

**UNITED STATES DEPARTMENT OF AGRICULTURE**

Farm Service Agency  
Washington, DC 20250

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

**Amendment 49**

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



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**Amendment Transmittal**

**A Reasons for Amendment**

Subparagraph 2 A has been amended to change 27-AS to 42-AS.

Paragraph 5 has been added to provide FLOO contacts.

Subparagraph 29 D has been amended to:

- update the table to add CL under type of loan
- provide increased guaranteed loan approval limits
- add instructions to permit SED's to increase maximum loan approval limits to loan approving officials that have demonstrated above average proficiency in loanmaking.

Subparagraph 41 H has been amended to suspend the process for reviewing Keepseagle Class Action-connected discrimination complaints.

Paragraph 55 has been added to provide type of assistance and fund code policy and procedure.

Subparagraph 143 E has been amended to clarify appraisal reviews.

Subparagraph 146 E has been to provide procedure for maintaining appraisal skills.

Paragraph 161 has been amended to update the references.

Paragraph 162 has been amended to update FFIS requirements.

Paragraph 163 has been amended to update PLCE fund requirements.

Paragraph 164 has been amended to update references and policy.

Subparagraph 165 A has been amended to update using PLCE for contractual purchases or services.

**Amendment Transmittal (Continued)**

**A Reasons for Amendment (Continued)**

Subparagraph 166 A has been amended to update requirements for obligating funds for noncontractuals.

Subparagraph 167 A has been amended to update the telephone number.

Paragraph 168 has been amended to update all telephone and FAX numbers.

Subparagraph 252 G has been removed because it is no longer applicable.

Exhibit 12 has been amended to suspend provisions of subparagraph B because of the Settlement Agreement entered into by USDA in the Keepseagle Class Action Lawsuit.

Exhibit 13 has been amended to clarify information that should be included in e-mail messages.

Exhibit 16 has been added to provide type of assistance and fund codes.

Exhibit 17 has been amended to provide the monthly interest rates applicable to FLP.

Exhibit 25 has been added to provide the list of program authority to request contract services and make noncontractual payments for recoverability of PLCE's that was effective **October 1, 2010**.

Exhibit 26 has been amended to update the title and remove paragraph references that are no longer applicable for the list of program authority to request contract services and make noncontractual payments for recoverability of PLCE's that was effective **before** October 1, 2010. According to subparagraph 164 D, Exhibit 26 is being retained as a historical PAC reference **only**.

<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.

## 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	25-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 loanmaking and loan servicing	2-FLP.
direct loanmaking	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, and servicing of minor loan programs	6-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.

**Note:** RD Instruction 1940-G must be used along with 1-EQ.

### B Helpful Links

The Helpful Links web site at

<https://arcticocean.sc.egov.usda.gov/flp/InformationalLinks?Action=HelpfulLinks&caller=index> provides links to useful web sites.

4 FLP Organizational Structure (Continued)

E LSPMD Contacts (Continued)

Guaranteed Loan Servicing and Inventory Property Management Branch FAX Number 202-690-0949		
Name	Title	Phone Number
Jeff King	Branch Chief	202-720-1651
Polly Anderson	Senior Loan Officer	202-720-2558
Courtney Dixon	Senior Loan Officer	202-720-1360
Marcus Graham	Senior Loan Officer	202-720-3103
Sharon Harris	Senior Loan Officer	202-401-0191
Marilyn Meese	Senior Loan Officer	202-690-4002
Cynthia Pawlikowski	Loan Officer	202-720-0900
Joseph Pruss	Senior Loan Officer	202-690-2854

\*--5 FLOO Contacts

A FLOO Contact List

The following provides the address for FLOO.

For USPS delivery	For FedEx or UPS delivery
USDA FARM SERVICE AGENCY FARM LOAN OPERATIONS OFFICE BLDG 103 PO BOX 200003 SAINT LOUIS MO 63120-0003	USDA, Farm Service Agency Farm Loan Operations Office 4300 Goodfellow Blvd, Bldg 103, 2 <sup>nd</sup> Floor St. Louis, MO 63120-1703

The following provides names, titles, and telephone numbers for FLOO.

Name	Title	Phone Number
Main Line		314-679-6800
McKinley, Mark	FLOO Chief	314-679-6810
Wheelis, Edna	Administrative Assistant	314-679-6803
Cooney-Smith, Sharon	Management Analyst	314-679-6805
Sachs, Sharon	Accountant	314-679-6804

Subparagraphs B through D provide contact information for employees within the Program Reporting Group, Loan Servicing Group 1, and Loan Servicing Group 2.--\*

## \*--5 FLOO Contacts (Continued)

**B Program Reporting Group**

The following provides names, titles, and telephone and FAX numbers for the Program Reporting Group.

<b>Program Reporting Group - ECM Fax Number 314-457-4478</b>		
<b>Name</b>	<b>Title</b>	<b>Phone Number</b>
Campbell, Karen	Group Chief	314-679-6861
Harstick, Mariella	Accountant	314-679-6863
Haymon, Wyvone	Accountant	314-679-6864
Silcott, Tonia	Accountant	314-679-6868
Johnisee, Karen	Financial Specialist	314-679-6865
Marcano, Deborah	Financial Specialist	314-679-6866
Borrower Inquiry Line		800-428-9643

**C Loan Servicing Group 1**

The following provides names, titles, telephone and FAX numbers, and State assignments for Loan Servicing Group 1.

<b>Loan Servicing Group 1 - ECM Fax Number 314-457-4539</b>			
<b>Name</b>	<b>Title</b>	<b>Phone Number</b>	<b>State Assignments</b>
Vacant	Group Chief	314-679-6820	
Jones, Germaine	Accountant/Acting Chief	314-679-6832	
Davis, Keith	Accountant	314-679-6825	
Gladney, Shantaye	Accountant	314-679-6827	
Harry, Michael	Accountant	314-679-6828	
Jones, Germaine	Accountant	314-679-6832	
Mims, Katina	Accountant	314-679-6833	
Quante, Paul	Accountant	314-679-6836	
Jackson, Carrie	Lead Accounting Technician	314-679-6830	
Bowers, Sheila	Accounting Technician	314-679-6822	KS, LA, MD, SC, WY
Broeckling, Jeanette	Accounting Technician	314-679-6823	AZ, CT, MS, NE
Collins-Myers, Yvonne	Accounting Technician	314-679-6824	AR, FL, KY, UT
Farid, Kathleen	Accounting Technician	314-679-6826	CA, DE, GA, ME
Hutchins, Terry	Accounting Technician	314-679-6829	AL, CO, ID, MI
Jordan, Mary	Accounting Technician	314-679-6831	IL, MA, OR
Mullen, Lawrence	Accounting Technician	314-679-6834	IN, IA, MO
Pennock, Susan	Accounting Technician	314-679-6835	MN, MT, SD, WDC

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**\*--5 FLOO Contacts (Continued)**

**D Loan Servicing Group 2**

The following provides names, titles, telephone and FAX numbers, and State assignments for Loan Servicing Group 2.

<b>Loan Servicing Group 2 – ECM Fax Number 314-457-4539</b>			
<b>Name</b>	<b>Title</b>	<b>Phone Number</b>	<b>State Assignments</b>
Stokes, Deborah	Group Chief	314-679-6840	
Marxkors, Janet	Accountant	314-679-6849	
Nunnery, Betty	Accountant	314-679-6850	
Randolph, Lisa	Accountant	314-679-6851	
White, Kathryn	Accountant	314-679-6837	
Bennett, Randall	Lead Accounting Technician	314-679-6842	
Warren, Effie	Lead Accounting Technician	314-679-6852	
Harris, Timothy	Accounting Technician	314-679-6843	AK, HI, NM, ND, VA, WV, WP, VI
Lee, Barbara	Accounting Technician	314-679-6846	OK, PA
Logan, Kyle	Accounting Technician	314-679-6847	TX, PR
Luster, Byron	Accounting Technician	314-679-6848	NV, NJ, NY, NC, OH, RI, WA
Willman, Linda	Accounting Technician	314-679-6853	NH, TN, VT, WI

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**6-20 (Reserved)**



**29 Maximum Loan Authorities (Continued)****C Line of Credit 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.

CO 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	
<b>Maximum Approval by Assistance Type - Limitation I</b>					
Guaranteed OL	\$100,000	\$200,000	\$400,000	\$700,000	\$1,119,000
Direct OL	\$50,000	\$100,000	\$175,000	\$225,000	\$300,000
Guaranteed FO + SW + CL	\$0	\$175,000	\$400,000	\$700,000	\$1,119,000
Direct FO + CL + SW	\$0	\$125,000	\$150,000	\$225,000	\$300,000
Direct EM	\$50,000	\$100,000	\$150,000	\$300,000	\$500,000
<b>Maximum Approval for Combined Assistance Types - Limitation II</b>					
OL Total Direct & Guaranteed	\$100,000	\$200,000	\$400,000	\$700,000	\$1,119,000
FO + CL + SW Total Direct and Guaranteed	\$100,000	\$200,000	\$400,000	\$700,000	\$1,119,000
<b>Total Approval for Multiple Assistance Types - Limitation III</b>					
OL + FO + CL + SW Total Direct and Guaranteed	\$100,000	\$400,000	\$550,000	\$850,000	\$1,419,000
Total Guaranteed	\$100,000	\$400,000	\$550,000	\$850,000	\$1,119,000
<b>Total Approval for FO, CL, OL, and EM - Limitation IV</b>					
OL + FO + CL + SW + EM Total Direct and Guaranteed	\$100,000	\$400,000	\$550,000	\$850,000	\$1,919,000

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.

## 41 Nondiscrimination in FLP (Continued)

**G Processing Loan and Servicing Applications When an Applicant Files a Discrimination Complaint (Continued)**

If an applicant or borrower files, or has filed, a discrimination complaint against the agency official responsible for processing the loan or servicing application, DD or SED will assign a different official to process the request. Processing responsibility may be reassigned to:

- an authorized agency official from either of the following:
  - same district, but a different county
  - another district
- DD.

**Note:** Reassignment of processing loan or servicing applications is temporary. When the investigation is closed, and if it is determined that discrimination did not occur, the loan or servicing application will be returned to the appropriate office.

**H Determining if a Discrimination Complaint Has Been Filed at CR**

FLC or designee will contact the National Office by e-mail to ensure that a discrimination complaint has not been filed before borrower account acceleration, again before borrower account foreclosure, and if needed, just before reclassifying debt as CNC. Before:

- acceleration, State Office must contact the National Office for civil rights filing clearance after conclusion of all primary and preservation loan servicing and related appeal rights
- foreclosure, States with:
  - judicial foreclosure, FLC must contact the National Office after account acceleration and before referring the account to OGC for liquidation action

**Note:** If a discrimination complaint is filed after referral to DOJ, then DOJ will decide if the foreclosure shall proceed.

- nonjudicial foreclosure, FLC must contact the National Office after the account has been accelerated and before the collateral is advertised for foreclosure sale
- reclassifying an account as CNC, State Offices must contact the National Office for civil rights filing clearance.

**Notes:** See Exhibit 12 for flow charts of the process used to determine if a discrimination complaint has been filed and is open at CR.

\*--The process established in Exhibit 12, subparagraph B is suspended because of the Settlement Agreement entered into by USDA in the Keepseagle Class Action Lawsuit. See applicable FLP notices for further guidance.--\*

**41 Nondiscrimination in FLP (Continued)****H Determining if a Discrimination Complaint Has Been Filed at CR (Continued)**

See Exhibit 13 for information to be included in e-mail to the National Office for civil rights clearance.

Discrimination complaints will be processed according to 18-AO, Part 7.

**42 Appeals****A General Requirements**

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

**Exceptions:** For adverse decisions on:

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

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

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

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

**B Mandatory Language for Adverse Decision Letters**

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

## 49 DLS

**\*--A DLS Uses--\***

DLS is the required system for loanmaking and \* \* \* loan 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 Loanmaking 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://arcticocean.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.

## 53 CAIVRS (Continued)

**B Using CAIVRS**

Perform a CAIVRS inquiry according to the following.

<b>Step</b>	<b>Action</b>
1	Access the CAIVRS web site at <a href="https://entp.hud.gov/caivrs/public/home.html">https://entp.hud.gov/caivrs/public/home.html</a> .
2	CLICK "Government User Menu".
3	Enter CAIVRS ID and password.
4	Select the function to perform when prescreening an applicant, such as "CAIVRS Authorization".
5	Select the agency or program that is prescreening the applicant from the agency list.
6	Enter the applicant's Social Security number or EIN and select the appropriate Social Security number or EIN indicator.
7	CLICK "Submit".
8	Print the "CAIVRS Authorization Results" and place in case file.

**Note:** If there are no claims, defaults, or foreclosures reported to CAIVRS, then CAIVRS will respond that there are no cases and provide a confirmation number.

## 54 Hyperion Data Mart

### A Purpose and Overview

The Hyperion Data Mart is an ad-hoc reporting system used by the National Office and State Offices for monitoring purposes. FLP users who request and are granted access to the Hyperion Data mart will be given access to the FLP Data Mart folder within the Hyperion Data Mart. A user with access to the FLP Data Mart folder can pull direct loan making and loan servicing data as entered through DLS. Reports can be downloaded to Hyperion, Excel, or PDF format.

### B User Assistance

The Hyperion Data Mart may be accessed on the FSA Data Warehouse Home Page at <https://fsadwhouse.sc.egov.usda.gov/FSA-DataMarts/FSAdataMartsHomePage.htm> by clicking “Hyperion Data Marts”.

The Hyperion Reports User Guide for FLP Data Mart may be accessed on the FSA - Farm Loan Programs Systems Manual web site at <https://arcticoccean.sc.egov.usda.gov/flp/InformationalLinks?Action=Manuals&caller=index> by clicking “Hyperion Reports User Guide”.

### C Security

Authorized users may access the Hyperion Data Mart reporting system using their eAuthentication ID. New users can be requested by completing and submitting FSA-13-A according to appropriate IRM directives.

## \*--55 Type of Assistance and Fund Codes

### B Type of Assistance Codes

Type of assistance codes identify the specific type of loan for DLS obligation purposes. For example, a Type of Assistance Code 152 is a 1-year Rural Youth loan for an SDA applicant.

See Exhibit 16 for a list of types of assistance codes.

### A Fund Codes

Fund codes are used to identify a type of loan. For example, Fund Code 44 indicates OL.

Obsolete fund codes are not used for new loans; however, obsolete fund codes will be reassigned if the loan is assumed.

See Exhibit 16 for a list of fund codes.--\*

## 56-59 (Reserved)

## 143 FSA Review of Appraisal Reports (Continued)

**E Conducting Technical Appraisal Reviews**

FSA will complete a technical appraisal review of the following:

- \*--first direct loan appraisal completed by a contract appraiser and then 1 every 2 FY's--\* thereafter
- first third party appraisal used for direct loan appraisals completed by an appraiser with whom FSA has had no appraisal experience and then 1 appraisal every 2 FY's thereafter
- first guaranteed loan appraisal completed by appraisers with whom FSA has had no appraisal experience and then 1 appraisal every 2 FY's thereafter

**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 guaranteed 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.

- 1 appraisal (or technical review when an appraisal has not been completed during the cycle) completed by FSA staff appraisers every 2 FY's

**Note:** The National Office will coordinate peer desk type reviews and monitor completion and results. Peer reviewers and appraisal/technical reviews selected for review will be on a random basis.

- direct or guaranteed loan appraisals when an administrative review detects serious problems
- all appraisals completed by limited authority appraisers
- of appraisals conducted by contractors and FSA employees in a random spot check method that is established by SED

**Note:** Each year, SED will vary the method used to select appraisals for review to ensure that adequate internal controls are established.

- on a more frequent basis, if problems have been detected in the scheduled spot check review
- upon request of the loan approval official anytime before loan approval.

**143 FSA Review of Appraisal Reports (Continued)****F Recordkeeping and Internal Management Controls**

Each State must maintain a recordkeeping system and internal management controls to  
\*-ensure that all administrative, technical (desk and field) reviews, and compliance activities--\*  
are accomplished according to 25-AS, Exhibit 40.5.

**G USPAP Records Retention**

USPAP requires that appraisers retain documentation about appraisal reviews and technical appraisal reviews they conduct for whichever of the following is longer:

- 5 years from date of completion
- 2 years from the date all appeals and litigation about the appraisal are concluded.

SED's shall provide adequate storage space to staff appraisers for the duration of the required documentation retention period.

**H FLP Appraisal Work Files**

Appraisal work files **must**:

- **not** be destroyed or otherwise removed from FSA when USPAP retention requirements expire
- be relinquished when appraisers leave FSA employment positions.

**Note:** Appraisers may make copies of their work files at no cost before departing.  
Appraisers will be provided access to their work files on an as-needed basis to address State board concerns.

**146 Appraiser Training Requirements (Continued)****D Payment of Training Fees (Continued)**

SED must mail the request for training funds to the following.

APPRAISAL TRAINING AND FUNDING  
 USDA FSA DAFLP PDEED  
 STOP 0521  
 1400 INDEPENDENCE AVE SW  
 WASHINGTON DC 20250-0521

FSA shall reimburse all full-time and part-time appraisers/reviewers for the ongoing dues and fees associated with obtaining and maintaining State-certified general appraiser status.

When claiming reimbursement of dues and fees, appraisers/reviewers must complete SF-1164 together with proof of payment and submit it to the following address unless otherwise directed in the annual notice, "Reimbursement of Dues and Fees for State Certified General Appraisers and \* \* \* Training Program Expense Authorization".

FINANCIAL ACCOUNTING DIVISION  
 USDA FSA  
 PO BOX 419205  
 KANSAS CITY MO 64141-6205

FSA-limited authority appraisers do not incur any training costs because they are trained in-house or on-the-job by full-time or part-time appraisers/reviewers and are not State-certified.

**\*--E Maintaining Appraisal Skills**

Appraisers are required to maintain their appraisal skills by remaining actively engaged in all areas of real estate appraisal work. To maintain skills, appraisers holding an active certified general appraiser credential in any State or Territory must schedule work with their supervisor in a manner so as to complete a minimum of 10 appraisal work credits each FY. Work credits may be earned at the following rate:

- 2 credits for completing each agricultural property appraisal
- 1 credit for completing each agricultural property desk or field technical review.

**Notes:** Appraiser may earn the minimum credits from any mixture of real estate appraisal work (that is, completion of 3 appraisals (6 credits) and 4 technical reviews (4 credits) would satisfy the annual requirement).

This requirement does not pertain to appraiser trainees.--\*

**147-160 (Reserved)**



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

This Part describes procedures for obligating, paying, and reporting noncontractual expenses and special handling processes for noncontractual and contractual PLCE's. See 42-AS for procedure for purchasing and reporting contractual goods and services.

The following are the 2 types of PLCE's:

- recoverable PLCE's are chargeable to either a borrower or property account
- nonrecoverable PLCE's are not chargeable to a borrower or property account.

**B Program Authority**

Program authorities to request goods and services by contract and make noncontractual payments are in Exhibit 25. Employees with program authority may redelegate their authority to any qualified employee.

If additional program authority is needed above the levels granted in Exhibit 25, SED must forward a written request to the Director, LMD by FAX at 202-690-1117 or mail to:

DIRECTOR  
USDA FSA DAFLP LMD  
STOP 0522  
1400 INDEPENDENCE AVE SW  
WASHINGTON DC 20250-0522.

## 162 FFIS

**A Background**

FFIS is a mainframe software package for authorized agency users to record, monitor, and control all activities in the “Type 60” PLCE spending process.

**Note:** All reference to PLCE activity as “Type 60’s” and using the “60” numbering system for PLCE items are obsolete.

PLCE data recorded in FFIS includes State allocations, obligations, invoices, disbursements, and post-payment modifications. Borrower and property loan information is validated and stored in the BOPR table in FSIS to ensure that data backed to is accurate.

SED shall ensure that an adequate number of employees are trained, delegated authority, and have the proper security clearance, user ID, and password to input and approve transactions using FFIS.

The Program Loan Cost Expense - Foundation Financial Information System Fast Facts Desktop Reference Guide and Procedure Guide for FFIS Program Loan Cost Expense - Field Users Guide are available electronically at

<https://arcticocean.sc.egov.usda.gov/flp/IndexServlet>. Individuals should use the guides to:

- monitor State allocations and available balances of PLCE funds
- process obligations and invoices
- respond to vendor inquiries related to invoice and disbursement activity.

The guides provide instructions for:

- processing obligations
- modifying obligations
- canceling obligations
- processing invoices
- navigating through inquiry tables to verify updates and monitoring allocations and expenditures
- understanding the spending chain
- understanding document referencing
- responding to vendor inquiries
- error code inquiries
- establishing vendor codes.

## 162 FFIS (Continued)

**B Using EFT**

The Debt Collection Improvement Act of 1996 mandates using the EFT payment method for Government disbursements. EFT enables FSA to pay for goods and services electronically by direct deposit of the payment. FAR and Treasury regulations at 31 CFR Part 208 allow for the following exceptions to the EFT requirement:

- \*--Federal and local government vendors--\*
- employees
- nonemployee travelers
- foreign vendors not operating on U.S. soil
- individuals that do not have an account at a financial institution
- operational hardship.

**Note:** This applies if the vendor's regular business process will be severely hindered by receiving payment through EFT.

## 162 FFIS (Continued)

**C VID Number**

All vendors must have a VID number assigned before processing FFIS obligations and disbursements. The VID number is a:

- unique number used to identify vendors, organizations, and persons to whom USDA makes payments or from whom USDA collects receivables
- combination of the vendor's TIN, SSN, or EIN plus a 2-position character for identifying multiple addresses for those vendors operating under a single TIN, but at multiple locations.

State Office employees will access the VEND FFIS vendor table using the vendor's TIN/SSN/EIN to determine whether the vendor has been established.

If the vendor is not in the FFIS vendor table, complete FSA-2173 and enter requests through \*-FFIS using the PVND screen. Issues and concerns about VID numbers can be addressed with the PLCE team member associated with each State as follows:

- Brian Huffman, FCG, by any of the following:
  - telephone at 314-679-6724
  - e-mail to **brian.huffman@stl.usda.gov**
  - FCG FAX to 314-679-6732
- Erin Greco, FCG, by any of the following:
  - telephone at 314-679-6728
  - e-mail to **erin.greco@stl.usda.gov**
  - FCG FAX to 314-679-6732
- Kelly Holdman, FAD, AOB, by any of the following:
  - telephone at 816-926-6246
  - e-mail to **kelly.holdman@kcc.usda.gov**
  - AOB FAX to 816-926-5466.--\*

**162 FFIS (Continued)****\*--D Employees as Vendors**

Employees are permitted to incur costs on behalf of FSA to obtain copies of courthouse documents provided **prior budget approval is obtained** from the PLCE Monitor. If preapproval of the expenditure is not received from the PLCE Monitor, the cost may not be reimbursable.

FLC will sign FSA-2126 for all employee reimbursements requests.

Employees will **not**:

- act as a vendor for “convenience” of the office, applicant or borrower
- act as a vendor whenever “L”, “R”, or “S” funds are used
- be asked or required to use personal funds for miscellaneous expenses with repayment through PLCE funding at a later time
- be a vendor when an expense can be handled through normal PLCE processes
- file for reimbursement of any PLCE on a travel voucher, SF-1164, or by any other means other than FSA-2126.

**Note:** FSA employees are already established as vendors in FFIS. When the vendor is an FSA employee, VID is the employee’s SSN plus “E S” at the end of the entry.

**Example:** 123456789E S.--\*

**163 Allocating PLCE Funds****A National Office Allocation of PLCE Funds to States**

The National Office allocates PLCE funds to each State or group of States that has FLC. The most recent allocations and balances are available in FFIS on the Allocation (ALOC) Screen.

**\*--Note:** PLCE funds are not suballocated to the County Office level.

The National Office divides each State allocation into 4 accounts. Each account has its own purpose and designated loan cohort.

- ACIF Program Account (nonrecoverable). This “A” account is used to pay PLCE’s that are not chargeable to a borrower or inventory property account. The “A” account fund code is identified as “2360” in FFIS ALOC table.--\*

## 163 Allocating PLCE Funds (Continued)

## A National Office Allocation of PLCE Funds to States (Continued)

- \*--ACIF Direct Loan Financing Account (recoverable). This “R” account is used to pay PLCE’s that are chargeable to a borrower or inventory property account in which the loan was obligated in FY 1992 or subsequent years. The “R” account fund code is identified as “5360” in FFIS ALOC table.
- ACIF Liquidating Account (recoverable). This “L” account is used to pay PLCE’s that are chargeable to a borrower or inventory property account in which the loan was obligated before FY 1992. The “L” account fund code is identified as “1360” in FFIS ALOC table.

**Note:** Always use **the original loan obligation date** on rescheduled or reamortized loans when determining the proper recoverable (“R” or “L”) account to be charged.

- Recovery Act - Direct Financing Account - Capital Investment (recoverable). This “S” account is used to pay PLCE’s that are chargeable to a borrower or inventory property account in which the loan was obligated using ARRA (“Stimulus”) identified loan funds. “S” loans are identified by the Type of Assistance for obligation: 5xx, 5xx, etc. The “S” account is identified as “5160” in the ALOC table in FFIS.

FSA assigns recoverable PLCE’s to specific loans, except ARRA (“Stimulus”) loans. When a specific recoverable PLCE applies to more than 1 loan, the oldest outstanding loan, which is the loan with the earliest obligation date, of the same type will determine which recoverable account (“L” or “R”) will be charged.

**Notes:** Only “S” funds will be used to obligate and pay PLCE items for ARRA (“Stimulus”) loan. The use of “L” or “R” funds for ARRA (“Stimulus”) loans is not authorized.--\*

A State Office cannot shift funds among the “A”, “R”, and “L” accounts. Each State Office must keep these fund purposes and amounts in mind when planning the timing of obligations and disbursements.

Because of anticipated demand for “A” account funds, State Offices should spend “A” account funds only for services that cannot be performed internally by FSA.

\*--**Notes:** Using purchase cards for a PLCE activity for an FLP loan applicant or borrower is not authorized.--\*

**163 Allocating PLCE Funds (Continued)****A National Office Allocation of PLCE Funds to States (Continued)**

If additional funds are required, SED must submit a written request to the Director, LMD by FAX at 202-690-1117 or mail to:

DIRECTOR  
USDA FSA DAFLP LMD  
STOP 0522  
1400 INDEPENDENCE AVE SW  
WASHINGTON DC 20250-0522

The National Office does not allocate funds from the Guaranteed Account (recoverable) to State Offices. Requests for funds to pay PLCE's chargeable to a guaranteed loan or property account obligated in FY 1992 and subsequent years must be submitted to LMD.

**B State Office Allocation of PLCE's**

Each State Office must certify PLCE fund availability through the State Office PLCE Monitor and process payments electronically using FFIS with a digital signature.

The PLCE Monitor is responsible for monitoring obligations and disbursements of PLCE-allocated monies by account to avoid violating the Anti-Deficiency Act. Specifically, the State Office FLP staff is:

- responsible for determining and documenting how these monies will best be used to meet program goals and objectives
- accountable for the proper use of these monies.

**\*--C Using PLCE's**

All PLCE obligations and disbursements must occur on a "requirement and consideration" basis. There must be a specific need for a specific loan applicant or borrower. Obligating lump sum amounts or "banking" PLCE funds, for a specific vendor, is prohibited and a violation of the Anti-Deficiency Act. The obligation of PLCE funds in one FY for use in another FY without a specific requirement also violates the Anti-Deficiency Act and is not permitted.--\*

## 163 Allocating PLCE Funds (Continued)

**\*--C Using PLCE's (Continued)**

Example of permissible and not permissible are as follows:

- **Permissible:** On September 25, 2010, the county office requests a title opinion in preparation for an upcoming foreclosure sale for a particular borrower. The PLCE commitment is created the same day; however, it is **not** until November 1, 2010, that the vendor delivers the title opinion and requests payment.
- **Not Permissible:** On September 25, 2010, the State Office decides to set aside \$xxx for real estate appraisals needed in the next FY. There is no immediate need for the obligation; however, the State wants to “use up” the remaining FY 2010 “L” allocation and draw-down funds from the one MY obligation on an as-needed basis in FY 2011.

**Note:** For electronic UCC filings with the Secretary of State Office see subparagraph D.

SED must issue a State supplement that:

- covers the proper handling of requests for real estate appraisals, UCC activity, and any other PLCE involving using a Federal contract or blanket purchase agreement--\*

\* \* \*

- identifies its method of certifying fund availability
- identifies the PLCE Monitor responsible for certifying fund availability.

**\*--D Guidance for Electronic UCC Activity**

State Offices may establish accounts with the Secretary of State office using a draw-down process to meet UCC electronic or central filing requirements. This account will be established using “R” funds.

When “L”, “R”, or “S” funds are used to renew a UCC filing for an account in foreclosure, a check will be obtained for that specific UCC filing. Post-payment modifications or post-payment adjustments will **not** be used to accomplish this task. Each UCC filing that requires using recoverable PLCE funds will be processed on an individual, as needed basis; that is, 1 obligation document to 1 borrower.

State Offices with Secretary of State UCC accounts must establish a tracking system to monitor accurate billing and ensure that FLP UCC activity is not commingled with CCC or farm program filings. PLCE funds may be used only for FLP loan applicants and borrowers.--\*

## 164 Program Authority Codes

### A Purpose

To obligate and control funds, track expenses, and determine program authority, each type of expense must be identified by a unique 4-alphanumeric-character PAC that is found in Exhibit 25.

PAC's are used to determine:

- if a particular expense can be authorized
- who can authorize it
- whether it must be obtained through contractual or noncontractual means
- whether the expense is recoverable or nonrecoverable.

### \*--B Program Authority

PLCE items are considered financial transactions, commonly referred to as “noncontractuals,” and not procurement items when the:

- purpose of the expenditure is related to the collection of the Promissory Note, preserves or protects any security for the loan, or is in compliance with the terms of any security agreement or other security instrument executed in connection with the loan
- cost item falls below the micro-purchase threshold of \$3,000
- cost item is not anticipated to be a repetitive need for services.

Examples of financial transactions include the following:

- advertising Government property for sale
- obtaining a title opinion or updating an abstract
- securing inventory property to prevent vandalism.

Examples of procurement items include the following:

- real estate appraisals
- using a third party for handling legal document processing
- hiring a third party to conduct year end analyses or make field visits.

**Note:** Transactions listed in Exhibit 25 under the category, “Loan Account Maintenance” are exempt from FAR and AGAR provisions and not subject to the micro-purchase threshold. They will always be processed as financial transactions using FSA-2126.

## 164 Program Authority Codes (Continued)

**\*--B Program Authority (Continued)**

PAC's with "SC" authority:

- may be acquired at the County Office level after receiving budget approval from the PLCE Monitor
- do not require a contracting officer
- will be obtained equitably from available qualified sources whenever possible.

PAC's with "S" authority only:

- must be processed at the State Office level
- may require a contracting officer.

PAC's with "A" authority:

- must be submitted to the Director, DAFLP, LMD
- may be used only after approval by the Administrator and/or designee.

**C PAC Formats**

PAC's have been consolidated into 3 categories, "Loan Making", "Loan Servicing", and "Inventory Property". All transactions fall under 1 of the 3 categories. **The 2<sup>nd</sup> digit of the new PAC is not associated with a program activity.**

Several PAC's have been combined and clarifications made in the Exhibit 25 "Note" section. If a "Comment" is annotated for the selected PAC, County Offices and PLCE Monitors should review the Exhibit 25 "Note" section for usage clarification or application.

Although the column entitled, "PAC Code", reflects only 3 digits, the 4-digit PAC format is **not** changing at this time. The letter "F" will always be the first character of PAC, followed by the 3 digits provided in Exhibit 25 for each contract purpose detail; for example, "F1A1", "F4D4", "F5N3", etc.

**Note:** The "Custodial" Program Activity, represented by a "3", has been eliminated in its entirety and may not be used. The "Acquired" Program Activity, represented by a "4", has been eliminated as a program activity; however, certain PAC's containing a "4" have been retained. Using a "4" is **not** reflective of the loan's status; rather, it is used to derive the appropriate funding source associated with that code in FFIS. It is possible to have PLCE PAC with a "4" even though the account is not in foreclosure. If the account has been accelerated or is in active foreclosure, use PAC for that PLCE item regardless of its configuration.--\*

**164 Program Authority Codes (Continued)****\*--D Type of Expense**

Exhibit 25 indicates whether the expense is as follows:

- recoverable
- nonrecoverable
- either recoverable or nonrecoverable.

**E Historical PAC Reference**

Exhibit 26 will be retained for reference.--\*

**165 Using PLCE for Contractual Purchases or Services****A Obtaining Contractual Services**

FSA uses FAR (48 CFR Part 1), Agriculture Acquisition Regulation (48 CFR Parts 401-453), USDA DR's and notices, and FSA notices to manage acquisitions.

\*--SF-1449 shall be used for PLCE contractual supplies and services.--\*

All contractual documents must have the signature of a warranted Contracting Officer. As specified by FAR 1.602-1(b), only the Contracting Officer has the authority to enter into an agreement with a vendor for contractual supplies or services. All documents signed by the Contracting Officer must be within the limits of the Contracting Officer's authority. Approved contractual documents will be processed in FFIS by an employee with delegated authority and the required security login and passwords. A warrant is not required for inputting or approving FFIS transactions.

**Note:** See paragraphs 163 and 164 for FLP responsibilities for PLCE monitoring and budget approval.

166 Using PLCE for Noncontractual Cost Items

A Obligating Funds for Noncontractuals

Obligate funds for noncontractual cost items according to the following.

Step	Action
1	<p>County Offices shall:</p> <ul style="list-style-type: none"> <li>• maintain a copy of all FSA-2126's in chronological order using the initial obligation (MY) document number</li> </ul> <p><b>Note:</b> Certification of Services Received (TY) documents should be filed with the associated MY document.</p> <ul style="list-style-type: none"> <li>• FAX a request for funding approval to the State Office FLP, Attn: PLCE *--Monitor. The request must include the following:--*</li> </ul> <ul style="list-style-type: none"> <li>• completed FSA-2126 signed by the authorized agency official</li> <li>• the ADPS Online Borrower History (OH) Inquiry (1<sup>st</sup> page) or AP Status *--Screens may be attached for verification of the "L", "R", or "S" account.</li> </ul>
2	<p>State Offices shall:</p> <ul style="list-style-type: none"> <li>• check Exhibit 25 for proper PAC and authority to complete the request</li> <li>• check the BOPR table in FFIS to verify PLCE account "L", "R", or "S" account--*</li> <li>• review and approve using funds by signing and dating FSA-2126</li> <li>• establish new vendors with a VID number</li> <li>• use electronic payment whenever possible</li> <li>• enter the information into FFIS for obligation (MY)</li> <li>• enter the MY document number on FSA-2126 and return a copy to the initiating office.</li> </ul>

\*--For many PLCE financial transactions, such as paying delinquent real estate taxes, the cost--\* item will be submitted for obligation and payment at the same time. In these instances, submit one FSA-2126 with both the obligation and certification of services parts completed. Submit the invoice with FSA-2126 and check (✓) the box at the top of FSA-2126 to indicate that the invoice is attached.

166 Using PLCE for Noncontractual Cost Items (Continued)

**B Making Payments for Noncontractuals**

Make payments for noncontractual cost items according to the following.

**Note:** No action is required if the invoice and supporting documentation were submitted with the initial obligation and FSA-2126, item 12A was checked.

Step	Action
1	<p>The County Office shall:</p> <ul style="list-style-type: none"> <li>• receive or obtain an invoice from the vendor or prepare FSA-2171 with supporting documentation, if not available</li> <li>• check (✓) FSA-2126, item 12A and complete item 12B on the copy of the initial approved FSA-2126 which was received back from the State Office</li> <li>• FAX the completed invoice or supporting documentation with the copy of FSA-2126, to the State Office, to certify services received and request a payment through FFIS</li> <li>• file a copy of all FSA-2126 requests in the operational file and all pertinent documents in the case file.</li> </ul>
2	<p>The State Office shall:</p> <ul style="list-style-type: none"> <li>• verify the information on the invoice</li> <li>• enter the information into FFIS for payment (TY)</li> <li>• maintain logs and file all pertinent documents as necessary.</li> </ul>

For multiple payments on a single obligation, submit a separate FSA-2126 to certify services received and indicate that the request is for a partial payment. Include the obligation MY document number when requesting each payment.

**167 Modification or Cancellation of Obligation****A Modifying or Canceling an Obligation**

Contractual or noncontractual modifications or cancellations of the financial obligations that have not been fully liquidated in FFIS will be initiated on a new FSA-2126. On FSA-2126, check (✓) “No” in item 4A and complete items 11A, 11B, and Part D. FAX FSA-2126 to the State Office for processing. See FFIS-PLCE Field Office Users Guide, Sections 3.4 and 3.5 for additional guidance.

If the funds have been disbursed with a TY transaction, a “Post Payment Modification” must ~~be~~ processed by PARLC, LAO (FFIS Team). These will include changes to borrower information, PAC’s, and PLCE account. The “Post Payment Modification” will be initiated on FSA-2126. The State Office must FAX FSA-2126 and a copy of the PVHT and PVLТ Screens to PARLC, LAO (FFIS Team) at 314-679-6732 for transaction processing. ~~be~~\*

**Note:** Contracting Officers should be informed of any modification or cancellations of financial obligations to contractual requests.

## 168 Stopping Payments, Substituting or Replacing Checks, Canceling Checks, and Requesting Emergency Payments

### A Stopping Payments for Funds Not Issued

If the TY document has:

- not been processed delete the miscellaneous order (MY) document
- \*--been processed, contact PARLC, LAO (FFIS Team) by FAX at 314-679-6732 at least 3 workdays in advance of the scheduled date and provide the MY and TY document numbers and the reason for stopping the payment.

**Note:** PARLC, LAO (FFIS Team) cannot stop a check from being issued if the scheduled--\* date is within 3 workdays of the current date. The scheduled date is found in the “Schd Date” field of the FFIS PVHT Screen.

### B Inquiring on Mishandled/Lost Disbursement

Before inquiring on a mishandled disbursement, the authorized agency official should determine whether the funds were sent to the vendor’s appropriate “Remit To” address if paid by paper check, or the vendor’s current bank account if paid by EFT. The authorized agency official may do this by reviewing the appropriate vendor record in the FFIS vendor table.

If all information is correct on the vendor’s record and the current date is 10 business days after the “Closed Date” field displayed on the FFIS PVHT Screen, the authorized agency official shall FAX an inquiry request that contains the following information to the \*--PARLC, LAO (FFIS Team) at 314-679-6732:--\*

- TY document identification number
- schedule number
- check or EFT number
- check or EFT date
- VID number.

PARLC, LAO (FFIS Team) will initiate an inquiry to NFC about the disbursement and will notify the State Office after receiving a response on the inquiry.

**Note:** If the vendor’s financial institution has returned an EFT disbursement to Treasury or the physical Treasury check has been returned to FSA, a replacement disbursement cannot be issued until funds are restored to the original obligation.

## 168 Stopping Payments, Substituting or Replacing Checks, Canceling Checks, and Requesting Emergency Payments (Continued)

### C Canceling Checks and EFT Payments

\*--See FFIS PLCE Field User's Guide for instructions on canceling checks.--\*

From the Treasury, the funds will be electronically returned to NFC and applied back to the original obligation (MY) document. If the funds should be returned to the State's allocation, the obligation (MY) document must be canceled in FFIS.

When canceling an EFT payment, the vendor must contact their bank and ask the bank to return the electronic funds back to the Treasury.

**Note:** FAX FSA-2072 and PVHT and PVLТ screen prints that correspond with EFT being  
\*--cancelled to PARLC, LAO (FFIS Team) at 314-679-6732.--\*

### D Requesting Emergency Payments (For Noncontractual Cost Items Only)

The authorized agency official must use the following procedure to obtain an emergency payment.

- The funds **must** be obligated in FFIS by the State Office before requesting an emergency payment.

**Note:** An emergency payment will **not** be issued if the funds are not obligated in FFIS by the State Office.

\*-- PARLC, LAO (FFIS Team) must receive a copy of the OBLH/OBLL screens,--\*  
invoice, and FSA-2126 for noncontractuals, before making emergency payments.

**168 Stopping Payments, Substituting or Replacing Checks, Canceling Checks, and Requesting Emergency Payments (Continued)**

**D Requesting Emergency Payments (Continued)**

- \*--The authorized agency official should express mail or FAX the OBLH/OBLL screens, invoice, and FSA-2126 to the applicable FLOO contact according to paragraph 5.--\*

\* \* \*

- After sending the documents, the authorized agency official should call the appropriate \*--Loan Operations Division group to confirm receipt.--\*
- The authorized agency official also must send a completed FSA-2172.
- To authorize the emergency payment, SED or designee must sign FSA-2172.
- The Department of Treasury shall transfer the funds approximately 2 workdays after receiving the request. FSA may request same-day electronic disbursements.
- If EFT is not available, FLOO shall ensure that a Treasury check is issued within 2 workdays after receiving the request.

**169-200 (Reserved)**



**252 Borrower Account Classification System (Continued)**

**F Account Classification**

A weighted percentage of the score for each of the 4 measures of financial performance and operation stability identified in subparagraphs B through E, are used in the FBP to calculate the total overall score.

Total Overall Score = weighted current ratio score + weighted debt to asset ratio score + weighted return on assets ratio score + weighted TDCLC ratio score.

The following table provides the borrower account classification based on the total overall score.

<b>Total Overall Score</b>	<b>Classification</b>	<b>Classification Category</b>
1 to 1.59	1	Commercial
1.6 to 2.19	2	Standard
2.2 to 2.79	3	Acceptable
2.8 to 4	4	Marginal

\*\*\*

**253-260 (Reserved)**



**Reports, Forms, Abbreviations, and Delegations of Authority**

**Reports**

This table lists the required reports of this handbook.

<b>Reports Control Number</b>	<b>Title</b>	<b>Reporting Period</b>	<b>Submission Date</b>	<b>Negative Reports</b>	<b>Reference</b>
FLP4	FLPRA Annual Report	Annually	By February 1 each year	Required	403

**Forms**

This table lists all forms referenced in this handbook.

<b>Number</b>	<b>Title</b>	<b>Display Reference</b>	<b>Reference</b>
CCC-10	Representations for Commodity Credit Corporation or Farm Service Agency Loans and Authorization to File a Financing Statement and Related Documents		Ex. 35
CCC-257	Schedule of Deposit		Ex. 35
FmHA 2006-21	Information Systems Management (ISM) Request for Changes to User Documentation		52
FSA-13-A	Data Security Access Authorization Form		Ex. 15
FSA-137	Address Information Request		46
FSA-159	Request for Supplies, Forms, and/or Publications		Ex. 5, 17
FSA-470	Tractor Feed Post Card for Metered Postage		46
FSA-603	Collection Register for State and County Offices		Ex. 35
FSA-851	Environmental Risk Survey Form		Ex. 35
FSA-2001	Request for Direct Loan Assistance		44, 47, 48, Ex. 35
FSA-2007	Statement Required by the Privacy Act for Non-Applicants		48
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, 35
FSA-2072	Cancellation of U.S. Treasury Check and/or Obligation		168

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

## Forms (Continued)

Number	Title	Display Reference	Reference
FSA-2101	DD FLP Oversight Report Guide		443
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-2125	Farm Loan Program County Information File Changes		46
FSA-2126	Program Loan Cost Expense (PLCE) Request (Non-Contractuals only)		162, 164, 166-168
FSA-2139	Notification of Exemption From Requirement to Provide Social Security Number		102
FSA-2140	Deposit Agreement		101, 102
FSA-2141	Interest-Bearing Deposit Agreement		102
FSA-2142	Statement of Deposits and Withdrawals		103
FSA-2144	Designated Financial Institution Pledge of Collateral		102
FSA-2145	Demand for Withdrawal of Supervised Bank Account Funds		103
FSA-2150	Development Plan		122, 125
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-2171	Substitute Invoice		166
FSA-2172	Request for Emergency Payment		168
FSA-2173	Foundation Financial Information System (FFIS) Vendor Code Request		162
FSA-2201	Lender's Agreement		47, Ex. 35
FSA-2211	Application for Guarantee		44, 47

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

## Forms (Continued)

Number	Title	Display Reference	Reference
FSA-2212	Preferred Lender Application For Guarantee		44, 47
FSA-2232	Conditional Commitment		43, Ex. 7
FSA-2233	Lender Certification		43
FSA-2235	Loan Guarantee		Ex. 7
FSA-2242	Assignment of Guarantee		Ex. 7
FSA-2254	Guaranteed Loan Report of Loss		Ex. 35
FSA-2292	Guaranteed Loan Processing Checklist		Ex. 35
FSA-2301	Request For Youth Loan		Ex. 15
FSA-2304	Notice of Incomplete Application		Ex. 35
FSA-2305	Second Notice of Incomplete Application		Ex. 35
FSA-2306	Notice of Application Withdrawal/Pending Withdrawal		Ex. 35
FSA-2307	Notice of Complete Application		Ex. 35
FSA-2308	Notice of Eligibility for FSA Assistance		Ex. 35
FSA-2313	Notification of Loan Approval and Borrower Responsibilities		202
FSA-2318	Agreement for Disposition of Jointly-Owned Property		Ex. 35
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
RD 1922-15	Administrative Appraisal Review for Single Family Housing		143
RD 1940-22	Environmental Checklist for Categorical Exclusions		Ex. 15, 35
SF-1449	Solicitation/Contract/Order for Commercial		165

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

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

## Abbreviations Not Listed in 1-CM

The following abbreviations are not listed in 1-CM.

<b>Approved Abbreviation</b>	<b>Term</b>	<b>Reference</b>
ACIF	Agricultural Credit Insurance Fund	163
ADR	alternative dispute resolution	42
AO	Administrative Officer	25, 27
AOB	Administrative Operations Branch	162
ARRA	American Recovery and Reinvestment Act of 2009	28, 163
BIR	Business Information Report	48
BOPR	Borrower Property Table	162, 166
CDAT	Consent Decree Action Team	Ex. 12, 15
CIP	critical information protection	Ex. 15
CL	conservation loan	29, 45, 201, 222, 223, 251, 263, Ex. 2, 15, 16
CMT	Constant Maturity Treasury	Ex. 17
CNC	currently not collectable	Ex. 12
CONACT	Consolidated Farm and Rural Development Act	1, 21, 29, 251
DDORS	District Director Oversight Reporting System	442, 443
EIN	employer identification number	162, Ex. 15
ERSR	Electronic Repository of Security Requests	53
FAR	Federal Acquisitions Regulation	162, 165
FCAO	Farm Credit Applications Office	49
FCG	financial control group	162
FHP	Farm Home Plan	Ex. 15
FISMA	Federal Information Security Management Act	Ex. 15
FLPRA	Farm Loan Programs Risk Assessment	Part 9
FLS	Farm Loan Specialist	23, 25, 29, 442, 443
FmHA	Farmers Home Administration	2
ISA	installment set-aside	Ex. 15
ITLAP	Indian Tribal Land Acquisition Program	2, Ex. 16

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

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

Approved Abbreviation	Term	Reference
LOC	line of credit	29
LR	limited resource	Ex. 15
MADS	margin after debt service	Ex. 15
OAC	Office of Adjudication and Compliance	Ex. 12
OTI	Opportunity to Improve Plan	25, 27
PAC	Program Authority Code	164, 166, 167
PARLC, LAO (FFIS Team)	Policy, Accounting, Reporting, and Loan Center, Loan Accounting Office	167, 168
PIP	Performance Improvement Plan	25, 27
PLP	Preferred Lender Program	29, 43, 143
PLAS	Program Loan Accounting System	52
PLS	Primary Loan Servicing	25, 27, 29, 144
PVHT	Voucher Header Inquiry Table	167, 168
PVLT	Voucher Line Inquiry Table	167, 168
RCI	recoverable cost items	Ex. 15
SALP	Special Apple Loan Program	2, 29
SDMS	State Directives Management System	403
SEL	standard eligible lender	43
SLR	Security Liaison Representative	53
TC	transaction code	52
TDCLC	term debt capability lease coverage	252
TDLCR	term debt and capital lease coverage ratio	Ex. 15
TY	payment voucher transaction	166, 167, 168
VID	vendor identification	162, 166
WEM	Web Equity Manager	Ex. 15
YEA	year-end analysis	Ex. 15

## Redelegations 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.



**State Supplements**

<b>Subparagraph</b>	<b>State Supplement</b>
3 C	Guidance on notary acknowledgement.
3 D	Guidance on signature requirements.
28 B	Guidance on completing Credit Quality Reviews.
*--29 D	Establish method and standards for raising the loan approval authority limits for FLP's and senior FLO's who routinely show a high than average loanmaking proficiency.  <b>Note:</b> This State supplement must be submitted for preapproval.--*
141 E	Guidance on the process to request: <ul style="list-style-type: none"> <li>• chattel appraisal from a contract appraiser</li> <li>• real estate appraisal.</li> </ul>
*--163 C--*	Guidance on PLCE funds allocated to State Offices.
241 B	<ul style="list-style-type: none"> <li>• List of unit prices for all commodities produced in the State.</li> <li>• 3-year history of disaster declarations by: <ul style="list-style-type: none"> <li>• county</li> <li>• type of disaster</li> <li>• incident period.</li> </ul> </li> </ul>

**Note:** SED's shall:

- issue State supplements according to 1-AS, paragraph 216
- obtain approval of State supplements according to 1-AS, paragraph 220.

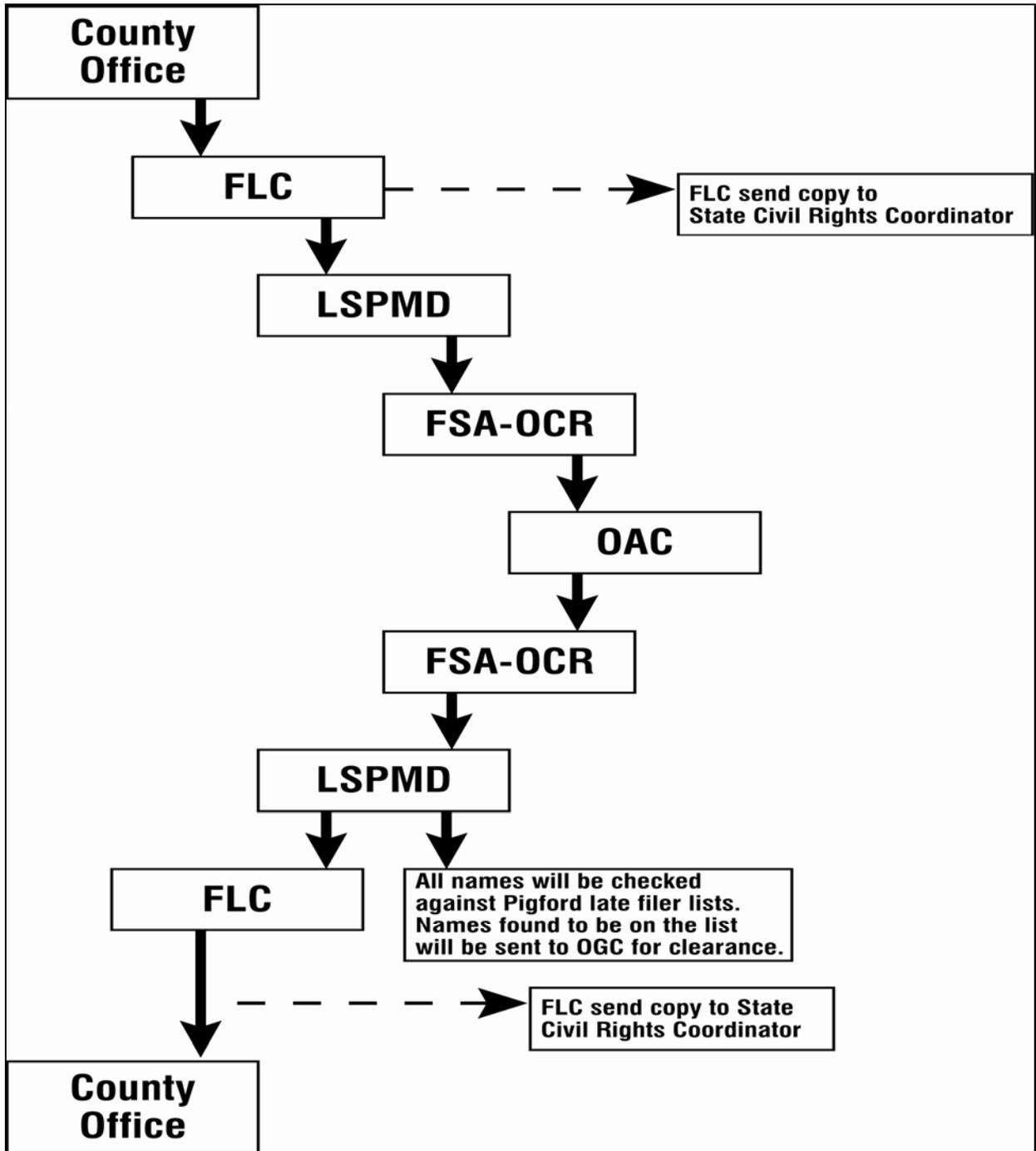


**Discrimination Complaint E-mail Clearance System**

**A General Clearance Process**

\*--The following illustrates the clearance process used before acceleration, foreclosure, and CNC--\*  
for all accounts, except American Indian and African American borrowers as provided in  
subparagraphs B and C.

\*--

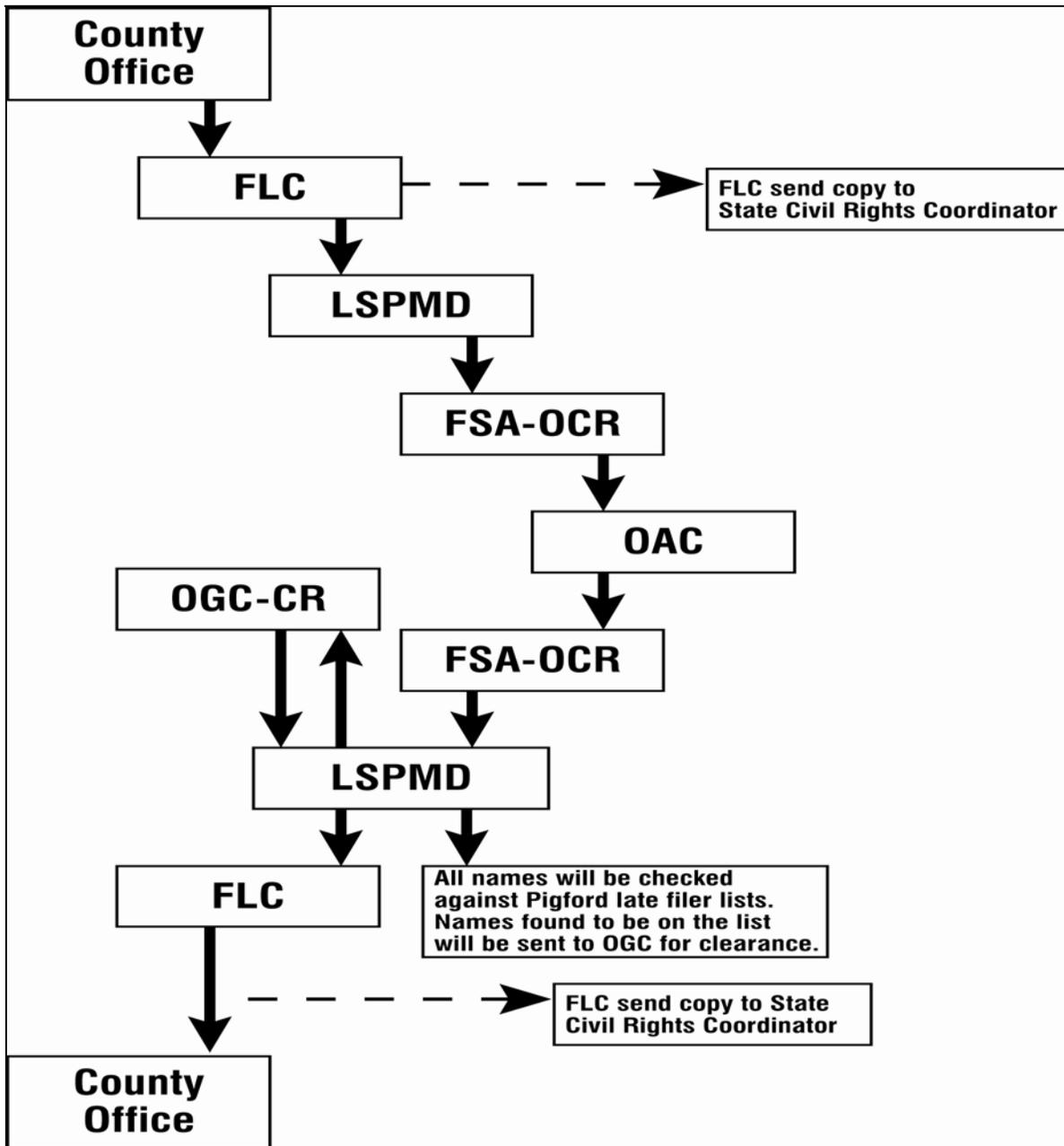


--\*

**Discrimination Complaint E-mail Clearance System (Continued)**

**B Clearance Process for American Indian Borrower's Account**

The following illustrates the clearance process for American Indian borrower's account.



**\*--Notes:** The process in this subparagraph is suspended because of the Settlement Agreement entered into by USDA in the Keepseagle Class Action Lawsuit.--\*

When a review has been completed through this process for pre-acceleration, the OGC Civil Rights review will not be completed for the pre-foreclosure clearance. See subparagraph A for the pre-foreclosure clearance process.

## Instructions for E-Mail to the National Office for Discrimination Complaint Status

### A E-Mail Recipients

FLC or designee shall provide an e-mail to the National Office at **FSA-DIRECTLOANS@wdc.usda.gov**.

### B E-Mail Subject

The e-mail subject block should read, "Civil Rights Complaint Clearance - Borrower's Name and State."

### C E-Mail Attachment

The e-mail message shall:

- be encrypted
- \*--include the following information for the primary borrower:
  - name and 12-digit account number (state and county code and SSN/TIN)
  - complete residence address
  - race
  - gender
  - ethnicity (Hispanic or not Hispanic)
- include the following information for **all liable parties**:
  - name
  - SSN
  - race
  - gender
  - ethnicity (Hispanic or not Hispanic)
- provide the type of request (pre-acceleration, pre-foreclosure, or CNC)
- include prior review history including the following information:
  - previously cleared for acceleration by memo or e-mail on (specific date)
  - case review (specific date) and returned for additional servicing
- include prior civil rights complaint information, including complaint number if known.--\*

**Note:** The prior civil rights complaint information will help to clarify complaints that may have been previously closed or to further identify the race or involvement in pending suits against the government. That is, possible Keepseagle, Pigford, Love, or Garcia; ALJ Case #XXXXXXXX, last contact (specific date).

**Instructions for E-Mail to the National Office for Discrimination Complaint Status (Continued)**

**C E-Mail Attachment (Continued)**

\*--If the case involves a borrower who is a claimant under a Class Action or USDA Settlement Agreement, follow guidance provided under applicable FLP notices.--\*

**\*--Type of Assistance and Fund Codes**

These tables list all types of assistance and fund codes used in DLS, GLS and ADPS.

**A Direct Farm OL**

<b>Type of Assistance Code</b>	<b>Description</b>	<b>Fund Code</b>
050	OL – Limited Resource – 7 year	44
051	OL – Regular (Except Youth) – 7 year	44
052	OL – Youth – 7 year	44
112	OL – Regular (Except Youth) – 1 year	44
117	OL – Limited Resource – 1 year	44
151	OL – Youth – 1 year	44
104	OL – Regular (Except Youth) – 1 year – SDA	44
105	OL – Limited Resource – 7 year – SDA	44
106	OL – Regular (Except Youth) – 7 year – SDA	44
107	OL – Youth – 7 year - SDA	44
119	OL – Limited Resource – 1 year – SDA	44
152	OL – Youth – 1 year – SDA	44
209	OL – Beginning Farmer – Regular – 1 year	44
211	OL – Beginning Farmer – Regular – 7 year	44
217	OL – Beginning Farmer – Limited Resource – 1 year	44
219	OL – Beginning Farmer – Limited Resource – 7 year	44
210	OL – Beginning Farmer – Regular – 1 year – SDA	44
212	OL – Beginning Farmer – Regular – 7 year – SDA	44
218	OL – Beginning Farmer – Limited Resource – 1 year – SDA	44
220	OL – Beginning Farmer – Limited Resource – 7 year – SDA	44

--\*

**\*--Type of Assistance and Fund Codes (Continued)**

**B Direct Farm Operating – ARRA (“Stimulus”)**

**Note:** All loans with types of assistance codes shown in this table were obligated with appropriated funding received under ARRA (“Stimulus”). These types of assistance codes are not available for new loan applications; however, they are applicable for loan servicing activity.

<b>Type of Assistance Code</b>	<b>Description</b>	<b>Fund Code</b>
580	OL – Limited Resource – 7 year	44
570	OL – Regular (Except Youth) – 7 year	44
571	OL – Youth – 7 year	44
564	OL – Regular (Except Youth) – 1 year	44
576	OL – Limited Resource – 1 year	44
565	OL – Youth – 1 year	44
566	OL – Regular (Except Youth) – 1 year – SDA	44
581	OL – Limited Resource – 7 year – SDA	44
572	OL – Regular (Except Youth) – 7 year – SDA	44
573	OL – Youth – 7 year – SDA	44
577	OL – Limited Resource – 1 year – SDA	44
567	OL – Youth – 1 year – SDA	44
568	OL – Beginning Farmer – Regular – 1 year	44
574	OL – Beginning Farmer – Regular – 7 year	44
578	OL – Beginning Farmer – Limited Resource – 1 year	44
582	OL – Beginning Farmer – Limited Resource – 7 year	44
569	OL – Beginning Farmer – Regular – 1 year – SDA	44
575	OL – Beginning Farmer – Regular – 7 year – SDA	44
579	OL – Beginning Farmer – Limited Resource – 1 year – SDA	44
583	OL – Beginning Farmer – Limited Resource – 7 year – SDA	44

--\*

\*--Type of Assistance and Fund Codes (Continued)

**C Guaranteed Farm Operating (Both Subsidized and Nonsubsidized) (G-OL)**

Type of Assistance Code	Description	Fund Code
048	OL – Line of Credit	44
051	OL – Regular (Except Youth) – 7 year	44
153	OL – Regular (Except Youth) – 1 year	44
103	OL – Line of Credit – SDA	44
108	OL – Regular (Except Youth) – 7 year – SDA	44
154	OL – Regular (Except Youth) – 1 year – SDA	44
209	OL – Beginning Farmer – Regular – 1 year	44
211	OL – Beginning Farmer – Regular – 7 year	44
225	OL – Beginning Farmer – Line of Credit	44
210	OL – Beginning Farmer – Regular – 1 year – SDA	44
212	OL – Beginning Farmer – Regular – 7 year – SDA	44
226	OL – Beginning Farmer – Line of Credit – SDA	44

--\*

\*--Type of Assistance and Fund Codes (Continued)

**D Direct FO**

Type of Assistance Code	Description	Fund Code
034	FO – Limited Resource	41
036	FO – Regular	41
231	FO – Participation	41
203	FO – Beginning Farmer – Regular	41
204	FO – Beginning Farmer – Limited Resource	41
200	FO – Beginning Farmer Down Payment	41
234	FO – Beginning Farmer – Participation	41
030	FO – Limited Resource – SDA – Ethnic	41
031	FO – Regular – SDA – Ethnic	41
201	FO – Beginning Farmer Down Payment – SDA – Ethnic	41
205	FO – Beginning Farmer – Regular – SDA – Ethnic	41
207	FO – Beginning Farmer – Limited Resource – SDA – Ethnic	41
232	FO – Participation – SDA – Ethnic	41
235	FO – Beginning Farmer – Participation – SDA – Ethnic	41
485	FO – Non-Beginning Farmer Down Payment – Ethnic	41
124	FO – Regular – SDA – Gender	41
125	FO – Limited Resource – SDA – Gender	41
202	FO – Beginning Farmer Down Payment – SDA – Gender	41
206	FO – Beginning Farmer – Regular – SDA – Gender	41
208	FO – Beginning Farmer – Limited Resource – SDA – Gender	41
233	FO – Participation – SDA – Gender	41
236	FO – Beginning Farmer – Participation – SDA – Gender	41
486	FO – Non-Beginning Farmer Down Payment – Gender	41
110	Homestead Protection – Credit Sales	41

--\*

**\*--Type of Assistance and Fund Codes (Continued)**

**E Direct CL's**

Type of Assistance Code	Description	Fund Code
590	FO – CL – Regular	30
591	FO – CL – Non-Beginning Farmer – SDA – Gender	30
592	FO – CL – Non-Beginning Farmer – SDA – Ethnic	30
593	FO – CL – Priority – Beginning Farmer	30
631	FO – CL – Priority – Beginning Farmer – SDA	30
632	FO – CL – Priority – Convert to Organic and Sustainable Operation	30
633	FO – CL – Priority – Highly Erodible Land Protection	30

**F Guaranteed FO (G-FO)**

Type of Assistance Code	Description	Fund Code
036	FO – Regular	41
203	FO – Beginning Farmer – Regular	41
031	FO – Regular – SDA – Ethnic	41
205	FO – Beginning Farmer – Regular – SDA – Ethnic	41
124	FO – Regular – SDA – Gender	41
206	FO – Beginning Farmer – Regular – SDA – Gender	41

**G Guaranteed CL's (G-CL)**

Type of Assistance Code	Description	Fund Code
596	FO – CL – Regular	30
597	FO – CL – Non-Beginning Farmer – SDA – Gender	30
598	FO – CL – Non-Beginning Farmer – SDA – Ethnic	30
599	FO – CL – Priority – Beginning Farmer	30
634	FO – CL – Priority – Beginning Farmer – SDA	30
635	FO – CL – Priority – Convert to Organic and Sustainable Operation	30
636	FO – CL – Priority – Highly Erodible Land Protection	30

--\*

**\*--Type of Assistance and Fund Codes (Continued)**

**H EM's**

Type of Assistance Code	Description	Fund Code
056	EM – Actual Loss – Real Estate Purpose	43
060	EM – Citrus Grove Rehabilitation/Re-establishment	43
092	EM – Actual Loss – Operating Purposes	43
588	EM – Equine Farmers and Ranchers	43

**I ITLAP**

Type of Assistance Code	Description	Fund Code
042	Indian Land Acquisition	98
043	Indian Land Acquisition – Limited Resource	98

**J Inactive or Obsolete Loan Programs**

**Note:** The types of assistance codes in the table below reflect inactive (currently not funded) loan programs. New loan obligations may not occur using these fund codes; however, they may be applicable for a loan servicing activity, such as an assumption.

Type of Assistance Code	Description	Fund Code
038	Soil and Water – Direct Conservation	35 and 45
109	Soil and Water – Limited Resource	45
130	Soil and Water – Dire Emergency – Secured with Real Estate	45
046	OL – Disaster Assistance	44
049	OL – Debt Adjusted	44
033	FO – Farm Enterprise – Debt Adjusted	41
299	Special Apple Loan Program	39
298	Emergency Loan for Seed Producers Program	44
055	Economic Emergency	29
327	Horse Breeder Loan Program	43
110	Farm Credit Sale	41
037	FO – Non-Farm Enterprise – Regular	41
044	FO – Non-Farm Enterprise – SDA – Ethnic	49
126	FO – Non-Farm Enterprise – SDA – Gender	49

--\*

**FLP Rates**

**A Interest Rates for FLP's**

\*--The following provides interest rates for FLP's as of February 1, 2011.--\*

<b>Loan Type</b>	<b>Current Rate (%)</b>	<b>Date Set</b>
Rural Housing - Farm Loan Purposes		
<b>Note:</b> For the current interest rate, contact the National Office.		
Operating	*--2.25	2/1/11--*
Operating – Limited Resource	5.00	12/1/90
Farm Ownership and Conservation Loans	*--4.75	2/1/11--*
Farm Ownership – Limited Resource	5.00	4/1/86
Farm Ownership – Down Payment	1.50	5/22/08
Farm Ownership – Joint Financing	5.00	3/24/97
Soil and Water	*--4.75	2/1/11--*
Soil and Water – Limited Resource	5.00	7/1/92
Recreation – Individual	*--4.75	2/1/11
Farmer Program – Homestead Protection	4.75	2/1/11
Shared Appreciation Amortization	3.75	2/1/11
Softwood Timber Loans	4.75	2/1/11
Economic Emergency – Operating	2.25	2/1/11
Economic Emergency – Real Estate	4.75	2/1/11--*
Emergency – Amount of Actual Loss	3.75	1/25/94
Emergency – Major Adjustment: Subtitle A Purpose (Excess of Loss)	7.0	1/1/11
Emergency – Major Adjustment: Subtitle B Purpose (Excess of Loss)	*--4.5	2/1/11
Emergency – Annual Production	4.5	2/1/11
Nonprogram - Chattel Property	4.5	2/1/11--*
Nonprogram - Real Property	7.0	1/1/11
Apple Loans	*--.875	2/1/11
Association – Grazing	4.75	2/1/11
Association – Irrigation and Drainage	4.75	2/1/11--*
Indian Land Acquisition	5.00	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://165.221.16.90/dam/ffasforms/forms.html>, and submit it by 1 of the following methods:

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

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

**FLP Rates (Continued)**

**B Treasury Rates**

The following table provides the applicable Treasury rates.

Treasury Rates	Current Rate (%)	Date Set
90-Day Treasury Bill	0.125	10/1/09
Treasury Judgment Rate (see Note)	*--0.30	2/1/11--*

**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 December 31, 2010. 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](http://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

**\*--Program Authority to Request Contract Services and Make Noncontractual Payments – Recoverability of PLCE's – Effective October 1, 2010**

<b>LOAN MAKING</b>					
<b>Contract Purpose</b>	<b>Detail</b>	<b>Comment</b>	<b>PAC Code</b>	<b>Authority</b>	<b>Recoverable/Nonrecoverable</b>
Inspection	Real Estate		1A1	S	Nonrecoverable
	Chattel/Crop		1A2	S	Nonrecoverable
Appraisals	Real Estate	Note 10	1B1	S	Nonrecoverable
	Chattel/Crop		1B2	S	Nonrecoverable
Analysis	Farm Business Planning		1C4	S	Nonrecoverable
	Financial Analysis		1C7	S	Nonrecoverable
Information Services	Data Processing/Info Gathering	Note 6	1D2	S	Nonrecoverable
	Comparable and Market Studies		1D3	S	Nonrecoverable
	Advertising		1D4	SC	Nonrecoverable
	State Database Access Fees	Note 7		S	Nonrecoverable
	SAVE Citizenship Verification Database Access			S	Nonrecoverable
Professional Services	Interpreter Services		1E9	SC	Nonrecoverable
	Mediation (No State Program)		1EA	SC	Nonrecoverable
Environmental	NEPA Compliance	Note 2	1J1	S	Nonrecoverable
	NEPA Environmental Impact Statements		1J2	A	Nonrecoverable
	Archaeological Surveys		1J4	S	Nonrecoverable
	Miscellaneous Historical Preservation Activities		1J5	S	Nonrecoverable
	Endangered Species Studies		1J6	S	Nonrecoverable
	Wetland Delineations		1J7	S	Nonrecoverable
	Phase I Environmental Site Assessments	Note 3	1Jl	S	Nonrecoverable
	Phase II Environmental Site Assessments	Note 3	1Jj	S	Nonrecoverable
Loan Account Maintenance	Legal Documentation Expenses	Note 4	1N5	SC	Nonrecoverable
	Mediation (State Certified Program)		1N6	SC	Nonrecoverable
	Electronic UCC Recording and Filing	Notes 5 & 6	1NE	SC	Recoverable
Managerial	Credit Reports		1Y1	SC	Recoverable
Other	Miscellaneous	Note 1	1Z1	A	Recoverable/Nonrecoverable

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**\*--Program Authority to Request Contract Services and Make Noncontractual Payments – Recoverability of PLCE’s – Effective October 1, 2010 (Continued)**

<b>LOAN SERVICING</b>					
<b>Contract Purpose</b>	<b>Detail</b>	<b>Comment</b>	<b>PAC Code</b>	<b>Authority</b>	<b>Recoverable/Nonrecoverable</b>
Inspection	Real Estate		2A1	S	Nonrecoverable
	Real Estate - Foreclosure Only		4A1	S	Recoverable
	Chattel/Crop		2A2	S	Nonrecoverable
	Chattel/Crop - Foreclosure Only		4A2	S	Recoverable
Appraisals	Real Estate	Note 10	2B1	S	Nonrecoverable
	Real Estate - Foreclosure Only		4B1	S	Recoverable
	Chattel/Crop		2B2	S	Nonrecoverable
	Chattel/Crop - Foreclosure Only		4B2	S	Recoverable
Analysis	Year end Analysis		2C1	S	Nonrecoverable
	Farm Business Planning		2C4	S	Nonrecoverable
	Financial Analysis		2C7	S	Nonrecoverable
Information Services	Data Processing/Info Gathering	Note 6	2D2	S	Nonrecoverable
	Comparable and Market Studies		2D3	S	Nonrecoverable
	Advertising		2D4	SC	Nonrecoverable
	Advertising - Foreclosure Only		4D4	SC	Recoverable
	State Database Access Fees	Note 7		S	Nonrecoverable
	SAVE Citizenship Verification Database Access			S	Nonrecoverable
Professional Services	Surveying		4E2	S	Recoverable
	Investigation		4E3	S	Recoverable
	Bankruptcy		2F4	S	Nonrecoverable
	Foreclosure (Non-Judicial State)		4E5	S	Recoverable
	Title Search/Title Opinion		2E6	SC	Nonrecoverable
	Title Search/Title Opinion - Foreclosure Only		4E6	SC	Recoverable
	Trustee Agency (Foreclosure Actions)		4E7	S	Recoverable
	Auction Costs/Auctioneer	Note 9	4E8	S	Recoverable
	Interpreter Services		2E9	SC	Nonrecoverable
	Mediation (No State Program)		2EA	S	Nonrecoverable
	Mediation (No State Program) - Foreclosure Only		4EA	S	Recoverable
	Attorney Serv. Foreclosure (Judicial)	Note 17	4EB	S	Recoverable
	Litigation Guarantee			SC	Nonrecoverable
	Litigation Guarantee - Foreclosure Only			SC	Recoverable
	Abstract/Stub Abstract			SC	Nonrecoverable

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**\*--Program Authority to Request Contract Services and Make Noncontractual Payments – Recoverability of PLCE's – Effective October 1, 2010 (Continued)**

<b>LOAN SERVICING - continued</b>					
<b>Contract Purpose</b>	<b>Detail</b>	<b>Comment</b>	<b>PAC Code</b>	<b>Authority</b>	<b>Recoverable/Nonrecoverable</b>
Professional Services	Abstract/Stub Abstract - Foreclosure Only			SC	Recoverable
(continued)	Law Enforcement Services	Note 15		S	Recoverable
	Real Estate Broker		4H1	SC	Recoverable
Maintenance/Management	Property Management /Caretaking		4F1	SC	Recoverable
	Hauling		4F2	SC	Recoverable
	Temporary Custodial	Note 14	4F3	SC	Recoverable
	Ground Rents			SC	Recoverable
	Harvesting Costs			SC	Recoverable
	Repairs	Note 14	4G1	SC	Recoverable
Environmental	NEPA Compliance	Note 2	2J1	S	Nonrecoverable
	NEPA Environmental Impact Statements		2J2	A	Nonrecoverable
	Archaeological Surveys		2J4	S	Nonrecoverable
	Miscellaneous Historical Preservation Activities		2J5	S	Nonrecoverable
	Endangered Species Studies		2J6	S	Nonrecoverable
	Wetland Delineations		2J7	S	Nonrecoverable
	Phase 1 Environmental Site Assessments	Note 3	2J1	S	Nonrecoverable
	Phase 1 Environmental Site Assessments - Foreclosure Only	Note 3	4J1	S	Recoverable
	Phase II Environmental Site Assessments	Note 3	2J1	S	Nonrecoverable
	Phase II Environmental Site Assessments - Foreclosure Only	Note 3	4J1	S	Recoverable
	Water Testing/Sewer Inspection			S	Recoverable
Loan Account Maintenance	Real Estate Taxes		2N1	SC	Recoverable
	Personal Property Taxes		2N2	SC	Recoverable
	Insurance	Note 1	2N3	A	Recoverable
	Prior, Junior, & Judgment Liens		2N4	S	Recoverable
	Legal Documentation Expenses	Notes 4 & 13	2N5	SC	Recoverable/Nonrecoverable
	Mediation (State Certified Program)		2N6	SC	Nonrecoverable
	Mediation (State Certified Program) - Foreclosure Only		4N6	SC	Recoverable
	Utilities - Foreclosure Only	Note 16	4NA	SC	Recoverable
	Co-Pay/Homestead Appraisals	Note 10	2ND	S	Nonrecoverable
	Electronic UCC Recording and Filing	Notes 5 & 6	2NE	SC	Recoverable
	Online Bidding Registration Fees - Foreclosure Only			SC	Recoverable
	State Lease	Note 18		SC	Recoverable

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**\*--Program Authority to Request Contract Services and Make Noncontractual Payments – Recoverability of PLCE's – Effective October 1, 2010 (Continued)**

<b>LOAN SERVICING - continued</b>					
<b>Contract Purpose</b>	<b>Detail</b>	<b>Comment</b>	<b>PAC Code</b>	<b>Authority</b>	<b>Recoverable/Nonrecoverable</b>
Managerial	Credit Reports		2Y1	S	Nonrecoverable
Other	Miscellaneous	Note 1	2Z1	A	Recoverable/Nonrecoverable
<b>INVENTORY PROPERTY</b>					
<b>Contract Purpose</b>	<b>Detail</b>	<b>Comment</b>	<b>PAC Code</b>	<b>Authority</b>	<b>Nonrecoverable/Recoverable</b>
Inspection	Real Estate		5A1	S	Nonrecoverable
	Chattels/Crops		5A2	S	Nonrecoverable
Appraisals	Real Estate	Note 10	5B1	S	Nonrecoverable
	Chattel/Crop		5B2	S	Nonrecoverable
Information Services	Advertising		5D4	SC	Recoverable
Professional Services	Surveying		5E2	S	Nonrecoverable
	Investigation		5E3	S	Nonrecoverable
	Title Search/Title Opinion		5E6	SC	Nonrecoverable
	Auction Costs/Auctioneer	Note 9	5E8	S	Recoverable
	Interpreter Services		5E9	SC	Nonrecoverable
	Mediation (No State Program)		5EA	SC	Nonrecoverable
	Attorney Serv. Foreclosure (Judicial)	Note 17	5EB	S	Nonrecoverable
	Law Enforcement Services	Note 15		S	Nonrecoverable
	Real Estate Broker		5H1	SC	Recoverable
Maintenance/Management	Property Management /Caretaking		5F1	SC	Nonrecoverable
	Hauling		5F2	SC	Nonrecoverable
	Ground Rents			SC	Nonrecoverable
	Harvesting Costs			SC	Nonrecoverable
	Repairs	Note 13	5G1	SC	Recoverable
Environmental	NEPA Compliance	Note 2	5J1	S	Nonrecoverable
	NEPA Environmental Impact Statements		5J2	A	Nonrecoverable
	Archaeological Surveys		5J4	S	Nonrecoverable
	Miscellaneous Historical Preservation Activities		5J5	S	Nonrecoverable

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**\*--Program Authority to Request Contract Services and Make Noncontractual Payments – Recoverability of PLCE's – Effective October 1, 2010 (Continued)**

<b>INVENTORY PROPERTY - continued</b>					
<b>Contract Purpose</b>	<b>Detail</b>	<b>Comment</b>	<b>PAC Code</b>	<b>Authority</b>	<b>Nonrecoverable/Recoverable</b>
Environmental - continued	Endangered Species Studies		5J6	S	Nonrecoverable
	Wetland Delineations		5J7	S	Nonrecoverable
	Preliminary Assessments		5J8	S	Recoverable
	Site Inspections/Remedial Investigations	Note 11	5J9	S	Recoverable
	Remedial Actions	Note 11	5JA	S	Recoverable
	Removal Actions	Note 11	5JB	S	Recoverable
	Emergency Response Activities	Notes 11 & 12	5JC	S	Recoverable
	Underground Storage Tank Actions	Notes 11 & 12	5JD	S	Recoverable
	Lead Based Paint Testing/Inspections	Notes 11 & 12	5JF	S	Nonrecoverable
	Lead Based Paint Abatement Activities	Note 11	5JG	S	Recoverable
	Phase I Environmental Site Assessments	Note 11	5JI	S	Nonrecoverable
	Phase II Environmental Site Assessments	Note 3	5JJ	S	Nonrecoverable
	Water Testing/Sewer Inspection	Note 3		S	Nonrecoverable
Loan Account Maintenance	Real Estate Taxes		5N1	SC	Recoverable
	Personal Property Taxes		5N2	SC	Recoverable
	Insurance		5N3	A	Recoverable
	Prior, Junior & Judgment Liens		5N4	S	Recoverable
	Legal Documentation Expenses		5N5	SC	Nonrecoverable
	Mediation (State Certified Program)	Note 4	5N6	SC	Nonrecoverable
	Utilities		5NA	SC	Nonrecoverable
	Selling Points	Note 16	5NC	S	Recoverable
	Right of Way Access	Note 8		S	Recoverable
	State Lease	Note 18		S	Recoverable
Other	Miscellaneous	Note 1	5Z1	A	Nonrecoverable

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**\*--Program Authority to Request Contract Services and Make Noncontractual Payments –  
Recoverability of PLCE's – Effective October 1, 2010 (Continued)**

<u>NOTE</u>	<u>DESCRIPTION</u>
1	Requires written permission to use from the Administrator or Administrator's designee; contact LMD or LSPMD, as applicable
2	Includes NEPA Environmental Assessments and Miscellaneous NEPA Studies
3	These activities refer to due diligence investigations conducted to evaluate real property for the presence of contamination in loan making and loan servicing activities according to 1-EQ
4	Includes recording and filing fees; obtaining copies of plats, mortgages, judgments, etc.; other similarly related expenses at offices such as Clerk of Court, Register of Mesne Conveyance, Register of Deeds, Department of Motor Vehicles, etc.
5	Use for UCC recording and filing in situations when funds have been collected from the applicant and remitted with Miscellaneous code 36 or 38 (Ref. 3-FI, Exhibit 5) to pay Secretary of State, to replenish prepaid accounts or to pay monthly invoices from third party processors for Secretary of State fees only. <b>Use Data Processing code (Information Services/Data Processing) to pay third party processing fees charged FSA to process UCC filings and conduct searches; see Note 6.</b>
6	Includes fees charged by third party processors to process UCC filings and searches.
7	Process as a single source financial transaction; includes access to PACER, state databases for real estate and/or equipment appraisals, etc.
8	Use in the acquisition of real estate or property rights necessary only to sell inventory real property, not for the purpose of increasing the financial return to FSA. Includes easement, right-of-way, ingress/egress.
9	Includes online auction fees, auction storage fees, auction rental fees, auctioneer fees/commission, and other similarly related costs
10	For appraisals completed for Homestead Protection, use ND, "Co-Pay/Homestead Appraisals." Co-Pay appraisals are not authorized for Government Inventory Property.
11	Activities may be conducted on custodial property if necessary to protect the Agency's security interest.
12	These activities are applicable for pre-remedial and remedial response actions conducted pursuant to the Comprehensive Environmental Response Compensation and Liability Act, Resource Conservation and Recovery Act, and Toxic Substance Control Act or State laws governed by these statutes. <b>All response actions shall be conducted by environmental professionals.</b>
13	Servicing activities should be charged as a recoverable cost, <b>except when State law, supported by an opinion from the Regional Attorney</b> , provides otherwise.
14	Expenditures in excess of an aggregate amount of \$1,000 per property as outlined in Handbooks 4-FLP and 5-FLP must have the prior written approval of the SED.

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**\*--Program Authority to Request Contract Services and Make Noncontractual Payments –  
Recoverability of PLCE's – Effective October 1, 2010 (Continued)**

<u>NOTE</u>	<u>DESCRIPTION</u>
15	Includes payment for serving Summons and Complaint in foreclosure proceedings; costs incurred during an eviction; other similar expenses
16	Only essential utilities will be paid, including fuel oil, gas, electricity, and propane in accordance with 4-FLP and 5-FLP
17	Includes cost reimbursement.
18	Includes payments to the Bureau of Land Management, Forest Service, etc.

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**\*--Program Authority to Request Contract Services and Make Noncontractual Payments - Recoverability of PLCE's --  
Before October 1, 2010--\***

Code	Contract Purpose	Code	Detail	Program Activity											
				1-Processing		2-Servicing		3-Custodial		4-Acquired		5-Inventry			
				(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)		
A	Inspection	1	Real Estate	S	N	S	N	S	R	S	R	S	R	S	N
		2	Chattel	S	N	S	N	S	R	S	R	S	R	S	N
		3	Crop	S	N	S	N	S	R	S	R	S	R	S	N
		4	Repairs												
		5	Construction												
		6	Supervisory												
B	Appraisals	1	Real Estate (Note 11)	S	N	S	N	S	R	S	R	S	R	S	N
		2	Chattel (Note 11)	S	N	S	N	S	R	S	R	S	R	S	N
		3	Crop (Note 11)	S	N	S	N	S	R	S	R	S	R	S	N
C	Analysis & Audits	1	Year-end Analysis/Reports/Audits			S	N								
		2	Subordination			S	N								
		3	Graduation			S	N								
		4	Farm Management Specialist	S	N	S	N	S	R	S	R	S	R	S	N
		5	Debt Settlement			S	N	S	R	S	R	S	R	S	N
		6	Budget Plan	S	N	S	N	S	R	S	R	S	R	S	N
		7	Financial Analysis	S	N	S	N	S	R	S	R	S	R	S	N
		8	Interest Credit Renewal												
		9	Account Auditing/CPA Studies												
A	Other Than Above	S	N	S	N	S	R	S	R	S	R	S	N		

**\*--Program Authority to Request Contract Services and Make Noncontractual Payments - Recoverability of PLCE's -- Before October 1, 2010--\***

Third Character: Purpose		Fourth Character: Detail		Program Activity									
Code	Contract Purpose	Code	Detail	1-Processing		2-Servicing		3-Custodial		4-Acquired		5-Inventry	
				(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)
D	Information Services	1	Tax Report & Record Documentation	S	N	S	N						
		2	Data Processing/Info Gathering	S	N	S	N	S	R	S	R	SDC	N
		3	Comparable and Market Studies	S	N	S	N	S	R	S	R	S	N
		4	Advertising	SDC	N	SDC	N	SDC	R	SDC	R	SDC	R
		5	Cost Estimators										
		6	Cost Certification										
		7	Review of Annual Reports										
		8	Wage Match										
E	Other Services	1	Architect & Engineering										
		2	Surveying			S	N	S	R	S	R	S	N
		3	Investigation			S	N	S	R	S	R	S	N
		4	Bankruptcy			S	N	S	R	S	R		
		5	Foreclosure (Non-Judicial State) (Note 1)			S	N	S	R	S	R		
		6	Title Search			SDC	N/R	SDC	R	SDC	R	SDC	N
		7	Trustee Agency (Foreclosure Actions)			S	R	S	R	S	R		
		8	Auctioneer (Note 7)					SDC	R	SDC	R	SDC	R
		9	Interpreter Services	S	N	S	N	S	N	S	N	S	N
		A	Mediation (No State Program)	SDC	N	SDC	N	SDC	R	SDC	R	SDC	N
		B	Attorney Serv. Foreclosure (Judicial) (Note 1)			S	R	S	R	S	R	S	N
		C	Evictions										
		D	Spec. Writing										
		E	Supervisory Visits										

**\*--Program Authority to Request Contract Services and Make Noncontractual Payments - Recoverability of PLCE's -- Before October 1, 2010--\***

Third Character: Purpose Fourth Character: Detail

Code	Contract Purpose	Code	Detail	Program Activity											
				1-Processing		2-Servicing		3-Custodial		4-Acquired		5-Inventory			
				(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)		
F	Maintenance/ Management	1	Property Management/Caretaking					SDC	R	SDC	R	SDC	R		
		2	Hauling					SDC	R	SDC	R	SDC	R		
		3	Temporary Custodial					SDC	R	SDC	R				
		4	Other					S	R	S	R	S	R		
G	Repairs/ Improvements	1	Onsite (Note 3)					SDC	R	SDC	R	SDC	R		
		2	Offsite					SDC	R	SDC	R	SDC	R		
H	Real Estate Broker (Exclusive Listing)	1	Commission					SDC	R	SDC	R	SDC	R		
		2	Bonus					S	R	S	R	S	R		
I	Real Estate Broker (Open Listing)	1	Commission					SDC	R	SDC	R	SDC	R		
		2	Bonus					S	R	S	R	S	R		
J	Environmental (Contractual or Noncontractual) (Note 2)	1	NEPA - Environmental Assessments	S	N	S	N					S	N		
		2	NEPA - Environmental Impact Statements	A	N	A	N					A	N		
		3	Miscellaneous NEPA Studies	S	N	S	N					S	N		
		4	Archaeological Surveys	S	N	S	N					S	N		
		5	Miscellaneous Historical Preservation Activities	S	N	S	N					S	N		
		6	Endangered Species Studies	S	N	S	N					S	N		
		7	Wetland Delineations	S	N	S	N					S	N		
		8	Preliminary Assessments (Notes 3 & 5)											S	R
		9	Site Inspections and Remedial Investigations/Feasibility Studies (Notes 3 & 5)											S	R



**\*--Program Authority to Request Contract Services and Make Noncontractual Payments - Recoverability of PLCE's -- Before October 1, 2010--\***

Third Character: Purpose		Fourth Character: Detail		Program Activity									
Code	Contract Purpose	Code	Detail	1-Processing		2-Servicing		3-Custodial		4-Acquired		5-Inventories	
				(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)
N	Noncontractual Payments (Note 2) (Continued)	A	Utilities					SDC	R	SDC	R	SDC	N
		B	Other										
		C	Selling Points										
		D	Co-Pay/Homestead Appraisals (Note 11)			S	N					S	R
		E	UCC Recording and Filing (Note 9)	SDC	R	SDC	R						
O-X	Reserved												
Y	Managerial	1	Credit Reports	S	R	S	N						
Z	Other	1	Miscellaneous	A	N/R	A	N/R	A	R	A	R	A	N

**\*--Program Authority to Request Contract Services and Make Noncontractual Payments - Recoverability of PLCE's --  
Before October 1, 2010--\***

- Notes:**
- 1) Includes cost reimbursement.
  - 2) An employee does not need a Contracting Officer warrant to process noncontractual payments.
  - 3) These activities are applicable for response actions conducted pursuant to the Comprehensive Environmental Response Compensation and Liability Act, Resource Conservation and Recovery Act, and Toxic Substance Control Act or State laws governed by these statutes. All response actions shall be conducted by environmental professionals.
  - 4) These activities refer to due diligence investigations conducted to evaluate real property for the presence of contamination in loan processing/servicing activities.
  - 5) These activities are conducted on inventory properties and refer to pre-remedial and remedial actions conducted pursuant to environmental statutes listed in Note 3.
  - 6) These activities may be conducted on custodial property to protect the Agency's security interest.
  - 7) For auctioneer services District (D) and County (C) program authority is limited to \$15,000 per property for auctioneer services; Administrator (A) and State Executive Director (S) have no limit.
  - 8) Servicing activities should be charged as a recoverable cost, except when a State supplement based on the State law and an opinion from the Regional Attorney provides otherwise.
  - 9) Use for UCC recording and filing in situations when funds have been collected from the applicant or borrower and remitted with Miscellaneous Code 36 or 38 (Ref 3-FI, Exhibit 5), to pay the Secretary of State or third party processors monthly invoices, or to replenish prepaid accounts. (FINE, F2NE)
  - 10) Use for UCC recording and filing in situations when funds have not been collected from the borrower, to pay the Secretary of State or third party processors monthly invoices, or to replenish prepaid accounts. (F2N5)
  - 11) For appraisals completed in homestead servicing use (F2ND). Co-Pay/Homestead appraisals are not authorized for inventory property. (For inventory property use F5B1.)

Column (a) - Authorities: A = Administrator; S = State Executive Director; D = District Director; C = Farm Loan Manager; Blank = No Authority  
Column (b) - Recoverability: N = Nonrecoverable; R = Recoverable; Blank = No Authority

**DD FLP Oversight Review Source Documents (Continued)**

**Review Part: A      Quarterly Review Items**

*Review Area: 4.      Program Delivery - FLP Goals*

*\*--State goals are established by the National Office for each FY.--\**

Review Items:      **SOURCE DOCUMENTS**

- A.      2006 memo from DAFLP
- B.      Goals set by National Office for State in the 8 goal areas
- C.      Goals set by State for the FLP Service Center in the 8 goal areas
- D.      Discussion with FLP Service Center staff

**Review Part: B      Semi-Annual Review Items**

*\*--All review items are to be completed for the second and fourth quarters of each FY. The minimum number of files to be reviewed is indicated; more than the minimum number of files may be reviewed.--\**

*Review Area: 1.      Direct Loan Making - Loan Security Instruments*

*\*--Review 5 new chattel or crop loans; review all if less than 5.--\**

Review Items:      **SOURCE DOCUMENTS**

- (1)      FBP Credit Action Report
- (2)      *\*--Case file documentation; DLS Security Instrument Information Report--\**
- (3)      Physical check
- (4)      FSA-2318 (if applicable)
- (5)      CCC-10; security pledged by third party (if applicable)

*Review Area: 2. A.      Direct Loan Servicing - Special Servicing*

*\*--Review all accounts listed.--\**

Review Items:      **SOURCE DOCUMENTS**

- (1)      Report Code 565-A, "Borrowers with Expiring Equity Recapture Agreements"
- (2)      Operational file FLP 4-1
- (3)      Case file documentation
- (4)      5-FLP; case file documentation

*Review Area: 2. B.      Direct Loan Servicing - Classification of Borrower Accounts*

*\*--Review requires a count of all accounts that should be classified during current FY.--\**

Review Items:      **SOURCE DOCUMENTS**

- (1)      DLS FLP Application Report; DLS Classification Review Workflow Report;--\*  
FBP classification report
- (2)      8N transaction report in case file \* \* \*
- (3)      *\*--Report Code 736; DLS Classification Review Workflow Report--\**

*Review Area: 2. C.      *\*--Direct Loan Servicing – Year End Analysis--\***

*\*--Review requires a count of accounts with new loans, chattel subordinations, PLS or DSA in previous FY, financially distressed or delinquent accounts and accounts with limited resource loans.--\**

Review Items:      **SOURCE DOCUMENTS**

- (1)      *\*--Report Code 540; Year End Analysis workflow Report; 1-FLP; 3-FLP*
- (2)      Year End Analysis Workflow Report--\*
- (3)      (1) - (2) = (3)

**DD FLP Oversight Review Source Documents (Continued)**

**Review Part: B      Semi-Annual Review Items**

*Review Area: 3. A.      Guaranteed Loan Servicing - Status Reports and Delinquent Accounts*  
Review requires inspection of documents.

- Review Items:      **SOURCE DOCUMENTS**
- (1)      \*--GLS4265; GLS-SR04; GLS-SR02--\*
  - (2)      FLM should initial reviews (not required)
  - (3)      \*--GLS4265; GLS-SR04; GLS-SR02--\*
  - (4) and (5)      2-FLP, paragraph 300; discussion with FLM/FLO; FSA-2254 (all outstanding)

*Review Area: 3. B.      Guaranteed Loan Servicing - Lender Reviews*  
Review requires a count of loans or accounts for each type of lender.

- Review Items:      **SOURCE DOCUMENTS**
- (1), (3), and (5)      2-FLP, paragraph 267; GLS2003
  - (2), (4), and (6)      Record count from operational files

**Review Part: C      Annual Review Items**

*Review Area: 1. A.      Direct Loan Servicing - Borrower Graduation*  
Review all borrower accounts classified as a “1” or “2”.

- Review Items:      **SOURCE DOCUMENTS**
- (1)      Report Code 736, “Annual Review and Classification of FLP Borrowers”;  
DLS Graduation Review Monitoring Report; 4-FLP, Part 4
  - (2)      Graduation operational file; 4-FLP, Part 4; case file documentation
  - (3)      DLS Graduation Review Monitoring Report; Case file documentation;  
4-FLP, Part 4

*Review Area: 1. B.      Direct Loan Servicing - Subordinations*  
Review all accounts with outstanding subordinations.

- Review Items:      **SOURCE DOCUMENTS**
- (1)      DLS Subordination Tracking Report
  - (2) and (3)      DLS Subordination Tracking Report; Discussion with FLM/FLO; 4-FLP,  
Part 6