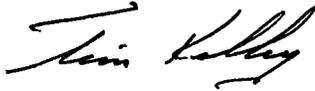


For: County Offices

Guaranteed Loan Servicing-Electronic Funds Transfer

Approved by: State Executive Director



1 Overview

A Background

This notice replaces MO Notice FLP-258 issued August 18, 2005, that expires on October 1, 2006.

The Debt Collection Improvement Act (DCIA) mandated that all government payments should be issued electronically. Payments are made by Financial Electronic Data Interchange (FEDI) through the Automated Clearing House (ACH) network. Instead of receiving paper checks, payments are directly deposited into the lender's account.

Any EFT waiver for guaranteed lenders must be approved by State Office. Unless a waiver is in place, interest assistance subsidy payments and guaranteed loss payments shall be paid by EFT.

B Purpose

To establish procedures to verify and/or establish an EFT account (lender routing and account number) for all branch numbers established under a lender's Tax Identification Number (TIN).

C Contact

Any questions concerning this Notice should be directed to the Farm Loan Programs Section in the State Office.

D Filing Instructions

A copy of this Notice should be filed preceding 2-FLP Handbook.

Disposal Date October 1, 2008	Distribution Farm Loan Teams, County Offices, AFLSs, DDs, CORs
---	---

2 Implementation

A Lender Branch Number

EFT payments are transmitted to a lender based on the established lender **branch number** that is reflected on the View Loan screen for each individual guaranteed loan. A corresponding EFT payment profile must be established for **ALL** the branch numbers under a lender's Tax Identification Number (TIN).

A lender with six (6) different branches that have been established by FSA will need to have 6 different EFT accounts established, one for each branch number. All branches may have the same routing and account number, but a separate EFT account must be established for each and every branch number.

In order for the funds to be transferred electronically, the Lender TIN and **Branch Number** in GLS must match with corresponding Lender TIN and **Branch Number** account information in EFT.

B Funds Transfer

With each Federal payment received, the financial institution will also receive an addendum containing information that identifies the transmission as a guaranteed interest assistance subsidy or loss payment. The addendum also identifies which borrower's account the guaranteed interest assistance subsidy payment should be tied to, and/or which lender's branch account the funds should be applied to. The CCD Plus ACH payment format is used to transmit the payment and addenda records to the financial institution.

C Accessing EFT

Step #1 - Start with NITC logon

```

NNN   NN   IIIIIIII  TTTTTTTT  CCCCCC
NN NN  NN   II      TT      CC
NN NN  NN   II      TT      CC
NN NN  NN   II      TT      CC
NN NN NN   II      TT      CC
NN NN NN   IIIIIIII  TT      CCCCCC

*****      P R O D U C T I O N      *****
*****      4 . 3      *****

USERID =====>
PASSWORD =====>
NEW PASSWORD ==>
NEW PASSWORD ==>          <==== VERIFY NEW PASSWORD

TAKE SESSION ==>
<ENTER> PROCESS   <PF1> HELP   <PF2> TIME   <PF3> END
<PF4>  TERMINAL   <PF5> REFRESH
```

D Accessing EFT Main Menu

Step #2 - Find EFT or Type the number 30 and hit Enter to select EFT.

```

MODEL : LU2 -2/2E          U S D A          USERID: CAC102
LUNAME: TCPT5424          TELEVIEW 4.3      ESCAPE: Attn
COMMAND =====> 30
-----
Sesnum  System  Tag  Application Status  Remarks / Description
-----
28  FKCI2PRD  N  Available          IDMS 12.0 Production
29  FKCI2TST  N  Unavailable        FCIC IDMS 12.0 Test
30  EFT        N  Available          EFT Info Database
31  EFTOVLP   N  Available          EFT Development Database
32  EFTTEST   N  Available          EFT Test Database
33  EFTPFIX   N  Available          EFT Production Fixes
34  CMS        N  Available          Cotton Management System
35  OTIS       Y  Available          Order, Tracking & Invt Sys
36  EISCCP    Y  Available          Exec Info System Plus
37  FMHRCBT   Y  Available          Computer Based Training
38  TSODMS    Y  Available          Document Management Sys.
-----
PF1= HELP PF3= END PF7= PAGE UP PF8= PAGE DOWN PF9= NOTEPAD PF10= ERASE NOTES
    
```

E Lender TIN & Branch #

Prior to processing an interest assistance payment, verify if an EFT account has been established for the Lender TIN and Branch # that matches the lender information found on the GLS “View Loan” screen for the loan account which a payment is being requested.

Step #3 – Select 3. UPDATE GLAS Payment Profile Detail

```

ED00          Electronic Funds Transfer System MENU          06/07/01
CAC102                                               11:06:15

1.  UPDATE Payee Detail
2.  LIST SELECT Payee Account
3.  UPDATE GLAS Payment Profile Detail
4.  LIST SELECT PLAS Borrower Routing
5.  UPDATE PLAS Payment Profile Detail
6.  LIST SELECT AMAS Borrower Routing
7.  UPDATE AMAS Payment Profile Detail
8.  LIST SELECT Active Financial Institution
9.  LIST SELECT Obsolete Financial Institution
10. Treasury Symbol MENU

Select option by typing the number and pressing ENTER:

F3=Exit
    
```

MO Notice FLP-336

Step 4 – Type in the Lender TIN and Branch Number for each loan. The Branch Number is the key identifying link to the EFT account. In Program enter FLP.

```

ED03      Electronic Funds Transfer System      08/08/03
CA734     UPDATE GLAS Payment Profile Detail    13:41:29

Lender Id 000000000 Branch Number 000

Disbursement Type
Program          +

Servicing Contact
Phone Number

----- Payee Account Information -----
Tax Id
Payee Name
Routing Number  +
Account Id
PreNote status
Type
Obsolete as of
Prenote Status Date

Updated by      On

Option      (A)dd (C)hange (D)elele (M)odify and press ENTER
Go To      AD=Acct Dtl RH=Rtg Hist PD=Payee Details PL=Payee Account List

F1=Help F3=Exit F4=Prompt F5=Clear F12=Cancel
    
```

If an EFT account has been established and has been set up correctly, the following information will be displayed.

```

ED03      Electronic Funds Transfer System      08/08/03
CA734     UPDATE GLAS Payment Profile Detail    13:49:45

Lender Id 430216370 Branch Number 001
Disbursement Type LE      LENDER DISBURSEMENT
Program FLP + FARM LOAN PROGRAM

Servicing Contact DEBBIE PETERS
Phone Number 660 397 2266

----- Payee Account Information -----
Tax Id 430216370
Payee Name CITIZENS BANK OF EDINA      Payee Type LENDER
Routing Number 081504172 + CITIZENS BANK
Account Id 00000000001744201 Type C      Obsolete as of
PreNote status A ASSUMED      Prenote Status Date 09/13/1999

Updated by MLD010      On 08/28/1999

Option      (A)dd (C)hange (D)elele (M)odify and press ENTER
Go To      AD=Acct Dtl RH=Rtg Hist PD=Payee Details PL=Payee Account List
CI00809I: Display was successful
F1=Help F3=Exit F4=Prompt F5=Clear F12=Cancel
    
```

Look for the Pre-Note status of V VALID or A ASSUMED VALID.

MO Notice FLP-336

E Lender TIN & Branch #, cont.

If there isn't an EFT account for the Lender TIN & Branch Number, a message will appear: "Payment Profile not found."

```
ED03      Electronic Funds Transfer System      08/08/03
CA734     UPDATE GLAS Payment Profile Detail    14:14:44

Lender Id 431560125 Branch Number 001
Disbursement Type LE LENDER DISBURSEMENT
Program FLP FARM LDAN PROGRAM

Servicing Contact
Phone Number

----- Payee Account Information -----
Tax Id
Payee Name
Routing Number
Account Id
PreNote status

Payee Type
Type
Obsolete as of
Prenote Status Date

Updated by
On

Option (A)dd (C)hange (D)elate (M)odify and press ENTER
Go To AD=Acct Dtl RH=Rtg Hist PD=Payee Details PL=Payee Account List
S000050E: Payment Profile not found
F1=Help F3=Exit F4=Prompt F5=Clear F12=Cancel
```

F Establish EFT Account for Lender

Have the lender complete the FINANCIAL INSTITUTION INFORMATION on the SF-3881, "ACH Vendor / Miscellaneous Payment Enrollment Form." for new accounts and to change an existing EFT lender account.

ACH VENDOR/MISCELLANEOUS PAYMENT ENROLLMENT FORM

The form is used for Automated Clearing House (ACH) payments with an addendum record that contains payment-related information processed through the Vendor Payment Program. Recipients of these payments should bring this information to the attention of their financial institution when presenting the form for completion.

PRIVACY ACT STATEMENT

The following information is provided to comply with the Privacy Act of 1974 (5 U.S.C. 552): All information collected on this form is required under the provisions of 31 U.S.C. 5322 and 31 CFR 210. This information will be used by the Treasury Department to transmit payment data by electronic means to vendor's financial institution. Failure to provide the requested information may delay or prevent the receipt of payments through the Automated Clearing House Payment System.

AGENCY INFORMATION

PAYER/COMPANY INFORMATION

FINANCIAL INSTITUTION INFORMATION

MO Notice FLP-336

G Completing SF-3881

Complete the SF-3881 according to this table.

Financial Institution Information	
Name	Enter the name of the lender.
Address	Enter address correctly. Make sure it matches the same address for the Lender's ID and Branch # in GLS.
ACH Coordinator	Enter the name of the individual who should be contacted if problems with EFT occur.
Telephone #	Enter the telephone # of the ACH Coordinator.
Nine-Digit Routing Transit Number	Enter the 9-digit number which identifies the lender to the Federal Reserve Banking System.
Depositor Account Title	Enter the title of the lender's account.
Depositor Account Number	Enter the lender's account number that ALL deposits will be made by federal agencies. <u>This is NOT a borrower's account.</u> With each Federal payment received, the financial institution will also receive an addendum containing information that identifies the transmission as a guaranteed interest assistance subsidy or loss payment. The addendum also identifies which borrower's account the guaranteed interest assistance subsidy payment should be tied to, and/or which lender's branch account the funds should be applied to.
Type of Account	Checking either "Checking" or "Savings".
Signature and Title of Authorized Official	An authorized official <u>must sign</u> after the SF-3881 has been reviewed for completeness and accuracy. <u>May be the ACH Coordinator.</u>
Telephone Number	Enter the telephone number of the authorized official.

H DO NOT Add or Change EFT Lender Accounts

DO NOT ADD or Change lender EFT information.

Only the Farm Loan Section of the State Office will add a new EFT lender account or change existing EFT lender information.

Send the SF-3881 to the State Office attention: Linda Griffith to change information on an existing EFT lender account or to add a new EFT lender account.

I EFT Lender Review

In order to comply with the intent of the law, the county office will review all active guaranteed loans to be assured that an active and valid EFT account has been established for all of the lenders' branch locations. Remember that a separate EFT account must be established for each and every agency assigned branch number that is under a lender's Tax Identification Number.

J Annual EFT Follow-up

Once a year the county office needs to contact the lender who has an active EFT account and verify:

1. That the routing number is still correct
2. That the EFT account number is still correct and active

File the annual follow-up documentation in the county office lender operational file folder. If the account information is incorrect or not active, notify State Office, FLP Section.