

For: State and County Offices

Electronic Funds Transfers (EFT's) for FLP Disbursements

Approved by: Deputy Administrator, Management



1 Overview

A Background

The Debt Collection Improvement Act (DCIA) of 1996 contained provisions that required using EFT for most Federal payments. According to DCIA, County Offices shall issue disbursements for FLP direct loan funds and interest assistance payments electronically, unless a waiver is in place. Electronically disbursing loan funds is a benefit to a borrower because, in most cases, the funds are available to a borrower 2 **workdays** after the disbursement transaction is successfully processed by FSA.

When a check must be issued, the number of days before funds are available to the borrower is significantly increased because:

- the check has to be mailed to the local office, which can take 3 workdays
- when the borrower deposits the check, there may be a delay in availability of funds of up to 3 to 5 workdays for the check to clear because financial institutions (banks) may not make the funds immediately available after the check is deposited.

B Purpose

This notice provides:

- instructions for issuing FLP direct loan disbursements through EFT
- instructions for issuing FLP guaranteed loan interest assistance payments through EFT
- answers to frequently asked EFT questions.

Disposal Date	Distribution
January 1, 2008	State Offices; State Offices relay to County Offices

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1 Overview (Continued)

C Contacts

If there are any questions about this notice, County Offices shall contact their State Office. State Offices shall contact Carolyn Lane at 314-539-3481.

D Farm Loan Operations Office (FLOO) Contacts

When required, State and County Offices shall contact FLOO for EFT processing according to the following table.

Office	Telephone Number	FAX Number
Loan Servicing Group I		
States 01-32	314-539-6154	314-539-3111
Loan Servicing Group II		
States 33-64	314-539-6154	314-539-6447

2 Action

A County Office Action

County Offices shall:

- immediately implement EFT processing for direct loan disbursements and interest assistance payments
- encourage applicants and borrowers to use EFT.

B State Office Action

State Offices shall monitor County Offices to ensure that they implement EFT processing.

Notes: FSA is required to report to Treasury the percentage of payments that are made by EFT versus paper check. FLOO will monitor County Office implementation and provide the following reports to the State Office on a monthly basis:

- Report 389-03V PLAS EFT/Check Activity Report
- Report 389-03W PLAS EFT/Check Activity Report Detail Records.
- Report 389-03V GLAS EFT/Check Activity Report
- Report 389-999A GLAS EFT/Check Activity Report Detail Records.

State Offices shall use these reports to monitor EFT compliance. FLOO shall provide monthly reports to the National Office to be used to monitor State Office compliance with DCIA provisions of Federal payments.

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3 EFT System Access

A Update/Inquiry Authority

Update and/or inquiry authority in the Guaranteed Loan System (GLS) is required to access the EFT system. Employees located in County Offices, who perform ADPS functions and do not have this authority, shall request access to the National Information Technology Center (NITC) through the State Security Officer to the FSA Kansas City Security Office.

B Security Access

County Offices should access the Electronic Repository for Security Requests (ERSR) to request access to NITC. To access ERSR, from FSA's Intranet Homepage, under Links, CLICK "FSA Applications". Under the Administrative Applications heading, CLICK "ERSR". County Offices shall work with the State Security Officer if there are any questions in requesting access to ERSR.

Note: If there are questions, State Offices may contact the FSA KC Information Systems Security Office at 816-926-6537.

4 Terminology Used in Processing EFT for FLP

A Terms

The following table provides definitions for terms in this notice for EFT processing.

Term	Definition
Automated Clearing House (ACH)	<u>ACH</u> is an allowable EFT method for next day disbursement of funds through Treasury. The EFT system will disburse funds through ACH on the 2nd workday following the update of the check request transaction.
Addenda Record	An <u>addenda record</u> is a record attached to each EFT transaction to identify the disbursement by name, borrower taxpayer ID number (TIN), account number, and USDA loan as purpose.
Closing Agent	A <u>closing agent</u> will: <ul style="list-style-type: none">• be required for FLP direct loans when real estate is taken as security according to FSA regulations• will hold all funds for FSA until all loan closing documents are signed.
Designee	A <u>designee</u> is a type of payee used when loans are disbursed to a creditor or financial institution on behalf of the borrower.
EFT	<u>EFT</u> refers to any transfer of funds, other than cash, check, or similar paper instrument that is initiated through an electronic terminal, such as ACH or wire transfer.

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4 Terminology Used in Processing EFT for FLP (Continued)

A Terms (Continued)

Term	Definition
National Automated Clearing House Association (NACHA)	<u>NACHA</u> establishes the rules and regulations for processing ACH transactions.
Program Loan Accounting System (PLAS)	<p><u>PLAS</u> supports the following FLP's:</p> <ul style="list-style-type: none"> • direct operating • Soil and Water • direct farm ownership • emergency • Indian Tribal Land Acquisition. <p>Note: Transactions processed under ADPS and DLS are reflected in PLAS.</p>
Pre-closing	<u>Pre-closing</u> is the process of obtaining the necessary signatures on a borrower's note before disbursing funds.
Pre-note	<u>Pre-note</u> is the process used to verify financial institution information. This process sends a zero dollar transaction to the financial institution. When the pre-note is sent, the financial institution is required to verify the information.
Pre-note Status	<u>Pre-note status</u> is a field in the EFT system that is updated when pre-note activity occurs. See subparagraph 16 C.
Routing Number	The <u>routing number</u> is a unique 9-digit number obtained from the financial institution identifying them to FRB.
SF-1199A	<u>SF-1199A</u> is used to obtain financial institution information for Farm Programs.
SF-3881	<u>SF-3881</u> is used to obtain financial institution information for FLP's or Farm Programs.
TIN	A <u>TIN</u> is the employee ID number or Social Security number.
Waiver	<p>A <u>waiver</u> grants the recipient of Federal funds an exception to the EFT process. A borrower may request a waiver from EFT disbursements for the following conditions:</p> <ul style="list-style-type: none"> • financial hardship • physical disability • mental disability • geographic location • language/literacy barrier. <p>Note: A waiver is granted by completing FFAS-12 according to 1-FI, paragraph 46.5.</p>
Wire Transfer	A <u>wire transfer</u> is an allowable EFT method for same day disbursement through Treasury.

5 Procedures for EFT Processing

A Immediate Implementation

County Offices shall immediately begin processing disbursement by EFT for all borrowers. A borrower's financial institution information shall be obtained as early as possible to allow for the account verification process to occur.

Financial institution information from new borrowers shall be requested early in the application process and County Offices shall immediately contact established borrowers to obtain their financial institution information, regardless of whether or not the borrower has previously filed a waiver for Farm Program payments.

Notes: If a borrower also receives Farm Program payments, SF-1199A may already be on file in the County Office. If the borrower elects to use the existing SF-1199A, verify that the financial institution information has not changed and input the financial institution information in the EFT system according to the instructions in this notice.

If a borrower previously filed a waiver for Farm Program payments, they may also elect to invoke the waiver for FLP. However, the borrower must be given the opportunity to provide SF-3881 when the loan application is filed.

B Loan Closed by FSA Official

When a closing agent is not required to perfect a lien on real estate offered as security or no real estate is taken as security, the loan can be closed by an FSA official. The County Office shall request the applicant's financial institution information early in the application process. The financial institution information shall be input into the EFT system immediately to allow for the 14-calendar-day pre-note processing to be completed before the actual disbursement of the funds.

Note: This pre-note processing is not intended to delay the disbursement of funds on any loan. If necessary, a manual pre-note can be completed to allow for immediate activation of the financial institution information for the disbursement of funds electronically. See paragraph 17 for instructions on requesting emergency payments.

The loan will be obligated through DLS using a "1A Obligation Transaction". The loan should be closed or legal documents signed **before** ordering funds using a DLS "1C Check Request" transaction. If the information entered into the EFT system PLAS Payment Profile matches the ADPS screen, the funds will be electronically transferred to the borrower's account within 2 workdays. If the information does not match, the funds will be disbursed by check and mailed to the County Office.

County Offices may check the ADPS UN Status Screen for the date and method of the disbursement. The CSO field will display "E" for electronic disbursement and "P" for paper check. If "E" is displayed, the funds will be in the financial institution account on that date. The Promissory Note Record of Advances should be annotated. If "P" is displayed, the paper check will be mailed to the County Office address on that date by Treasury. The County Office shall use a DLS "1F Loan Closing" transaction to record the loan closing date.

5 Procedures for EFT Processing (Continued)

C Loan Closed by Attorney or Closing Agent

An attorney or closing agent is used to close direct loans when real estate is taken as security according to FSA regulations. In these cases, the funds may be electronically transferred to the attorney's or closing agent's financial institution account. County Offices shall begin collecting financial institution information from all anticipated closing agents and enter the data into the EFT system.

Confirm that the financial institution account information provided by the closing agent will accept ACH transmissions. FLP disbursements are processed by ACH (2 workdays), not wire disbursements (1 workday). After financial institution information has been verified, all borrower loan disbursements associated with that closing agent can be disbursed immediately by EFT. All loans will be obligated through DLS using a "1A Obligation" transaction.

When an attorney or closing agent is used to close the loan, the County Office shall use a DLS "1C Check Request" transaction early enough for the funds to be in the attorney's or closing agent's financial institution account by the scheduled loan closing date.

Note: If the information entered into the EFT system PLAS Payment Profile does not match the DLS screens, a paper check will be issued instead of EFT. County Offices shall follow the directions in this notice carefully to ensure that the information entered into the EFT system is accurate so that the loan is disbursed by EFT.

Once the borrower has signed all legal documents, the attorney or closing agent will release the funds. The County Office shall enter a DLS "1F Loan Closing" transaction to record the loan closing date.

Note: For an initial disbursement, interest on the account will begin on the date of disbursement or the date of loan closing, whichever is most advantageous to the borrower. Subsequent disbursements for a multiple advance loan accrue interest on the date of disbursement.

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6 Obtaining Financial Institution Account Information

A Using SF-3881 to Elect Direct Deposit

County Offices shall provide SF-3881 to:

- new applicants or their attorney early in the application process
- established borrowers who have not already provided their financial institution information to the County Office on SF-1199A.

If a borrower wants to use multiple financial institution accounts, a separate SF-3881 must be completed for each account. SF-3881 is available from the FFAS Employee Forms Online Web Site at <http://165.221.16.90/dam/ffasforms/forms.html>.

Note: If SF-1199A for Farm Programs is already on file in the County Office, and a borrower elects to use the previously filed SF-1199A, the borrower does **not** have to complete SF-3881. Verify the financial institution information and enter it into the EFT system.

B Completing SF-3881

Complete SF-3881 according to the following table.

Field	Action
	Agency Information
Federal Program Agency	ENTER "USDA-Farm Service Agency". This information will be conveyed to the financial institution as part of the electronic deposit.
Agency Identifier	ENTER "FSA".
Agency Location Code (ALC)	ENTER "12200408".
ACH Format	Select "CCD+". This indicates the type of electronic disbursement file the financial institution will receive.
Address	ENTER "P.O. Box 200003, St. Louis, MO 63120-0003".
Contact Person Name	ENTER "Farm Loan Operations Office". Any questions that the financial institution may have should be directed to this contact.
Telephone Number	ENTER "314-539-6154".

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6 Obtaining Financial Institution Account Information (Continued)

B Completing SF-3881 (Continued)

Field	Action
	Payee/Company Information
Name	Enter the borrower's name as shown on 1 of the legacy systems. Note: This may also be a payee (such as Management Agent, Lender, Designee, or Closing Agent) and not a borrower. The name of the payee should then be entered in this block.
SSN No. or Taxpayer ID No.	Enter the borrower's or payee's TIN.
Address	Enter the borrower's or payee's address as it relates to the loan.
Contact Person Name	Enter the name of the person who should be contacted if any of the information provided for the financial institution fails during the pre-note process, such as the borrower's name or management agent's name.
Telephone Number	Enter the telephone number for the contact person.
	Financial Institution Information
Name	Enter the name of the borrower's or payee's financial institution.
Address	Enter the address of the financial institution.
ACH Coordinator Name	Enter the name of the individual who should be contacted at the financial institution if the pre-note fails or if a manual pre-note is required.
Telephone Number	Enter the telephone number of the ACH Coordinator.
Nine-Digit Routing Transit Number	Enter the 9-digit number for the financial institution that identifies them to FRB.
Depositor Account Title	Enter the title of the account at the financial institution. This information will be used only if a manual pre-note is required and will help in identifying the particular account to the ACH coordinator.
Depositor Account Number	Enter the borrower's or payee's account number at the financial institution.
Lockbox Number	Enter the lockbox number, if applicable.
Type of Account	Check either "Checking" or "Savings".
Signature and Title of Authorized Official	The signature and title of a financial institution representative who has reviewed this information for completeness and accuracy. This may be the ACH Coordinator.
Telephone Number	Enter the telephone number of the authorized official.

Note: The bolded fields in this table are **not** required if SF-3881 is not completed by the financial institution.

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6 Obtaining Financial Institution Account Information (Continued)

C Filing SF-3881

File completed SF-3881 in the same file where SF-1199A's are maintained.

D Example of SF-3881

Following is an example of SF-3881.

ACH VENDOR/MISCELLANEOUS PAYMENT ENROLLMENT FORM		OMB No. 1510-0056
This form is used for Automated Clearing House (ACH) payments with an addendum record that contains payment-related information processed through the Vendor Express Program. Recipients of these payments should bring this information to the attention of their financial institution when presenting this form for completion. See Page 2 for additional instructions.		
PRIVACY ACT STATEMENT The following information is provided to comply with the Privacy Act of 1974 (P.L. 93-579). All information collected on this form is required under the provisions of 31 U.S.C. 3322 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		
FEDERAL PROGRAM AGENCY:		
AGENCY IDENTIFIER:	AGENCY LOCATION CODE (ALC):	ACH FORMAT: <input type="checkbox"/> CCD+ <input type="checkbox"/> CTX
ADDRESS:		
CONTACT PERSON NAME:		TELEPHONE NUMBER (Include Area Code):
ADDITIONAL INFORMATION:		
PAYEE / COMPANY INFORMATION		
NAME		SSN NO. OR TAXPAYER ID NO.:
ADDRESS:		
CONTACT PERSON NAME:		TELEPHONE NUMBER (Include Area code):
FINANCIAL INSTITUTION INFORMATION		
NAME:		
ADDRESS:		
ACH COORDINATOR NAME:		TELEPHONE NUMBER (Include Area code):
NINE-DIGIT ROUTING TRANSIT NUMBER		
DEPOSITOR ACCOUNT TITLE:		
DEPOSITOR ACCOUNT NUMBER:		LOCKBOX NUMBER:
TYPE OF ACCOUNT: <input type="checkbox"/> CHECKING <input type="checkbox"/> SAVINGS <input type="checkbox"/> LOCKBOX		
SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL: (Could be the same as ACH Coordinator):		TELEPHONE NUMBER (Include Area code):
AUTHORIZED FOR LOCAL REPRODUCTION		SF 3881 (Rev 2/2003) Prescribed by Department of Treasury 31 US C 3322; 31 CFR 210

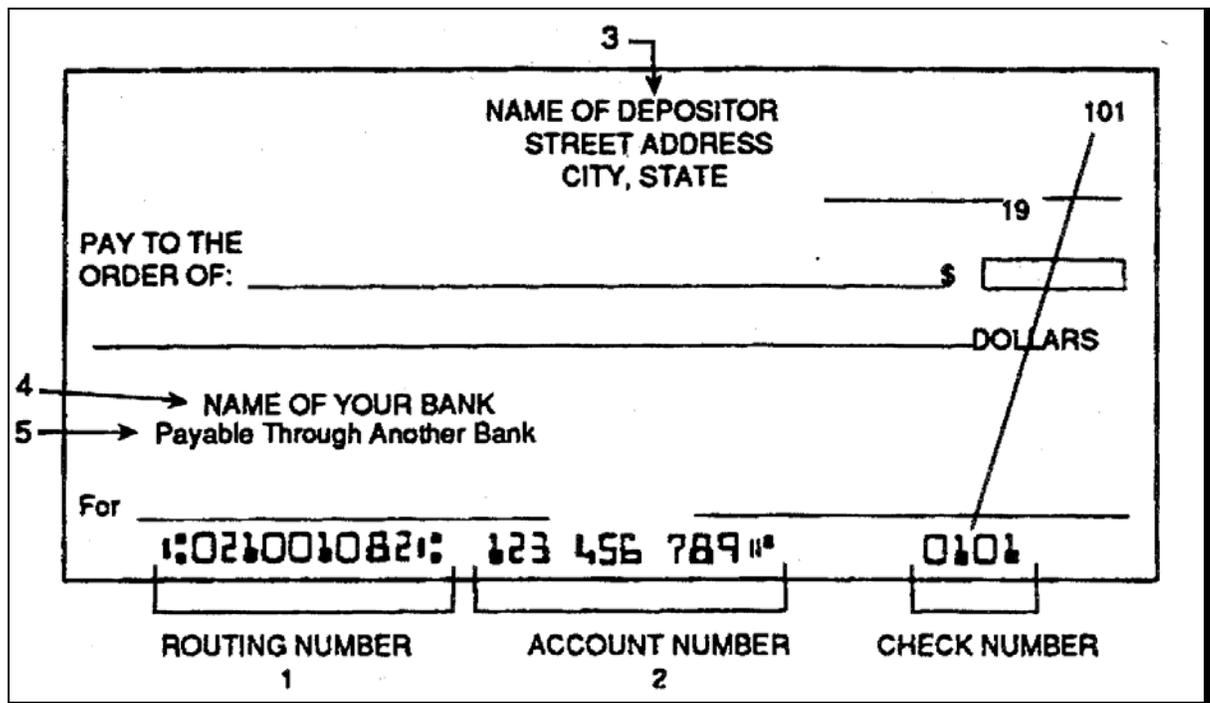
6 Obtaining Financial Institution Account Information (Continued)

E Using a Voided Check to Verify Financial Institution Information

Instead of having the financial institution complete SF-3881, the borrower may provide a voided check (do **not** use a deposit slip). If a voided check is provided, the County Office shall contact the financial institution to verify the following:

- if the financial institution accepts ACH transmissions
- routing number
- account number
- type of account.

The following is an example of a standard check showing the financial institution information needed for SF-3881.



The following table explains the items on the voided check in relation to SF-3881.

Item on Check	SF-3881 Field
1. Routing Number	“Nine-Digit Routing Transit Number”
2. Account Number	“Depositor Account Number”
3. Name of Depositor	Under Payee/Company Information section, “Name”
4. Name of Bank	Under Financial Institution Information section, “Name”.
5. Payable Through Another Bank	If “Payable through” appears on the check, contact the financial institution to determine the financial institution routing number to enter in the Nine-Digit Routing Transit Number field.

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7 Accessing EFT Main Menu

A NITC Teleview Menu

The financial institution information obtained on SF-3881, SF-1199A or voided check shall be input into the EFT system to enable EFT disbursement processing. The EFT system allows County Offices to capture financial institution information outside the PLAS and GLS Legacy Systems for the purpose of disbursing funds electronically. The system is accessed from the NITC Teleview Menu, which is the main menu for the mainframe environment. Following is an example of the NITC Teleview Menu.

Note: The EFT session number in this example may be different from the number on the system.

MODEL : LUO-2/2E	U S D A	userid: FHXXX			
LUNAME: TCPT0182	TELEVIEW 4.3	ESCAPE: PA1			
COMMAND =====>					
Sesnum	System	Tag	I	Application Status	Remarks / Description
48	DLOSFREL	N		Available	DLOS FiServ Rel System
49	DLOSRSYS	N		Available	DLOS Release Test System
50	DLOSXPRD	N		Available	DLOS Prod Simulate System
51	USERPFIX	N		Available	Prod. Emergency Access
52	USERDVLP	N		Available	Development Area
53	USERTEST	N		Available	Test Area
54	USERPROD	N		Available	Production Area
55	EFT	N		Available	EFT Info Database

PF1= HELP PF3= END PF7= PAGE UP PF8= PAGE DOWN PF9= NOTEPAD PF10= ERASE NOTES					

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7 Accessing EFT Main Menu (Continued)

B EFT Main Menu

On the EFT Main Menu, enter the desired option number and PRESS “Enter” to proceed to the appropriate screen.

Following is an example of the EFT Main Menu.

ED00	Electronic Funds Transfer of Funds	01/20/99
1. UPDATE Payee Details		
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 Number and Pressing Enter:		

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7 Accessing EFT Main Menu (Continued)

C EFT Menu Options

The following table describes the function of each option on EFT Main Menu and the paragraph number for instructions on using the option.

Option	Title	Function	Paragraph
1	UPDATE Payee Details	Input name and account information for establishing the pre-note for accounts that do not already exist. Note: The Update Account Detail Screen, to enter new or update information to establish financial institution account details, can be accessed from this screen. See paragraph 9.	8
2	LIST SELECT Payee Account	View and select payees and their financial institution accounts by inputting the borrower ID. This information can later be associated to a loan. Note: The Update Account Detail Screen, to enter new or update established financial institution account details, can be accessed from this screen. See paragraph 9.	10
3	UPDATE GLAS Payment Profile Detail	Enter all information for a guaranteed lender, including the lender ID and branch number and the related financial institution information.	See http://intranet.fsa.usda.gov/fsatraining
4	LIST SELECT PLAS Borrower Routing	View a list of all the financial institution accounts that have been associated to a borrower on PLAS.	11
5	UPDATE PLAS Payment Profile Detail	Use to enter all information that relates to a borrower whose loan information is stored on PLAS.	12
6	LIST SELECT AMAS Borrower Routing	Use for the Automated Multi-Housing Accounting System (AMAS).	N/A
7	UPDATE AMAS Payment Profile Detail	Use for AMAS.	N/A
8	LIST SELECT Active Financial Institutions	Use to view a list of all active financial institutions (banks) that are available for use in the EFT database.	13
9	LIST SELECT Obsolete Financial Institutions	Use to view a list of all the obsolete financial institutions (banks) that are no longer available for use in the EFT database.	14
10	Treasury Symbol Menu	FLOO use.	N/A

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8 Entering and Updating Payee Detail in EFT System

A Using the Update Payee Details

The Update Payee Detail Screen is accessed from EFT Main Menu, option “1”. County Offices shall follow the instruction in the following table to:

- enter payee detail to establish a pre-note
- update a payee’s detail
- delete a payee’s detail.

Function	Action
Add a new payee.	<p>Enter tax ID, ID type, name on the financial institution account, and PRESS “Enter”.</p> <p>Note: ENTER “?” in the Type field and PRESS “F4” to obtain a list of valid payee types.</p> <p>ENTER “A” in the Option field and PRESS “Enter”.</p> <p>“Create Successful” will be displayed if the payee has successfully been added to the EFT database.</p>
View or modify the details of the payee’s financial institution account.	<p>Enter tax ID and ID type and PRESS “Enter”. ENTER “X” in the Selection field of the entry to be viewed or modified, “AD” on the Go To line, and PRESS “Enter”.</p> <p>The Update Bank Account Information will be displayed. Go to paragraph 9.</p>
Update payee attributes.	<p>Enter tax ID, ID type, “C” in the Option field, and PRESS “Enter” to update attributes.</p> <p>Note: If a payee currently has financial institution accounts that have been associated to a PLAS refund, updating the type attribute to “CLS AGENT” will not be permitted.</p>
Delete a payee’s record.	<p>ENTER “D” in the Option field.</p> <p>Note: If a payee has financial institution accounts listed, deletion will not be permitted.</p>
Determine whether an account is currently associated to any payments.	<p>Enter tax ID, ID type, and PRESS “Enter”. ENTER “X” in the Selection field of the entry to be viewed or modified, ENTER “PA” on the Go To line, and PRESS “Enter”.</p>

Note: This screen is **not** to be used for guaranteed loan lenders. Use EFT Main Menu, option “3”, “Update GLAS Payment Profile Detail” to establish routing information for lenders.

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8 Entering and Updating Payee Detail in EFT System (Continued)

B Example of Update Payee Detail Screen

The following is an example of the Update Payee Detail Screen.

FHXXX	UPDATE Payee Detail	11:36:58				
		Page 1				
Payee Tax Id	433575599					
Type	BORROWER +					
Name	JESSIE JAMES					
----- Payee Bank Accounts -----						
Sel	Routing Nbr	Bank Name	Account	C/S	Pre-note	Status Dt
	075012683	M & I BANK	1004001	C	P	01/18/2005
Use AD Go To to create Bank Accounts for Payee						
Option	(A)dd (C)hange (D)elete and press ENTER					
Go To	AD=Account Details PA=Payee Associations					
CI00809I: Display was successful						
F3=Exit F4=Prompt F5=Clear F7=Prev F8=Next F12=Cancel						

9 **Creating or Modifying Financial Institution Account Detail**

A Using the Update Account Detail Screen

Once a payee has been established, County Offices shall follow the instructions in the following table to create or modify financial institution account information.

Note: The Update Account Detail Screen is accessed from the Update Payee Detail Screen or the List Select Payee Account Screen.

Function	Action
<p>Create a payee’s financial institution details.</p> <p>Notes: The payee attributes will be pre-filled from a prior screen and are protected.</p> <p>Duplicate financial institution data accounts cannot be established for the same payee.</p>	<p>Do the following:</p> <ul style="list-style-type: none"> • tab to the Go To line, ENTER “AD”, and PRESS “Enter” • enter the following: <ul style="list-style-type: none"> • routing number (the number will be validated against the financial institution list) <p>Note: To obtain a list of valid routing numbers, ENTER “?” in the Routing Number field and PRESS “F4”.</p> <ul style="list-style-type: none"> • account ID (financial institution account number) • “C” for checking or “S” for savings • “A” in the Option field <ul style="list-style-type: none"> • PRESS “Enter”. <p>Notes: Pre-note Status field will default to “Pending” so that a pre-note can be triggered.</p> <p>“Create Successful” will be displayed if the financial institution information has successfully been added to the EFT database.</p>
<p>Update financial institution information.</p> <p>Note: Updating the financial institution information will cause the pre-note status to resent to “Pending” to trigger a pre-note.</p>	<p>Enter a new routing number, account ID, ID type, “C” in the Option field, and PRESS “Enter”.</p> <p>Note: The Pre-note field can only be updated by FLOO. See paragraph 16 for a list of abbreviations used in the Pre-note field.</p>
<p>Delete an account.</p> <p>Note: If an account is currently associated to a payment, it cannot be deleted until all related payments have been deleted first.</p>	<p>ENTER “D” in the Option field and PRESS “Enter”.</p>
<p>View a list of payments associated to the payee financial institution account.</p>	<p>ENTER “PA” on the Go To line and PRESS “Enter”.</p>

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9 Creating or Modifying Financial Institution Account Detail (Continued)

B Example of Update Account Detail Screen

The following is an example of the Update Account Detail Screen.

FHXXX	UPDATE Account Detail	15:57:50
Payee Tax Id	987654321	
Name	ANDREW SMITH	
Type	DESIGNEE	
Routing Number	063213038 + C & L BK OF BLOUNTSTOWN	
Account Id	344879	
Type	C (C=Checking, S=Saving)	
Pre-note Status	P PENDING	
As of	01/18/2005	
Obsolete as of		
Updated by	FHXXX	On 01/15/2005
Option	(A)dd (C)hange (D)elete and press ENTER	
Go To	PA=Payee Associations	
CI00809I:	Display was successful	
F3=Exit	F4=Prompt F5=Clear F12=Cancel	

10 List Select Payee Account Information

A Using the List Select Payee Account Screen

The List Select Payee Account Screen is accessed from EFT Main Menu, option “2”. Follow the directions in the following table to view a list of payees and their corresponding financial institution accounts. The primary function of the List Select Payee Account Screen is to provide a selection list for the payment profile screens for payee and/or account maintenance.

Function	Action
View a list of borrowers.	Enter tax ID or name and PRESS “Enter”. Note: Use “Tab” key to move to a specific borrower’s line.
View the financial institution account details of a specific borrower.	ENTER “X” in the Selection field next to the borrower ID and ENTER “AD” on the Go To line.
View the payee details of a specific borrower.	ENTER “X” in the Selection field next to the borrower’s ID and ENTER “PD” on the Go To line. The Update Payee Detail Screen will be displayed for account maintenance.

B Example of List Select Payee Account Screen

The following is an example of the List Select Payee Account Screen.

ED14 Electronic Funds Transfer System					
01/20/05FHXXX		LIST SELECT Payee Account	17:20:48	Page 13 MORE	
Search by Tax Id or Name					
Sel	Tax Id	Payee Name	Payee Type	Account Id	Type
	323232324	JOHN SMITH	CLS AGENT	322222222	C
	410575757	FRED A. JONES	BORROWER	410555555	S
	674674674	COM FAC LOAN EZ/E	CLS AGENT	677777777	C
	376673376	COTTO VIR	BORROWER	037373737 DD	C
Go To AD=Account Details PD=Payee Details CI00809I: Display was successful F3=Exit F7=Prev F8=Next F12=Cancel					

Note: Use EFT Main Menu, option “3”, “Update GLAS Payment Profile Detail” to verify lender information is established in the EFT system.

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11 List Select PLAS Borrower Routing

A Using the List Select PLAS Borrower Routing Screen

The List Select PLAS Borrower Routing Screen is accessed from EFT Main Menu, option “4”. Follow the directions in the following table to view a list of financial institution accounts that have been associated to a borrower on PLAS. Information will be displayed by loan and disbursement type.

Function	Action
View the Update PLAS Payment Profile Detail Screen	ENTER “X” in the Selection field next to the financial institution account and ENTER “PP” on the Go To line.
View the account details of a specific borrower	ENTER “X” in the Selection field next to the financial institution account and ENTER “RH” on the Go To line. The Update Payee Detail Screen will be displayed for account maintenance.

B Example of List Select PLAS Borrower Routing Screen

The following is an example of the List Select PLAS Borrower Routing Screen.

ED01	Electronic Funds Transfer System						01/20/05
FHXXX	LIST SELECT PLAS Borrower Routing						17:20:48
							Page 1
State Code	10	County Code	030	Borrower Id	131313131		
Fund	Loan	Disb	Bank	Routing	Account Id	Prenote	Date
44	01	LN	C & L BK OF BLOUNTST	063213038	410555555	V	02/04/2004
44	02	LN	C & L BK OF BLOUNTST	063213038	677777777	V	02/04/2004
44	03	LN	FRB-BOSTON ACH	011000015	67777777	P	02/24/2004
44	03	LN	FRB-BOSTON ACH	011000015	037373737 DD	P	02/24/2004
44	04	LN	FRB-BOSTON ACH	011000015	22021111111	P	02/24/2004
Go To PP=Payment Profile RH=Routing History							
CI00809I: Display was successful							
F3=Exit F7=Prev F8=Next F12=Cancel							

12 Update PLAS Payment Profile Detail

A Using Update PLAS Payment Profile Detail Screen

The Update PLAS Payment Profile Detail Screen is accessed from EFT Main Menu, option “5”. Follow the directions in the following table to perform maintenance on the financial institution information related to the occurrence of any loans or grants that are found in PLAS.

Access the Update PLAS Payment Profile Detail Screen to enter the loan data from the “1C Check Request” in ADPS. Once this data has been input, all future disbursements for that specific loan number will automatically be made to the financial institution account.

Note: The Update PLAS Payment Profile Detail Screen can be accessed from the EFT Main Menu, the List Select PLAS Borrower Routing Screen, or the List Select Payee Account Screen.

Function	Field	Action
<p>Add a new payment profile.</p> <p>Notes: A payment profile cannot be created without complete payee information.</p> <p>The information entered is not matched to ADPS or PLAS to verify its accuracy. If the information entered does not match a disbursement transaction input into DLS, the payment will not be sent electronically; a check will be issued instead.</p>	State Code	Enter 2-digit code.
	County Code	Enter 3-digit code.
	Borrower ID	Enter TIN.
	Loan Number	Enter loan number associated with obligation on ADPS Unclosed Screen.
	Fund Code	Enter fund code associated with obligation on the ADPS Unclosed Screen.
	Disbursement Type	ENTER “?” and PRESS “F4” for a list of valid disbursement types.
	Servicing Contact	Enter County Office employee processing the disbursement.
	Phone Number	Enter telephone number of County Office employee input as servicing contact.
	Go To	ENTER “PL” and PRESS “Enter”. The List Select Payee Account Screen will be displayed.
		<p>On the List Select Payee Account Screen, enter:</p> <ul style="list-style-type: none"> • tax ID number or name and PRESS “Enter” • “X” in the Selection field next to the correct borrower ID and PRESS “Enter”. <p>Note: The Update PLAS Payment Profile Detail Screen will be displayed with the payee account information pre-filled.</p> <p>ENTER “A” in the Option field and PRESS “Enter” to add the record.</p>

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12 Update PLAS Payment Profile Detail (Continued)

A Using Update PLAS Payment Profile Detail Screen (Continued)

Function	Field	Action
Change ADPS payment profile on an existing payee account.	Payee Account Information Section	Enter the borrower's information as it appears on SF-3881, "C" on the Go To line, and PRESS "Enter".
Modify the payee account information. Note: Pre-note status will change to "P" pending.		Enter the payee information as it appears on SF-3881, "M" on the Go To line, and PRESS "Enter".
Go to the List Select PLAS Borrower Routing Screen.	Go To	ENTER "RH" and PRESS Enter".

B Example of Update PLAS Payment Profile Detail Screen

The following is an example of the Update PLAS Payment Profile Detail Screen.

FHXXX	UPDATE PLAS Payment Profile Detail	14:21:34
State Code	10	County Code 030
Loan Number	10	Borrower Id 131313131
Disbursement Type	LN + LOAN/GRANT	Fund Code 44
Servicing Contact	Alex Smith	
Phone Number	111 111 1111	
----- Payee Account Information -----		
Tax Id	555555555	
Payee Name	CRAIG CONROY	Payee Type BORROWER +
Routing Number	011000015 + FRB-BOSTON ACH	
Account Id	22021111111111111111	Type S
Pre-note status	P PENDING	Obsolete as of
		Pre-note Status date 01/18/2005
Updated by	FHXXX	Updated On 01/14/2005
Option	(A)dd (C)hange (D)elete (M)odify and press ENTER	
Go To	PD=Payee Details RH=Routing History PL=Payee Account List	
CI00809I: Display was successful		
F3=Exit F4=Prompt F5=Clear F12=Cancel		

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13 List Select Active Financial Institutions

A List Select Active Financial Institutions Screen

The List Select Active Financial Institutions Screen is accessed from EFT Main Menu, option "8". The List Select Active Financial Institutions Screen can be used to view all the active financial institutions (banks) that are available for use in the EFT database. The financial institutions can be accessed by either tax ID or financial institution name.

FHXXX	VIEW Active Financial Institution Detail	07:34:38
Routing Number	011000015	
Name	FEDERAL RESERVE BANK OF BOSTON	
Address	ATTN: ACH COORDINATOR 600 ATLANTIC AVE	
City/State	BOSTON MA	
Zip Code	02106 2076	
Phone Number	617 973 3745 Extension	
F3=Exit F12=Cancel		

Note: This information is updated by Treasury and **cannot** be modified.

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14 List Select Obsolete Financial Institutions

A List Select Obsolete Financial Institution Screen

The List Select Obsolete Financial Institution Screen is accessed from EFT Main Menu, option "9". The List Select Obsolete Financial Institution Screen can be used to view all financial institutions (banks) that are no longer available in the EFT database.

Enter a starting routing number of the financial institution's name as search criteria.

Note: ENTER "X" next to the financial institution to view all payments associated with it.

ED08	Electronic Funds Transfer System	02/09/05	
FHXXX	LIST SELECT Obsolete Financial Institution	08:00:22	
		Page 1 MORE	
Routing Number 000000000 or Starting Name			
Select	Routing Number	Effective Date	Name/Address
	011000015	01/05/1999	FRB-BOSTON ACH ATTN: ACH COORDINATOR BOSTON MA
	011000028	01/05/1999	STATE STREET BANK AND TRUST CO 225 FRANKLIN STREET BOSTON MA
	011000138	01/05/1999	FLEET SERVICES CORPORATION P.O. BOX 2197 BOSTON MA
	011000206	01/05/1999	FLEET BANK-MA ONE FEDERAL STREET BOSTON MA
	011000390	01/05/1999	BANK BOSTON MACPK 05-02-04 DORCHESTER MA
Select an entry and press ENTER to view Obsolete Detail Routing List			
CI00809I: Display was successful			
F3=Exit F7=Prev F8=Next F12=Cancel			

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14 List Select Obsolete Financial Institutions (Continued)

B List Select Obsolete Detail Routing Screen

The List Select Obsolete Detail Routing Screen will be displayed after selecting a financial institution on the List Select Obsolete Financial Institution Screen. All payees associated with the obsolete financial institution will be displayed on the List Select Obsolete Detail Routing Screen.

ED11	Electronic Funds Transfer System	02/09/05		
FHXXX	LIST SELECT Obsolete Detail Routing	08:00:22		
		Page 1 END		
Routing Number 242448997 BANK FOR TESTING				
Sel	Account Id	Tax Id	Payee Name	Payee Type
	01112443	922400140	OBSOLETE LENDER	LENDER
	24488779	543223221	TEST PAYEE	BORROWER
	5001003	522400000	MARILYN'S PAYEE	CLS AGENT
	6652203	522400000	MARILYN'S PAYEE	CLS AGENT
	66540	543223221	TEST PAYEE	BORROWER
	773324	622011140	OBSOLETE PAYEE	MAN AGENT
	7774203	522400000	MARILYN'S PAYEE	CLS AGENT
	844444	622011140	OBSOLETE PAYEE	MAN AGENT
Go To AD=Account Details PA=Payee Associations				
CI00809E: Message was not found; contact Finance Office				
F3=Exit F7=Prev F8=Next F12=Cancel				

15 Examples of EFT Loan Disbursement Procedures

A Example for Loan Closed by FSA official

The following table shows the steps that should be taken in the EFT system for a loan closed by an FSA official for a new or established borrower who is not already established in the EFT system.

Step	County Office Action		Action in EFT System
1	Review County Office files to determine whether the producer has SF-1199A on file.		Use EFT Main Menu, option “1” to enter borrower’s financial institution account information from SF-1199A or SF-3881, to establish a pre-note. See paragraphs 8 and 9 for instructions on entering borrower and financial institution information.
	IF SF-1199A... is on file	THEN... verify the financial institution information with the borrower.	
	is not on file	request that the borrower complete SF-3881.	
2	Check the pre-note status code 15 calendar days after entering pre-note information. Note: See paragraph 16 for a list of valid pre-note status codes. Pre-note status is updated on the night of the 14 th calendar day.		See paragraph 9 for instructions on viewing the pre-note status.
	IF... the pre-note status has been updated to a valid code	THEN... follow directions in step 3 to disburse the loan.	
	14 calendar days have elapsed and the pre-note status code has been updated to a non-valid code	re-enter financial institution information.	Use EFT Main Menu, option “1”.
	14 calendar days have not elapsed and the loan is ready to be disbursed	see paragraph 16 to request a manual pre-note.	
3	When the loan is closed, in DLS, enter “1C” transaction.		Use EFT Main Menu, option “5” to enter the loan information entered in DLS. See paragraph 12 for instructions on entering loan information.

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15 Examples of EFT Loan Disbursement Procedures (Continued)

B Example for Loan Closed by Attorney or Closing Agent

The following table shows the steps that should be taken in the EFT system when the attorney or closing agency contacts the County Office and advises the loan is closed for a new or established borrower who is not already established in the EFT system.

Step	County Office Action	Action in EFT System
1	Request that the attorney or closing agent complete SF-3881.	Use EFT Main Menu, option "1" to enter the financial institution account information from SF-3881 to establish a pre-note. See paragraphs 8 and 9 for instructions on entering borrower and financial institution information.
2	Check the pre-note status code 15 calendar days after entering pre-note information. Note: See paragraph 16 for a list of valid pre-note status codes. Pre-note status is updated on the night of the 14 th calendar day.	See paragraph 9 for instructions on viewing the pre-note status.
	IF... the pre-note status has been updated to a valid code	THEN... follow directions in step 3 to disburse the loan.
	14 calendar days have elapsed and the pre-note status code has been updated to a non-valid code	re-enter financial institution information.
	14 calendar days have not elapsed and the loan is ready to be disbursed	see paragraph 16 to request a manual pre-note.
3	The attorney or closing agent contacts the County Office and advises of the loan closing date, and a "1C" transaction has been entered in DLS. Note: A "1F Loan Closing" transaction should be entered in DLS to record the loan closing date. Interest will begin to accrue on the date of disbursement or loan closing date, whichever is most advantageous to the borrower.	Use EFT Main Menu, option "5" to enter the loan information entered in DLS. See paragraph 12 for instructions on entering loan information.

15 Examples of EFT Loan Disbursement Procedures (Continued)

C Loan Disbursement When Account Information Is Established in EFT System

The following table provides the steps that should be taken when the financial institution information for the borrower, attorney, or closing agent has already been established in the EFT system.

Step	County Office Action		Action in EFT System
1	Verify that the financial institution information for the borrower, attorney, or closing agent has not changed. The County Office should also ensure that the pre-note status has not been changed to "O" (Obsolete).		
2	IF the financial institution information...	THEN...	
	has not changed	follow directions in step 3 to disburse the loan.	
	has changed or the pre-note status has changed to "O"	re-enter financial institution information.	Use EFT Main Menu, option "1" to update the financial institution account and establish a new pre-note if the financial institution information has changed. See paragraphs 8 and 9 for instructions on updating financial institution information.
3	The loan is closed by an FSA official and the "1C Check Request" transaction has been entered in DLS. The attorney or closing agent contacts the County Office and advises that the loan closing date and a "1C" transaction has been entered in DLS.		Use option 5 to enter the loan information entered in DLS. See paragraph 12 for instructions on entering loan information.

16 Pre-Note Information

A Overview

A pre-note is a pre-verification of the financial institution information that has been established within the EFT database. This pre-verification will reduce FSA's liability for disbursing funds into an incorrect financial institution account. A pre-note consists of the same financial institution information that a normal EFT disbursement transaction will hold, except that it is flagged as a pre-note and the dollar amount of the transaction is zero.

B Verify Financial Institution Account Information

As part of the pre-note verification process, the financial institution is required by NACHA rules to verify that the financial institution account number is correct, and either the type of account (checking or savings) or the payee's tax identification number. The financial institution has 7 calendar days to respond to Treasury if the pre-note is incorrect. Correct notifications are not sent. Treasury then has 7 calendar days to pass the notice of the rejected pre-note to FSA. A pre-note is sent every time the financial institution information for a payee is added and when any of the following information is changed on an existing record:

- routing number
- financial institution account number
- TIN of the payee
- type of account (checking or savings)
- payee name.

Once the payee's financial institution account information is entered or changed, the pre-note status on the EFT database is set to "P" (Pending Pre-note). Nightly, the database will search and find all of the "P" status codes and create a file of pre-notes to process. This same process systematically changes the pre-note status to "S" (Submitted Pre-note).

In the nightly update on the 14th calendar day, the pre-note status will be changed to "A" (Assumed Valid) if the financial institution does not respond that the pre-note is incorrect. If the financial institution responds to Treasury with a corrected financial institution account number, the financial institution account number will be changed systematically, the pre-note status updated to "V" (Valid), and the "Updated by" will change to "TREASURY". Any new disbursement requests that are processed in DLS that relate to a borrower or lender that has been associated with this financial institution information will now be sent out by EFT.

16 Pre-Note Information (Continued)

C Valid Pre-Note Codes

The following is a list of all the valid pre-notes used in the EFT database. The Pre-note Status field will be updated automatically, or by FLOO, when there is a change in the pre-note status.

- **“P” Pending** - Pre-note scheduled to be sent to the financial institution during the current night’s update.
- **“S” Submitted** - Pre-note has been sent to the financial institution for approval.
- **“A” Assumed Valid** - Systematically changed after the required 14-calendar-day time period for financial institution information to be verified has elapsed.
- **“V” Valid (Manual)** - FLOO contacts the financial institution to verify the financial institution information. When verified, FLOO personnel will manually change the pre-note status to valid.
- **“I” Invalid (Manual)** - FLOO received notification from the financial institution that the information was invalid.
- **“O” Obsolete** - Systematically set if the routing information drops from the monthly list of valid routing numbers provided by Treasury.

IF...	THEN...
the 14 calendar days do not meet the disbursement dates needed	contact FLOO to request a manual pre-note. Notes: See subparagraph 1 D for FLOO contacts. FAX a screen print of the Account Detail (AD) Screen with the supporting financial institution document; such as SF-3881, SF-1199A, or voided check to FLOO. A manual pre-note will change the pre-note status to “V”.
during the 14-calendar-day time period the financial institution rejects the pre-note	FLOO will be contacted and the pre-note status will be changed to “I”. Note: The payment profile will have to be corrected.

17 Emergency Payment Requests

A Manual Request

If financial institution information for a pre-scheduled loan closing disbursement date has **not** been entered into the EFT database, a rush request can be sent to FLOO. These requests will be limited and processed on an emergency basis **only**.

Notes: The information captured on the EFT Enrollment Form and the disbursement request information must be sent by **FAX** to FLOO.

At the time of the request, FLOO personnel will verify:

- that there are sufficient undisbursed funds for the amount of the request
- financial institution information with the financial institution.

Once the funds have been released, the borrower's account will be updated to show the request.

Note: Rush requests will be processed on an emergency basis **only**. The automated EFT system should be used for routine disbursements. FLOO will monitor the number of rush requests and report to the program staff those locations that request an excessive number.

B FLOO Contact Information

See subparagraph 1 D for FLOO telephone and FAX numbers.

18 Return of ACH Disbursements

A Returns

ACH may be returned for the following reasons:

- a loan closing is canceled
- an obligation and advance is canceled
- an error in the amount of a disbursement is identified.

If funds are returned, follow ACH rules in subparagraph B.

B ACH Rules

ACH rules state that the financial institution must be contacted within 2 calendar days of disbursement for the funds to be returned to Treasury. The financial institution may request a Letter of Indemnity from FSA. Once the financial institution has returned the funds, FLOO can access the Treasury Online Disbursement System within 3 calendar days to verify that the funds were returned to FSA's account. FLOO will process the return of funds based on instructions received on RD 1940-10.

In situations where the financial institution will not return the funds, FLOO should be contacted immediately. As the originator of the disbursement, FLOO can request the financial institution to return the funds. To have the funds returned, contact the designated FLOO contact according to subparagraph 1 D. Treasury will return the funds to FSA if notified within 5 workdays of the disbursement. After 5 workdays, Treasury will contact the financial institution directly and request the return.

C Completing RD 1940-10

If a return is to be processed by the financial institution, complete RD 1940-10 and FAX it to FLOO. Indicate appropriate cancellation action requested and note in RD 1940-10, item 16, "Remarks" that the funds were returned electronically and the date the return was requested. When the funds have been returned and updated to the borrower's account, subsequent disbursement requests can be made through DLS.

19 Frequently Asked Questions

A Direct Loan Program Questions

The following table contains answers to frequently asked EFT questions for direct loan programs.

No.	Frequently Asked Question	Answer
1	Is the FLP EFT system connected to the Farm Program EFT system?	They are 2 separate systems; therefore, the information must be entered in each system, even if the same election form is used.
2	When should I obtain the financial institution account and payee detail information?	Include SF-3881, which is available on the Intranet FFAS Employee Forms Online Website, in the application package. Established borrowers should be contacted to obtain financial institution information if financial institution information is not already on file in the County Office. Verify the financial institution information on file before entering it in the EFT system.
3	What payee types are associated to direct loan borrowers?	<ul style="list-style-type: none"> • Borrower – Payment disbursed directly to financial institution account of borrower. • Closing Agent – Payment disbursed to financial institution account of closing agent. Usually used for Farm Ownership loans. • Designee – Payment disbursed to 3rd party on behalf of borrower.
4	How do I update the payee detail and financial institution information?	Access NITC Screen and choose EFT option. Use EFT Main Menu, option “1” to input the payee tax ID, ID type, and name. The Update Account Detail Screen can be accessed from the EFT Main Menu. Entering the financial institution account information will trigger the zero dollar pre-note process to verify the accuracy of the information entered. See paragraph 8.
5	Why do I have to wait 14 calendar days for the system to validate the pre-note?	Per NACHA rules, which regulate all ACH transactions, the financial institution has 6 workdays to verify the financial institution information. The remaining 4 workdays allow time for Treasury to return the information to FSA. The system changes the pre-note status to “A” after 14 calendar days if no information has been received from Treasury.

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19 Frequently Asked Questions (Continued)

A Direct Loan Program Questions (Continued)

No.	Frequently Asked Question	Answer
6	Do I have to wait the 14 calendar days to disburse funds?	No. The intent of the pre-note process is not to delay disbursement, but to ensure the accuracy of the financial institution information. If the 14 calendar days do not meet your disbursement needs, you may contact FLOO according to paragraph 17 for instructions on acquiring a manual pre-note. When a manual pre-note is accomplished, the pre-note status will change to "V".
7	When can I update Option 5 Update PLAS Payment Profile Detail to attach the borrower information to the financial institution account?	<p>The PLAS Payment Profile can be entered after you have established the payee detail and financial institution account and processed the "1A" transaction to obligate loan funds. You must have the correct fund and loan number to update the PLAS Payment Profile. You do not have to wait for the pre-note to be validated to attach the PLAS Payment Profile to the financial institution account.</p> <p>The update must be accomplished before the processing of the "1C" transaction to disburse the funds. The EFT system is online real time so you can update the EFT system the same day as the "1C" transaction, if necessary. Call FLOO for manual validation of the pre-note if necessary.</p>
8	How do I change the Payee Detail information?	Payee Detail information can be changed from EFT Main Menu, option "1", the Update Payee Detail Screen, or the Update PLAS Payment Profile Detail Screen. See paragraphs 8 and 12.
9	How do I change the payee financial institution account information?	Payee financial institution account information can be changed from the Update Account Detail Screen or the Update PLAS Payment Profile Detail Screen. See paragraphs 9 and 12.
10	What are the pre-note status codes?	<p>P - Initial entry of financial institution information.</p> <p>S - Zero dollar pre-note submitted to financial institution.</p> <p>A - Assumed valid is updated in the nightly update on the 14th calendar day after submission if no return is received from Treasury.</p> <p>V - Manually pre-noted in FLOO. A pre-note is generated upon initial entry of the financial institution information and when a change is made to the financial institution information.</p>
11	Can I delete the financial institution information from the EFT system?	If a PLAS Payment Profile is attached to a financial institution account, it must be deleted before deleting the financial institution account information. If the financial institution account will no longer be used for disbursement, it should be deleted. The financial institution information will be systematically deleted after 3 years if there is no activity on the account.

19 Frequently Asked Questions (Continued)

A Direct Loan Program Questions (Continued)

No.	Frequently Asked Question	Answer
12	What is the difference between ACH and wire transfer?	ACH is an allowable EFT method for disbursement through Treasury. The EFT system will disburse the funds by ACH on the second workday following the update of the “IC Check Request” transaction. Verify that the financial institution account information received from closing agents will accept an ACH disbursement. Many closing agents have provided wire financial institution account information in error. Wire transfer is also an allowable EFT method for same day disbursement through Treasury. FLOO handles requests for wire transfers manually.
13	How can I verify the method of disbursement after I update the “IC” transaction?	The Unclosed Screen will display the method of disbursement. The Check Status Code field will display “E” for ACH disbursement and “P” for paper check disbursement.
14	How do I verify the date of disbursement?	The Unclosed Screen will display the date of disbursement. For electronic disbursement, the date is when the funds will be deposited in the financial institution account. For paper check disbursement, the date is the date of the check and the date of mailing.
15	When does interest begin accruing on a borrower’s disbursement?	On an initial disbursement, interest will begin accruing as of the date of loan closing or date of disbursement, whichever is most advantageous to the borrower. Subsequent disbursements accrue interest as of the date of disbursement.
16	What should I do if the financial institution says the funds have not been received?	Check the Unclosed Screen to verify that the funds were transmitted electronically. Verify that the financial institution is confirming an ACH disbursement. Notify FLOO to validate the status of the disbursement by Treasury’s online PACER System.
17	Why did I get a paper check?	<p>To successfully disburse funds by EFT, the following must be accomplished before processing the “IC Check Request” transaction:</p> <ul style="list-style-type: none"> • updating payee detail information • establishing the financial institution account data • updating the PLAS Payment Profile. <p>Note: Data entered must match borrower PLAS data. The system does not validate accuracy of the data entered.</p> <p>The pre-note must be validated systematically (A) or manually (V) and the PLAS Payment Profile attached to the financial institution account for the funds to disburse EFT. If the pre-note has not been validated and the PLAS Payment Profile attached, Treasury will disburse a paper check.</p>

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19 Frequently Asked Questions (Continued)

B Guaranteed Loan Program Questions

The following table contains answers to frequently asked EFT questions for Guaranteed Loan Programs.

No.	Frequently Asked Question	Answer
1	What option should I use to update guaranteed lender financial institution information?	EFT Main Menu, option "3", "Update GLAS Payment Profile Detail". This is used to enter all information for a guaranteed lender including the lender ID and branch number for the related financial institution information.
2	Whose name and telephone number should be entered for contact?	The name and telephone number of the contact person in the servicing office should be entered.
3	What is the purpose of the new field on the Update GLAS Payment Profile Detail Screen?	FLP should be entered in this field for FLP's. This field allows the lender to have a different account number for the FSA loans and the Rural Development loans.
4	How do I access training information on the web for GLS?	Go to FSA's Intranet training site at http://intranet.fsa.usda.gov/fsatraining . Under FLP's, CLICK "EFT of Payments to Guaranteed Lenders".