APP, subparagraph 135 A requires that FSA implement a final determination not later than 30 calendar days after the effective date of the notice of final determination. An appeal determination is administratively final when the provisions of 1-APP, subparagraph 135 B have been met.

The authorized agency official will advise the borrower of the next steps to be taken in the loan servicing request within 5 workdays of the date the appeal decision becomes administratively final, or the date FSA determines that it will not pursue a further review of the hearing officer's decision, whichever comes first. The contact will be by telephone or in person, with a written follow-up.

1-APP, subparagraph 135 D provides that, according to FSA regulations, FSA may consider changes in the borrower's condition in implementing NAD's final determination. If there have been significant changes to the borrower's financial or farming situation since the date of the original FSA decision, only the information that has changed needs to be submitted or revised. Any revised or new documents must be initialed or signed, as appropriate, by both the borrower and the authorized agency official.

**Note:** A significant change is a change that would materially affect the feasibility of, or eligibility for, the proposed loan servicing action.

FSA may request updated financial or production information as the borrower's circumstances may have changed during the pendency of the appeal that may adversely affect the borrower's farming operation.

**Note:** Adversely affect means that a change unrelated to the issue resolved through the appeal will result in the borrower no longer being eligible for the loan servicing action requested, or the previously developed FBP not being feasible.

After completing the review and evaluation of all necessary revisions, the authorized agency official will approve or deny the loan servicing request according to the applicable FLP handbook. Any loan servicing denial will be handled according to 1-APP, subparagraph 135 E.

The State appeals coordinator will monitor receipt and implementation of final NAD determinations to ensure that they are properly and timely implemented.

## 56 NATS (Continued)

### B User Assistance (Continued)

The NATS User Manual is available with all other user manuals on the FLPIDS manuals page. From within NATS, the manual may be accessed by clicking the “User Manual” icon in the lower right of any screen or by using the “Help” option on the top navigation menu.

NATS Information Bulletin summaries, tips, FAQ’s, and resource documents can be found on the POAD, Appraisals Branch, NATS SharePoint site at <https://usdagcc.sharepoint.com/sites/FSA-POAD-AB/SitePages/NATS.aspx>.

### C Security

Authorized users may access NATS using their eAuthentication ID. New users must request access by completing and submitting FSA-13-A, providing EAS role and jurisdiction as determined by FLC, according to appropriate IRM directives and the NATS user guide. The NATS “FSA-13-A NATS Instructions” and FSA-13-A examples can be found at <https://usdagcc.sharepoint.com/sites/FSA-POAD-AB/SitePages/NATS.aspx> in the NATS “Resource Documents” section.

### D Help Desk Information

The NATS help desk is available to aid with NATS questions or software issues. State administrators unable to provide assistance or resolve the issue should submit a request to the NATS help desk at [SM.SA.NatsHelpDesk@usda.gov](mailto:SM.SA.NatsHelpDesk@usda.gov) and include:

- user’s NATS role
- description of the problem
- if the issue involves a work order, provide the work order number, and include a full screenshot of the problem encountered.

**Note:** Include the program footer information in the screenshot.

### E Training

AgLearn courses are available for new users or users that have been assigned new NATS roles. The FLC will assign a mentor with the same EAS role. The new user will take the applicable AgLearn courses.

A list of AgLearn courses for each EAS role can be found in Exhibit 19.

**\*--57 DMT****A Purpose and Overview**

State Offices are required to submit all FLP directives to the National Office for prior or post approval except for those listed as exceptions in 1-AS, subparagraph 220 B. The DMT is built on the ServiceNow platform and is used to create, track, and manage FLP directives, including State notices, handbook amendments, and State and national forms.

**B User Assistance**

The DMT can be accessed on the FPACNow Services landing page at <https://usdafpacbc.servicenowservices.com/fpacnow>.

The FLP DMT User Guide for State Directives and trainings can be found on the DAFLP SharePoint site at <https://usdagcc.sharepoint.com/sites/FSA-DAFLP/SitePages/applicationbased.aspx#common-applications-guides>.

**C Security**

Authorized users may access the DMT using their eAuthentication ID. FLC's can request Originator role access for State users by sending an email request to the DMT State Directives Coordinator Lora Morris at [lora.b.morris@usda.gov](mailto:lora.b.morris@usda.gov).--\*

\*--57 DMT (Continued)

**D User Roles and Responsibilities**

The following table displays the DMT user roles and responsibilities.

<b>DMT User Role</b>	<b>Responsibilities</b>
<b>Originator</b>	Create DMT tickets and control the movement of the directive through all the phases in the DMT. This role requires FLC approval and will be a state office employee.
<p><b>Note:</b> An Originator may not be responsible for the drafting and content of a particular directive but is always responsible for the establishment and monitoring of a directive in DMT.</p> <p><b>For each separate directive, Originators must identify employees to serve in one of three roles:</b></p>	
<b>Collaborators</b>	Provide editorial input on the document in the pre-drafting and drafting phases (anyone in the State who is helping with the directive including the FLC).
<b>Concurrence POCs</b>	Provide input and sign-off on the directive in the Concurrence Phase (the three divisions LMD, LSPMD and POAD).
<b>Clearance POCs</b>	Provide input and sign-off in the Clearance Phase (FLCs and SEDs).
<p><b>Note:</b> Originators, Concurrence and Clearance POCs all have the option of having a Delegate that can act on their behalf.</p>	

**D National Office Division Concurrence POCs**

The following table lists the National Office Division Concurrence POCs.

<b>National Office Division Concurrence POCs</b>		
<b>LMD</b>	Kimberly Eilerman Paul Peterson (delegate)	<b>kimberly.eilerman@usda.gov</b> <b>paul.peterson@usda.gov</b>
<b>LSPMD</b>	Carolyn Estrada J. Lee Nault (delegate)	<b>carolyn.estrada@usda.gov</b> <b>lee.nault@usda.gov</b>
<b>POAD</b>	Travis Martin Brian Rueckl (delegate)	<b>travis.martin@usda.gov</b> <b>brian.rueckl@usda.gov</b>

--\*

58-59 (Reserved)



## 141 General Appraisal Requirements (Continued)

**H Using Third Party Appraisals**

FSA may use an appraisal that has been completed by a third party for any direct loan \*--making or servicing action, provided the appraisal meets the licensure table in subparagraph 141 F and all of the following:--\*

- real estate appraisal
  - administrative review and/or technical appraisal review is completed and the appraisal is found acceptable
  - meets subparagraph 142 B requirements
- personal property appraisal
  - administrative review is completed and the appraisal is found acceptable
  - meets subparagraph 142 A requirements
- real estate and personal property appraisals meet subparagraph 141 G requirements.

\*--Notes: A technical appraisal review can be completed upon request by FLC after the second level review. If the findings are unacceptable, FLC, with AB input, may choose--\* to address concerns with the client of the appraisal report. If the findings are not resolved, or the client will not allow communications with the appraiser, the report will not be used, and an FSA appraisal will be completed or ordered.

FSA does not need to be listed as an intended user in a third-party appraisal report for any direct loan making or servicing action; however, FSA must verify that the appraisal was ordered by and prepared for a financial institution or land trust.

Borrower-ordered appraisals are not acceptable for loan making or servicing actions \*--except as provided in 5-FLP for special servicing actions. If the appraisal was ordered and prepared for use by a land trust, the Appraisals Branch must be consulted before use.--\*

The NATS system will be used to track, review, and document the use of third-party appraisals.

**141 General Appraisal Requirements (Continued)****I Sharing Appraisals with BIA**

Upon BIA's written request, FSA may provide a copy of the appraisal report obtained for any direct loan transaction, and approved for FSA use after any applicable review, even if FSA is named as the only client. OGC consent will be obtained for release if the appraisal was obtained as a result of litigation.

An appraisal received from BIA will be considered a third-party appraisal. See subparagraph H for third party appraisal requirements.

**J Procurement of Appraisal Products**

FSA uses micropurchase and contract authority, as described by FAR, to acquire appraisal products. Procurements for appraisal products may be used for real estate appraisals, chattel appraisals, or technical reviews.

The procurement of a vendor technical review can only be approved by POAD, Appraisals Branch.

FSA will use PLCE funds for procuring appraisal products and document funding approval using FSA-2128. See Part 7 for guidance on processing PLCE micropurchase at or below the micropurchase threshold, or for guidance on processing contracts for products above the micropurchase threshold.

Generally, a real estate appraisal or personal property appraisal should be procured as soon as possible in the loan or loan servicing application process. The ordering official should consider that the applicant's or borrower's loan is reasonably feasible prior to ordering an appraisal. Approval of the loan or servicing action can be subject to an acceptable appraisal.

SED will ensure that the ordering and processing of appraisal product requests occurs using NATS and that the processing of acquisitions for products is completed in accordance with Part 7.

A State supplement:

- may define SOW's.

When an appraisal is to be obtained, an SOW is necessary to clearly define FSA's requirements for the appraisal product. Exhibit 39 is the SOW for real estate appraisal products and Exhibit 44 is the SOW for chattel appraisal products.

To allow for consistency of standards and requirements for appraisal products between State boundaries and appraisal regions, the State will adopt the SOW's as provided. If modifications are necessary to address unique market areas or economic considerations that impact real estate properties in the State or region, the State supplement may provide a modified SOW.

## 143 FSA Review of Appraisal Reports (Continued)

**E Conducting Technical Appraisal Reviews**

FSA will complete a technical appraisal review when a request is submitted through NATS and POAD, Appraisals Branch concurs that a technical review is necessary on direct loan appraisals when an administrative review detects serious problems.

\* \* \*

After loan closing, technical appraisal reviews will be completed for the following:

- first direct loan appraisal completed by a vendor appraiser and then 1 at least every 4 FY's thereafter
- on 1 third-party appraisal report if 2 or more reports prepared by a non-vendor appraiser are received within a 12-month period, unless a technical appraisal review was completed \*--within the last 4 years.--\*

**Note:** If an appraisal has been technically reviewed under any of the previous bullets, it is **not** necessary to conduct another review of another appraisal completed by the same appraiser on a different category, such as appraisal reviewed with a direct loan and the same appraiser subsequently completes another assignment that is submitted to FSA as a third-party appraisal. A review would **not** be necessary.

- of appraisals conducted by vendor appraiser in a random spot check method that is established by POAD, Appraisals Branch

**Note:** Each year, POAD, Appraisals Branch will vary the method used to select appraisals for review to ensure that adequate internal controls are maintained.

- on a more frequent basis if problems have been detected in the scheduled spot check review
- on appraisals submitted for guaranteed loan liquidation or write-down that were found unacceptable during the administrative review.

**Notes:** If the technical review shows an unacceptable appraisal, approval of a loss claim or write-down will not be granted until an acceptable appraisal is obtained.

When a technical review indicates that an appraisal is unacceptable, the appraiser completing the review will provide a memorandum outlining deficiencies and citing the corresponding USPAP standards according to subparagraph D. FLC will coordinate contact with the lender to discuss deficiencies documented in the memorandum, and decide on appropriate actions depending on the request and status of the loan as outlined in subparagraph D.

## 143 FSA Review of Appraisal Reports (Continued)

**F Guaranteed Loan Evaluations or Appraisals Submitted to FSA**

When an evaluation or appraisal is required to be submitted for a guaranteed loan, the authorized agency official will review the document to determine whether the correct type of valuation (evaluation or appraisal) was performed based on the loan amount and other risk factors.

\*--Evaluations will be reviewed using FSA-2234 and will be completed in NATS.--\*  
Appraisals for guaranteed loan making will be reviewed to determine whether the:

- correct type of appraisal report was used

**Note:** Restricted appraisal reports are not acceptable. Residential appraisal reports should only be used where appropriate based on the property's characteristics.

- person completing the appraisal had the required qualifications
- correct property was valued, including any improvements to be added
- value of the real estate is adequate to secure the loan as proposed by the lender.

Findings will be document in a running case record.

If issues relating to these items are found and cannot be corrected, the evaluation or appraisal cannot be used and the conditions of the guarantee have not been met. The authorized agency official will contact the lender and discuss the actions needed to correct the issues. This discussion should be documented in writing to the lender and discussed in the running record. If the lender is unable to provide corrections as discussed, FSA will provide the lender appeal rights according to 2-FLP and FSA-2235 will not be issued.

**Part 7 PLCE's****161 Overview****A Purpose**

This part describes procedures for:

- the PLCE budget process and proper use of PLCE funds
- establishing required primary roles, responsibilities, eligible employees, training requirements and delegations of authority for processing PLCE transactions
- processing PLCE requests at the County and State Office levels
- what to do when there is a concern about vendor payments
- handling return checks and cancelling a PLCE transaction.

**B Program Authority**

\*--Exhibit 20 provides information on proper invoices according to FAR.--\*

Exhibit 21 provides information on transactional roles, responsibilities, required training, eligible employees for each primary role, and required delegations of authority separate from Exhibit 7.

Exhibit 22 provides information for accessing IAS for new users.

Exhibit 23 provides information on creating IQ-Program Loan Cost Fund Requisitions in IAS.

Exhibit 24 is used to request ARMP delegation from Farm Production and Conservation Business Center, Acquisitions Division, Policy, Oversight and Accountability Branch (FBC, AD, POA) and includes ARMP guidance for making micropurchases.

Exhibit 25 provides program authorities to request PLCE services or pay bills related to a borrower or inventory property account. If a State needs program authority for a cost item not listed in Exhibit 25, SED must send an email to the appropriate point of contact according to subparagraph C.

Part 6 provides guidance for real estate and chattel appraisals.

161 Overview (Continued)

**B Program Authority (Continued)**

The FMMI User Guide:

- shall be used in conjunction with this part
- is located on the DAFLP Intranet website for software guides at <https://inside.fsa.usda.gov/program-areas/daflp/software-manuals/index>.

For IAS and general contractual acquisition guidance, see FPAC Procurement Operating Procedures (POP), online IAS User Guides, and FAR, which is accessible online at <https://www.acquisition.gov/?q=browsefar>.

Other source material relating to IAS transactions is found at <https://ias.usda.gov/guidance.html>.

**C PLCE and FMMI Help Desk Information**

The National Office is the first point of contact for all PLCE and FMMI related inquiries as follows.

\*--

<b>Point of Contact for PLCE and FMMI Inquiries</b>		
DATA Act Assistance	Md Mutaleb Javier Arenas	<a href="mailto:md.mutaleb@usda.gov">md.mutaleb@usda.gov</a> <a href="mailto:javier.arenas@usda.gov">javier.arenas@usda.gov</a>
FMMI Document Approvals	Md Mutaleb Javier Arenas	
FMMI User Access	Javier Arenas	
General FMMI or PLCE Inquiries	Md Mutaleb Javier Arenas	
Lost Vendor Payments	Md Mutaleb Javier Arenas	
PLCE Funding	Md Mutaleb Javier Arenas	
Vendor Record Inquiries (FMMI or SAM)	Md Mutaleb Javier Arenas	

--\*

Matters unable to be resolved at the primary contact level will be expedited to the appropriate FMMI Help Desk Team.

Questions related to technical aspects of farm real estate appraisals and chattel appraisals will be directed to the State APOC as provided in Part 6. The commitment and payment of PLCE funds related to appraisal requests are handled according to this subparagraph.

## 165 Obtaining PLCE Items

### A SAM

All vendors subject to micropurchase or contractual procurement processes are required to register in SAM, which is located online at <https://sam.gov/content/home>.

SAM registration is the vendor's responsibility, and Agency personnel should not assist in the process. Approved SAM registrations automatically flow into the FMMI system to create the FMMI vendor record and FMMI vendor ID. The PLCE Monitor needs only the vendor's UEI number to locate the vendor record in the FMMI system.

**\*--Notes:** Vendor searches can be processed through the GSA SmartPay 889 Representations Search tool. This tool is a free resource that provides Contractual Responsibility--\* Assessment Reports before award of agreements.

Using the FMMI PVND process for a SAM vendor is not allowed. If a potential vendor refuses to register in SAM, then that service provider may not be used as a PLCE vendor until a SAM registration is complete and a FMMI vendor record created.

The only permitted exceptions to SAM registration are:

- State and local government offices, including sheriff offices or other State or local law enforcement entity
- U.S. Marshal
- court-appointed trustees or other officers of the court
- current USDA employees.

SAM is **not** used for non-contractual PLCE vendors. PLCE non-contractual vendors are manually created in FMMI using FSA-2173. See Section 6 of the FMMI User Guide for step-by-step instructions.

**Note:** PLCE monitors, APOC's and/or ARMP's should maintain operational file according to 32-AS.

### B Current Employees as Vendors

Employees should not act as a vendor on behalf of a loan applicant, borrower, or to care for an inventory property. DLS workflows should be used, maintained, and monitored for UCC filings and other needs. In the case where the borrower is responsible for the cost, if the borrower does not remit payment timely, FLM should proceed with initiating FSA-2128 for the cost item **no later than** 21 days before payment is needed.

**Note:** At no time may an employee pay for recoverable cost items. The PLCE monitor will ensure emergency check provisions are used for extremely time sensitive PLCE's.

## 165 Obtaining PLCE Items (Continued)

### C Former Employees as Vendors

For guidance on post-employment restrictions about using former FSA employees as PLCE vendors, see 3-PM, paragraph 139, and 18 U.S.C. 207. Additional post-employment information is available at <http://www.ethics.usda.gov/rules/postemployment.htm>.

Former FSA employees should contact the USDA ethics counselors for informal assistance with interpreting and applying the post-employment restrictions. FLP State Office staff also may contact the USDA ethics counselors for guidance before selecting a former FSA employee as a vendor, through the Administrative Officer or State Office ethics advisor. The \*--Office of Ethics may be reached by e-mail at [Ethics-FPC@oe.usda.gov](mailto:Ethics-FPC@oe.usda.gov).--\*

SAM registration is **required** for all former employees when working in a vendor capacity.

See 3-PM, paragraph 131, for additional guidance about restrictions on outside employment and activities.

### D Guidance for Electronic UCC Transactions

State Offices may set up accounts with the Secretary of State's office using a draw-down process to meet UCC electronic and central filing requirements. "R" funds are used for this purpose.

In States where the Office of the Secretary of State has decided to use credit card only transactions, the PLCE Monitor or ARMP should work with the Secretary of State to find an alternative method of payment. If there is no alternative payment option available, third party processors may be used to handle FLP UCC needs. Under 3-FLP, subparagraph 373 A, and 4-FLP, subparagraph 99 B, fees charged by third party processors are **charged to the loan applicant**.

If an error is made on UCC or other legal document, the cost of the correction is a non-recoverable item; "A" funding and the PAC code "2N5" are used. If UCC is being renewed for an account using recoverable "L", "R", or "S" funds, **separate** FMFI transactions will be processed for that specific UCC filing, also using '2N5.' Only when the borrower remits payment for an electronic UCC filing are the PAC codes '1NE' or '2NE' used.

### E Refunding Credit Report Fees

When credit report fees are collected and deposited, and the credit report is never obtained, reimbursement to the applicant is **not** a PLCE function. Whenever money is transmitted successfully to the National Finance Center, the refund **must** come from the same office. County Offices shall submit a request for refund to their account technician who services their state according to paragraph 5.

## 167 Processing Micropurchase PLCE's (Continued)

**G Workflow for PLCE Micropurchases**

For ease of understanding the following workflow, the term ARMP is used exclusively. It is understood some States may use:

- an ARMP for all non-appraisal micropurchases;
- \*--an APOC for all appraisal products;
- an ARMP for both appraisal products and micropurchases; or--\*
- a combination of ARMP and APOC.

Insert the applicable position for your State wherever "ARMP" is used.

For those States having all FLO, FLM, and FLS/FLC designated as an ARMP, dual roles as TPOC and ARMP exist. If there is no separate TPOC in the office initiating the PLCE request, then FLO, FLM, or FLS/FLC will perform all TPOC duties in addition to all ARMP duties listed in the workflow.

**Note:** Exhibit 21 permits the PT to be designated as TPOC. ARMP responsibilities must be performed by ARMP and may not be re-delegated.

References to the completion of certain sections of FSA-2128 within the workflow are included to assist with understanding the micropurchase process. These references do not replace the form's posted instructions for completion.

ARMP's should see Exhibit 24 for additional guidance on making micropurchases.

167 Processing Micropurchase PLCE's (Continued)

G Workflow for PLCE Micropurchases (Continued)

The following table contains workflow steps for PLCE Micropurchases.

Step	Action
1	<p><b>Non-Appraisal:</b> TPOC determines PLCE need and refers to Exhibit 25 for authorization and terms. TPOC completes FSA-2128, Part A, in its entirety. TPOC sends to ARMP, FSA-2128 and all other applicable documentation required by State instructions.</p> <p><b>Note:</b> It is recommended that the TPOC include the PLCE Monitor in the electronic transmission of FSA-2128 to the ARMP if TPOC and ARMP are not the same person.</p> <hr/> <p><b>Appraisal:</b> TPOC completes FSA-2128, Part A and sends to APOC/ARMP, along with and all other applicable documentation required by Part 6.</p> <p><b>Note:</b> NATS does not require TPOC signature.</p>
2	<p>ARMP/APOC conducts market research by telephone or email using the information provided by TPOC. Results of market research are recorded on FSA-2128.</p> <p>If market research establishes the PLCE as a micropurchase, ARMP/APOC will *--complete the assessment, confirm vendor eligibility in SAM and/or GSA SmartPay 889 Representations Search report, record the UEI number, and--* complete acknowledgements. ARMP/APOC digitally signs the authorization for the ZMY entry in FMMI and forwards FSA-2128 to the PLCE Monitor and the process continues in step 3.</p> <p>If the feedback from vendors indicates PLCE is a <b>contractual purchase</b>, ARMP will make a vendor recommendation or annotate on FSA-2128 that PLCE exceeds the ARMP's authority. ARMP/APOC will proceed using guidance in subparagraph 168 G; use of this flowchart is concluded.</p> <p><b>Note:</b> ARMP/APOC does <b>not</b> make micropurchase or notify vendor of award at this step.</p>
3	<p>PLCE monitor receives and reviews FSA-2128 and complete Parts C and D. If inconsistencies or incorrect information are found, PLCE Monitor will work with TPOC and ARMP to resolve the matter.</p> <p><b>Note:</b> In States or US Territories wanting to internally sub-allocate funding for appraisals to APOC, budget approval occurs with the PLCE Monitor <b>only</b>. There is no FMMI mechanism for sub-allocating beyond the PLCE Monitor level.</p>

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

## Abbreviations Not Listed in 1-CM (Continued)

Approved Abbreviation	Term	Reference
CAFO	confined animal feed operation	Ex. 51, 52
CEC	Client Experience Center	54.5
CL	conservation loan	Text, Ex. 2, 16, 18
CMT	Constant Maturity Treasury	Ex. 17
CNC	currently not collectible	41, 251, Ex. 5
CO	Contracting Officer	23, Ex. 44
CONACT	Consolidated Farm and Rural Development Act	1, 21, 29, 142, 251
CPA	Certified Public Accountant	Ex. 26
CRM	Customer Relationship Management	49
CSA	community supported agriculture	242, Ex. 28
DATA	Digital Accountability and Transparency Act	Part 7
DMB	Debt Management Branch, RD Business Center	5, 61
DMT	Directives Management Tool	3, 57
DNP	Do Not Pay	43, 53, Ex. 15.5, 15.6
ECM	Enterprise Content Management	5, 52, 171
eDALR\$	electronic Debt and Loan Restructuring System	242, Ex. 17
EIN	employee identification number	Ex. 15.6
FAIN	Federal Award Identification Number	162, 166, Ex. 21
FAR	Federal Acquisitions Regulation	141, 161, 163, 167, 168, Ex. 2, 21, 24
FBC	Farm Production and Conservation Business Center	161-163, 167, 168, Ex. 21
FHP	Farm and Home Plan	Ex. 5
FLB	Rural Development Farm Loan Branch	5, 41, 52, Ex. 18
FLOTRACK	Farm Loan Officer Trainee Tracking System	25
FLPIDS	Farm Loan Programs Information Delivery System	56
FLPRA	Farm Loan Programs Risk Assessment	28, 143, 401-403, Ex. 18
FmHA	Farmers Home Administration	52, Ex. 5
FMMI	Financial Management Modernization Initiative	Part 7, Ex. 19-23
FPAC	Farm Production and Conservation	22, 49, 161, 162, 168, 169, Ex. 2, 17
FPDS-NG	Federal Procurement Data System -New Generation	163, 168
GCB	Guaranteed Commercial Branch, Servicing Office	50, 52
IAS	Integrated Acquisition System	161, 163, 164, 168, Ex. 21-23
IRM	Information Resource Management	49-51, 54, 56
ITLAP	Indian Tribal Land Acquisition Program	2, Ex. 16
KZ	cancellation	171
LOA	Loan Analyst	23, 26, Ex. 7
LOC	line of credit	29, Ex. 16
LR	limited resource	242, 263, Ex. 16, 70
LRA	Local Registration Authority	4
LRS	Loan Resolution Specialist	23, 26, Ex. 7

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

## Abbreviations Not Listed in 1-CM (Continued)

Approved Abbreviation	Term	Reference
ML	microloan	165, 222, 242, Ex. 2, 16
NAPHSIS	National Association for Public Health Statistics and Information Systems	53
NATS	National Appraisal Tracking System	Text, Ex. 19, 21
OA	Office of Adjudication	41
OAC1	Office of Adjudication and Compliance flag denoting acceptance of program discrimination complaint	41, Ex. 18
OBIEE	Oracle Business Intelligence Enterprise Edition	46, 56, 167
OLA	Online Loan Application	3, 48, 242
PAC	Program Authority Code	163, 165, 166, 168, Ex. 21, 25
POA	Policy Oversight and Accountability	161-163, 167
PCA	Production Credit Association	Ex. 18
PIID	Placeholder Procurement Identification Number	162, 168, Ex. 21
PLP	Preferred Lender Program	28, 29, 43, Ex. 5, 18
PLS	Primary Loan Servicing	25, 27, 28, 42, 144, 242, Ex. 5, 18, 70
PLV	potential liquidation value	142, Ex. 40
POAD	Program Operations and Appraisals Division	Text, Ex. 15.5, 21, 40
PRB	Programs Report Branch, RD Business Center	5, 54.5
PVND	Term in the FMMI User Guide representing the creation of a vendor record	165, 166
RCN	replacement cost new	Ex. 51-53
RDBC SO	Rural Development Business Center Servicing Office	46, 52, 54.5
REO	real estate owned	Ex. 40
RRA	Regional Review Appraiser	4
SALP	Special Apple Loan Program	2
SAM	System for Award Management	43, 53, 141, 161, 162, 165, 167, Ex. 20, 23, 44
SEL	standard eligible lender	25, 28, 43, Ex. 5, 18
SLR	Security Liaison Representative	54.5
SOW	Statement of Work	141-143, Ex. 2, 20, 40, 44, 64
SRA	supervisory review appraiser	141-143
TC	transaction code	46, 49, 50, 52, 165, 170, 171, Ex. 18

**Definitions of Terms Used in This Handbook (7 CFR 761.2 (b))****Administrative Appraisal Review**

Administrative appraisal review is a review of an appraisal to determine whether the appraisal:

- (i) meets applicable Agency requirements; and
- \*--(ii) is accurate outside the requirements of Standard 3 of USPAP.--\*

**Adversely Affect**

Adversely affect means that a change unrelated to the issue resolved through the appeal will result in the borrower no longer being eligible for the loan servicing action requested, or the previously developed FBP not being feasible.

**Agency**

Agency is the FSA.

**Agency Official**

The agency official is any employee with the agency. This term is used when the action does not require inherent or delegated authority.

**Appraisal Compliance Oversight Reviews (ACOR)**

Appraisal Compliance Oversight Reviews are internal quality control reviews of the agency's administrative review function and appraisal/technical review requirements.

**Appraisal Point of Contact (APOC)**

The appraisal point of contact is the authorized agency official selected to be the point of contact for obtaining appraisal services under the micro purchase threshold and is authorized to complete micro-purchases for appraisal services within their delegated authority. This authorization will be provided by delegation per FAR 1.603-3 by FPAC Director.

**Note:** Duties and responsibilities include reviewing requests for purchase of appraisal services that does not involve the use of a Government purchase card. APOC has the authority to commit the Agency to purchase a good or service.

**Approval Official**

The approval official is the specific employee who has the authority to approve or deny the described action.

## Definitions of Terms Used in This Handbook (7 CFR 761.2 (b)) (Continued)

**Authorized Agency Official**

The authorized agency official is the FSA official that is authorized to perform specific tasks related to loan making or loan servicing. The appropriate official is determined by inherent authorities or delegations applicable to a particular task.

**Beginning Farmer**

Beginning farmer is an individual or entity who:

- \*--(i) Meets the loan eligibility requirements for a direct or guaranteed CL, FO, or OL, as applicable;
- (ii) Has not operated a farm for more than 10 years. This requirement applies to all members of an entity;
- (iii) Will materially and substantially participate in the operation of the farm:
  - (A) In the case of a loan made to an individual, individually or with the family members, material and substantial participation requires that the individual provide substantial day-to-day labor and management of the farm, consistent with the practices in the county or State where the farm is located; or
  - (B) In the case of a loan made to an entity, all members must materially and substantially participate in the operation of the farm. Material and substantial participation requires that the member provide some amount of the management, or labor and management necessary for day-to-day activities, such that if the individual did not provide these inputs, operation of the farm would be seriously impaired;
- (iv) Agrees to participate in any loan assessment and borrower training required by Agency regulations;
- (v) Except for an OL applicant, does not own real farm property or who, directly or--\* through interests in family farm entities owns real farm property, the aggregate acreage of which does not exceed 30 percent of the average farm acreage of the farms in the county where the property is located. If the farm is located in more than one county, the average farm acreage of the county where the applicant's residence is located will be used in the calculation. If the applicant's residence is not located on the farm or if the applicant is an entity, the average farm acreage of the county where the major portion of the farm is located will be used. The average county farm acreage will be determined from the most recent Census of Agriculture;
- \*--(vi) Demonstrates that the available resources of the applicant and spouse (if any) are not sufficient to enable the applicant to enter or continue farming on a viable scale; and
- (vii) In the case of an entity:
  - (A) All the members are related by blood or marriage; and
  - (B) All the members are beginning farmers.--\*

**Delegating FLP Authority**

**A SED Delegations**

SED may delegate the following authorities to employees who have experience and completed the required training authority to:

- prepare personal property appraisals and real estate evaluations
- complete administrative appraisal reviews
- establish and document the estimated value of real estate security when an appraisal has been waived for an EM according to 3-FLP, subparagraph 248 A
- estimate market value of remaining real estate security greater than \$50,000 for:
  - extending the maturity date of balloon payments according to 5-FLP, subparagraph 129 A
  - release without compensation under 4-FLP, subparagraphs 146 D and 146 F if an appraisal is not obtained

**Note:** See subparagraph B for authority to estimate real estate value less than \$50,000.

**Note:** Real estate evaluations and estimates will be documented on FSA-2132. See paragraph 148.

- \*--complete asset investigations for deficiency judgments, debt settlement applications, or when otherwise required to complete loan servicing actions.--\*

**B FLC/DD/FLM/SFLO Delegations**

The following is a list of authorities that may be delegated to employees who have experience and have completed any required training according to subparagraph 23 C.

<b>Authority</b>	<b>AS</b>	<b>FLO</b>	<b>LOA</b>	<b>FLOT</b>	<b>LRS</b>	<b>PT</b>
Sign correspondence as regular signing official.		X	X	X	X	
Sign correspondence "for" (see note).	X	X	X	X	X	X
Establish supervised bank account and deposit loan checks.	X	X	X	X	X	X
Countersign supervised bank account checks/withdrawals.	X	X	X	X	X	X
Input pre-note information for EFT.	X	X	X	X	X	X
Plan and inspect site development work.	X	X				
Check preliminary title opinion for exceptions.	X	X	X	X	X	X
Check final title opinion or mortgage policy for proper lien position.	X	X	X	X	X	X
Review loan closing statement for proper funds disbursement.	X	X	X	X	X	X

**Delegating FLP Authority (Continued)**

**B FLC/DD/FLM/SFLO Delegations (Continued)**

<b>Authority</b>	<b>AS</b>	<b>FLO</b>	<b>LOA</b>	<b>*--FLOT</b>	<b>LRS</b>	<b>PT</b>
Execute financing statements or other legal instruments to obtain and preserve security on chattel loans.	X	X	X	X	X	X
Approve FSA-2242.	X	X	X	X	X	X
Review loan closing and issue FSA-2235.		X				
Approve satisfaction/release of security instruments.	X	X	X	X	X	X
Prepare FSA-2040.	X	X	X	X	X	
Release chattel/crop security per approved FSA-2040.	X	X	X	X	X	X
Revise Farm Business Plan and FSA-2040 when necessary.	X	X	X	X	X	
Approve replacement/development - use of insurance proceeds.	X	X				
Approve servicing actions, including liquidation plans submitted by lenders.	X	X				
Requests for PLCE goods and services.	X	X	X	X	X	X
Approve loan restructuring.	X	X				
Approve emergency advance requests.	X	X	X	X	X	
Complete lender reviews.	X	X	X	X	X	
Ordering credit reports.	X	X	X	X--*	X	X
Execute FSA-2232.		X				
Execute FSA-2235.		X				
Consent to a junior lien.		X				
Estimate value of real estate for dispositions less than \$50,000.		X				
Execute FSA-2025.		X				

**Notes:** Routine correspondence and form letters may be signed by a delegated employee on behalf of the authorized agency official. This includes, but is not limited to, forms FSA-2304, FSA-2305, FSA-2307 and FSA-2313. To effectively sign on behalf of an authorized agency official, the delegated employee must ensure the name of the official they are signing for is included in the document signature block. The signature of the delegated employee should be preceded by either the word “for” or “p.p.”, short for per procurationem.

Delegated authorities for agency officials that were granted before December 31, 2007, using previous form numbers or regulation citation will not have to be reissued. These delegations remain valid and it is not necessary to modify them if the reason is only to change references to streamlined handbooks.