

For: State and County Offices

Electronic Funds Transfers (EFT's) for FLP Disbursements

Approved by: Associate Administrator for Operations and Management



1 Overview

A Background

The Debt Collection Improvement Act (DCIA) of 1996 contained provisions that required using EFT's for most Federal payments. According to DCIA, County Offices shall issue disbursements for FLP direct loan funds and interest assistance payments electronically, unless FFAS-12 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.

The number of days for availability of funds to the borrower is significantly increased when a check is issued. 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 funds availability from 3 to 5 workdays for the check to clear because the recipient's financial institution (bank) may **not** make the funds immediately available after deposit.

B Purpose

This notice provides:

- instructions for issuing FLP disbursements through EFT
- answers to frequently asked EFT questions.

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.

Disposal Date November 1, 2009	Distribution State Offices; State Offices relay to County Offices
--	---

Notice FI-2886

1 Overview (Continued)

D Financial Services Center (FSC), 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	Mailing Address
Loan Servicing Group I States 01-32	314-539-6154	314-539-3111	FLOO PO BOX 200003
Loan Servicing Group II States 33-64	314-539-6154	314-539-6447	SAINT LOUIS MO 63120-0003

2 Action

A FLOO Action

FLOO will:

- monitor County Office implementation
- 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
- provide monthly reports to the National Office to be used to monitor State compliance with DCIA Federal payment provisions.

Note: FSA is **required** to report to Treasury the percentage of payments that are made by EFT versus paper check.

B State Office Action

State Offices shall:

- monitor County Offices to ensure that they implement EFT processing
- use FLOO provided (subparagraph A) reports to monitor EFT compliance.

C County Office Action

County Offices shall:

- use EFT processing for direct loans, guaranteed losses, and interest assistance payments
- encourage applicants, borrowers, and lenders to use EFT.

Notice FI-2886

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. County Office employees, who perform Automated Discrepancy Processing System (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 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: State Offices may contact the Kansas City Information Systems Security Office at 816-926-6537 if there are questions.

4 Terminology Used in Processing EFT for FLP

A Terms

The following table provides definitions of terminology used in this notice for EFT processing.

Term	Definition
ACH	ACH is an allowable EFT method for next day fund disbursement through Treasury. This EFT system will disburse funds through ACH on the second workday following the update of the check request transaction.
Addenda Record	An addenda record is a record attached to each EFT transaction to identify the disbursement by name, borrower tax identification number (TIN), account number, and USDA loan as purpose.
Closing Agent	A closing agent will be required for FLP direct loans when real estate is taken as security according to FSA regulations. Closing agents will hold all funds for FSA until all loan closing documents are signed.
Designee	A designee is a type of payee used when loans are disbursed to a creditor or bank on behalf of the borrower.
EFT	EFT is 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.

Notice FI-2886

4 Terminology Used in Processing EFT for FLP (Continued)

A Terms (Continued)

Term	Definition
National Automated Clearing House Association (NACHA)	NACHA establishes the rules and regulations for processing ACH transactions.
Program Loan Accounting System (PLAS)	<p>PLAS 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 Direct Loan System (DLS) are reflected in PLAS.</p>
Pre-Closing	Pre-closing is the process of obtaining the necessary signatures on a borrower's note before disbursing funds.
Pre-Note	Pre-note is the process used to verify banking information. Pre-note sends a zero dollar transaction to the bank. When the pre-note is sent, the bank is required to verify the information.
Pre-Note Status	Pre-note status is a field in the EFT system that is updated when pre-note activity occurs. See subparagraph 16 C.
Routing Number	The routing number is a unique 9-digit number, obtained from the bank, identifying the bank to the Federal Reserve Banking System.
SF-1199A	SF-1199A used to obtain banking information for farm programs.
SF-3881	SF-3881 is used to obtain banking information for FLP's or farm programs.
TIN	TIN consists of the employer identification number (EIN) or SSN.
FFAS-12	<p>FFAS-12's grant recipients of Federal funds exceptions to the EFT process. A borrower may request FFAS-12 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 wire transfer is an allowable EFT method for same day disbursement through Treasury.

5 Procedures for EFT Processing

A Implementation

County Offices shall disburse funds by EFT for all borrowers. A borrower's banking information shall be obtained as early as possible to allow for the account verification process to occur.

Banking information from new borrowers shall be requested early in the application process, and County Offices shall immediately contact established borrowers to obtain their banking information, regardless of whether or **not** the borrower has previously filed FFAS-12 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 banking information has **not** changed and input the banking information in the EFT system according to the instructions in this notice.

If a borrower previously filed FFAS-12 for farm program payments, they may also elect to invoke FFAS-12 for FLP's. However, the borrower **must** be given the opportunity to provide SF-3881 when the loan application is filed.

B Loans Closed by an 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 banking information early in the application process. The banking 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 fund disbursement.

Note: Pre-note processing is **not** intended to delay fund disbursement on any loan. If necessary, a manual pre-note can be completed. This will allow for immediate activation of the banking information for fund disbursement electronically. See paragraph 16 for instructions.

Loans will be obligated using a "1A Obligation" transaction through DLS. The loan should be closed or legal documents signed **before** ordering funds using a "1C Check Request" transaction in DLS. If the information entered into the EFT system PLAS Payment Profile matches the borrower information in PLAS, 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.

Notice FI-2886

5 Procedures for EFT Processing (Continued)

B Loans Closed by an FSA Official (Continued)

County Offices may check the UN Status Screen in ADPS for the date and method of disbursement. The "CSO" field will display "E" for electronic disbursement and "P" for paper check.

IF...	THEN...
"E" is displayed	funds will be in the bank account on that date and the Promissory Note Record of Advances should also be annotated.
"P" is displayed	the paper check will be mailed to the County Office address on that date by Treasury. The County Office should enter a "1F-Loan Closing" transaction to record the loan closing date.

C Loans Closed by an 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 bank account. County Offices shall begin collecting banking information from all anticipated closing agents and enter the data into the EFT system.

Confirm that the bank 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 the banking information has been verified, all borrower loan disbursements associated with that closing agent can be disbursed immediately by EFT. All loans will be obligated using a "1A Obligation" transaction through DLS.

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

Note: If the information entered into the EFT system PLAS Payment Profile does not match the ADPS 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 then enter a "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.

Notice FI-2886

6 Obtaining Bank Account Information

A 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 banking information to the County Office on SF-1199A.

If a borrower wants to use multiple bank accounts, a separate SF-3881 **must** be completed for **each** account. SF-3881 is available from the FFAS Employee Forms Online Website at <http://165.221.16.90/dam/ffasforms/forms.html>. The web site can also be accessed from the FFAS Intranet homepage under “Forms, Publications, and Supplies”.

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 banking information and enter it into the EFT system.

B Completing SF-3881’s

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 bank as part of the electronic deposit.
Agency Identifier	ENTER “ FSA ”.
Agency Location Code (ALC)	ENTER “ 12200408 ”.
ACH Format	CHECK (✓) “ CCD+ ”. This indicates the type of electronic disbursement file the bank will receive.
Address	ENTER “ PO Box 200003, St. Louis, MO 63120-0003 ”.
Contact Person Name	ENTER “ Farm Loan Operations Office ”. Any questions that the bank may have should be directed to this contact.
Telephone Number	ENTER “ 314-539-6154 ”.

Notice FI-2886

6 Obtaining Bank Account Information (Continued)

B Completing SF-3881's (Continued)

Field	Action
Payee/Company Information	
Name	Enter 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 borrower's or payee's SSN or EIN, both of which are considered TIN's.
Address	Enter borrower's or payee's address as it relates to the loan.
Contact Person Name	Enter name of the person who should be contacted if any of the information provided for the bank fails during the pre-note process, such as the borrower's name or management agent's name.
Telephone Number	Enter telephone number for the contact person.
Financial Institution Information	
Name	Enter name of the borrower's or payee's bank.
Address	Enter address of the bank.
ACH Coordinator Name	Enter name of the individual who should be contacted at the bank if the pre-note fails or if a manual pre-note is required.
Telephone Number	Enter telephone number of the ACH Coordinator.
Nine-Digit Routing Transit Number	Enter 9-digit number for the bank that identifies the bank to the Federal Reserve Banking System.
Depositor Account Title	Enter title of the account at the bank. 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 borrower's or payee's account number at the bank.
Lockbox Number	Enter lockbox number, if applicable.
Type of Account	CHECK (✓) either "Checking" or "Savings".
Signature and Title of Authorized Official	Enter signature and title of a bank representative who has reviewed this information for completeness and accuracy. This may be the ACH Coordinator.
Telephone Number	Enter telephone number of the authorized official.

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

C Filing SF-3881's

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

Notice FI-2886

6 Obtaining Bank Account Information (Continued)

D Example SF-3881

Following is an example SF-3881.

ACH VENDOR/MISCELLANEOUS PAYMENT ENROLLMENT FORM		OMB No. 1510-0056
<p>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.</p>		
PRIVACY ACT STATEMENT		
<p>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.</p>		
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):
<p style="font-size: x-small;">AUTHORIZED FOR LOCAL REPRODUCTION</p> <p style="text-align: right; font-size: x-small;">SF 3881 (Rev 2/2003) Prescribed by Department of Treasury 31 US C 3322; 31 CFR 21 0</p>		

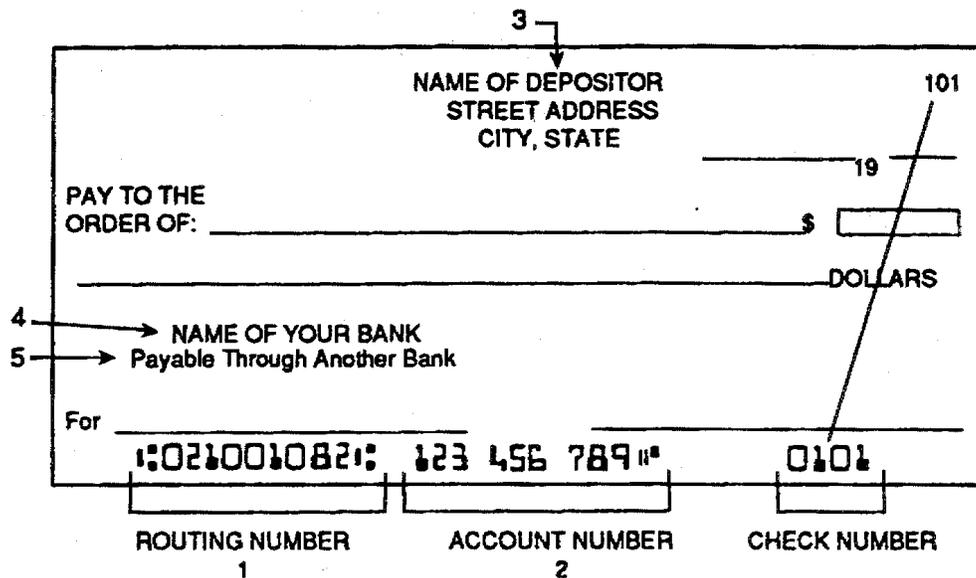
6 Obtaining Bank Account Information (Continued)

E Using a Voided Check to Verify Bank Information

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

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

The following is an example of a standard check showing the banking 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	Payee/Company Name
4 Name of Bank	Financial Institution Name
5 Payable Through Another Bank	If "Payable through" appears on the check, contact the bank to determine the bank routing number to enter in the Nine-Digit Routing Transit Number field.

7 Accessing EFT Main Menu

A NITC Teleview Menu

The banking information obtained on SF-3881, voided check, or SF-1199A shall be input into the EFT system to enable EFT disbursement processing. The EFT system allows County Offices to capture banking information outside the PLAS and GLS legacy systems for electronic fund disbursement purposes. The system is accessed from the NITC Teleview Menu, which is the main menu for the mainframe environment. The following is an example of the NITC Teleview Menu.

Note: The EFT session number (Sesnum) 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
    
```

Notice FI-2886

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.

The following is an example of the Electronic Funds Transfer of Funds 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:
```

Notice FI-2886

7 Accessing EFT Main Menu (Continued)

C EFT Menu Options

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

Option	Title	Function	Paragraph
1	UPDATE Payee Detail	To input name and account information for establishing pre-note for accounts that do not already exist. Note: The Update Account Detail Screen, to enter new or update information to establish bank account details, can be accessed from this screen. See paragraph 9.	8
2	LIST SELECT Payee Account	To view and select payees and their bank 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 bank account details, can be accessed from this screen. See paragraph 9.	10
3	UPDATE GLAS Payment Profile Detail	To enter all of the information for a guaranteed lender, including the lender ID and branch number and the related banking information.	For GLS instructions, go to http://intranet.fsa.usda.gov/fsatraining .
4	LIST SELECT PLAS Borrower Routing	To view a list of all bank accounts associated to a borrower on PLAS.	11
5	UPDATE PLAS Payment Profile Detail	To enter all of the 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

7 Accessing EFT Main Menu (Continued)

C EFT Menu Options (Continued)

Option	Title	Function	Paragraph
8	LIST SELECT Active Financial Institutions	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	To view a list of all obsolete financial institutions (banks) that are no longer available for use in the EFT database.	14
10	Treasury Symbol Menu	For FLOO use.	N/A

8 Entering and Updating Payee Detail in EFT System

A Using the Update Payee Detail Screen

To access the Update Payee Detail Screen, on the EFT Main Menu, ENTER “1” and PRESS “Enter”. The following table provides instructions for County Offices 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	Enter TIN, type, and name on the bank account and PRESS “Enter”. Note: In the Type field, ENTER “?” and PRESS “F4” to obtain a list of valid payee types. In the Option field, ENTER “A” and PRESS “Enter”. “Create Successful” will be displayed if the payee has successfully been added to the EFT database.
View or modify the details of the payee’s bank account	Enter TIN and type and PRESS “Enter”. In the Selection field of the entry to be viewed or modified, ENTER “X”. On the Go To line, ENTER “AD” and PRESS “Enter”. The Update Bank Account Information will be displayed. Go to paragraph 9.
Update payee attributes Note: If a payee currently has bank accounts that have been associated to a PLAS refund, updating the type attribute to “CLS AGENT” will not be permitted.	Enter TIN and type. In the Option field, ENTER “C” and PRESS “Enter” to update attributes.

Notice FI-2886

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

A Using the Update Payee Detail Screen (Continued)

Function	Action
Delete a payee's record Note: If a payee has bank accounts listed, deletion will not be permitted.	In the Option field, ENTER "D".
Determine whether an account is currently associated to any payments	Enter TIN and type and PRESS "Enter". In the Selection field of the entry to be viewed or modified, ENTER "X". On the Go To line, ENTER "PA" and PRESS "Enter".

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.

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 Goto to create Bank Accounts for Payee

Option      (A)dd (C)hange (D)elele 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 Bank Account Detail**

A Using the Update Account Detail Screen

Once a payee has been established, County Offices shall follow the instructions in this table to create or modify bank 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 banking details</p> <p>Notes: The payee attributes will be pre-filled from a prior screen and are protected.</p> <p>Duplicate bank accounts cannot be established for the same payee.</p>	<p>Do the following:</p> <ul style="list-style-type: none"> • PRESS “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, in the Routing Number field, ENTER “?” and PRESS “F4”.</p> • account ID (bank account number) • “C” for checking or “S” for savings • in the Option field, ENTER “A” and PRESS “Enter”. <p>Notes: The 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 banking information has successfully been added to the EFT database.</p>
<p>Update bank information</p> <p>Note: Updating the bank information will cause the pre-note status to reset to “Pending” to trigger a pre-note.</p>	<p>Enter a new routing number, account ID, or type.</p> <p>In the Option field, ENTER “C” 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>In the Option field, ENTER “D” and PRESS “Enter”.</p>
<p>View a list of payments associated to the payee bank account</p>	<p>On the Go To line, ENTER “PA” and PRESS “Enter”.</p>

Notice FI-2886

9 Creating or Modifying Bank 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
```

Notice FI-2886

10 List Select Payee Account Information

A Using the List Select Payee Account Screen

To access the List Select Payee Account Screen, on the EFT Main Menu, ENTER “2” and PRESS “Enter”. Follow the directions in this table to view a list of payees and their corresponding bank 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 TIN or name and PRESS “Enter”. Note: PRESS “Tab” to move to a specific borrower’s line.
View the bank account details of a specific borrower	In the Selection field next to the borrower ID, ENTER “X” and on the Go To line, ENTER “AD”.
View the payee details of a specific borrower	In the Selection field next to the borrower’s ID, ENTER “X” and on the Go To line ENTER “PD”. 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	01/20/05
FHXXX	LIST SELECT Payee Account	17:20:48
		Page 13 MORE
Search by Tax Id or Name		
Sel Tax Id	Payee Name	Payee Type
323232324	JOHN SMITH	CLS AGENT
410575757	FRED A. JONES	BORROWER
674674674	COM FAC LOAN EZ/E	CLS AGENT
376673376	COTTO VIR	BORROWER
		Account Id
		322222222
		410555555
		677777777
		037373737 DD
		Type
		C
		S
		C
		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.

Notice FI-2886

11 List Select PLAS Borrower Routing

A Using the List Select PLAS Borrower Routing Screen

To access the List Select PLAS Borrower Routing Screen, on the EFT Main Menu, ENTER “4” and PRESS “Enter”. Follow the directions in this table to view a list of bank 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	In the Selection field next to the bank account, ENTER “X” and on the Go To line, ENTER “PP”.
View the account details of a specific borrower	In the Selection field next to the bank account, ENTER “X” and on the Go To line, ENTER “RH”. 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 13 MORE

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  677777777  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

To access the Update PLAS Payment Profile Detail Screen, on the EFT Main Menu, ENTER “5” and PRESS “Enter”. Follow the directions in this table to perform maintenance on the bank 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 DLS. Once this data has been input, all future disbursements for that specific loan number will automatically be made to the bank 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	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 DLS 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>	<p>Enter data in the following fields:</p> <ul style="list-style-type: none"> • State Code, a 2-digit code • County Code, a 3-digit code • Borrower ID, TIN • Loan Number, loan number associated with obligation on ADPS Unclosed Screen • Fund Code, fund code associated with obligation on 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. <p>On the Go To line, ENTER “PL” and PRESS “Enter”. The List Select Payee Account Screen will be displayed.</p> <hr/> <p>On the List Select Payee Account Screen:</p> <ul style="list-style-type: none"> • enter TIN or name and PRESS “Enter” • in the Selection field next to the correct borrower ID, ENTER “X” and PRESS “Enter”. <p>Note: The Update PLAS Payment Profile Detail Screen will be displayed with the payee account information pre-filled.</p> <p>In the Option field, ENTER “A” and PRESS “Enter” to add the record.</p>

Notice FI-2886

12 Update PLAS Payment Profile Detail (Continued)

A Using Update PLAS Payment Profile Detail Screen (Continued)

Function	Action
Change the ADPS payment profile on an existing payee account	Enter the borrower's information as it appears on SF-3881. ENTER "C" 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. ENTER "M" and PRESS "Enter".
Go to the List Select PLAS Borrower Routing Screen	On the "Go To" line, 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      Borrower Id 131313131
      Loan Number     10                                Fund Code 44
Disbursement Type    LN + LOAN/GRANT

Servicing Contact    Alex Smith
Phone Number         111 111 1111
----- Payee Account Information -----
      Tax Id          55555555
      Payee Name      CRAIG CONROY      Payee Type BORROWER +
      Routing Number  011000015 + FRB-BOSTON ACH
      Account Id      22021111111111111111 Type S      Obsolete as of
Pre-note status      P PENDING      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
    
```

Notice FI-2886

13 List Select Active Financial Institutions

A List Select Active Financial Institutions Screen

To access the List Select Active Financial Institutions Screen, on the EFT Main, ENTER "8" and PRESS "Enter". The List Select Active Financial Institutions Screen can be used to view all the active financial institutions (banks) that are available in the EFT database. The financial institutions can be accessed by either TIN or bank name.

The following is an example of the VIEW Active Financial Institution Detail Screen.

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.

Notice FI-2886

14 List Select Obsolete Financial Institutions

A List Select Obsolete Financial Institution Screen

To access the List Select Obsolete Financial Institution Screen, on the EFT Main Menu, ENTER "9" and PRESS "Enter". 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, and PRESS "Enter".

ED08	Electronic Funds Transfer System	02/09/05	
FHXXX	LIST SELECT Obsolete Financial Institution	08:00:22	
		Page 1 MORE	
	Routing Number 00000000		
	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			

Notice FI-2886

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.

The following is an example of the LIST SELECT Obsolete Detail Routing.

```
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 an 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 option 1 on the EFT Main Menu to enter borrower's banking account information from SF-1199A, SF-3881, or voided check to establish a pre-note. See paragraphs 8 and 9 for instructions on entering borrower and banking information.
	IF SF-1199A is...	THEN...	
	on file	verify the banking information with the borrower.	
	not on file	request that the borrower complete SF-3881 or provide a voided check.	
2	Check the pre-note status code 15 calendar days after entering pre-note information.		See paragraph 9 for instructions on viewing the pre-note status.
	Note: See paragraph 16 for a list of valid pre-note status codes. Pre-note status is updated on the night of the 14th calendar day.		
	IF...	THEN...	
	the pre-note status has been updated to a valid code	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 nonvalid code	re-enter banking information.	Use option 1 on the EFT Main Menu.
	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, enter the "1C Check Request" transaction into DLS.		Use option 5 on the EFT Main Menu to enter the loan information entered in DLS. See paragraph 12 for instructions on entering loan information.

Notice FI-2886

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 agent contacts the County Office and advises that 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 or provide a voided check.	Use option 1 on the EFT Main Menu to enter the banking account information from SF-3881 or voided check to establish a pre-note. See paragraphs 8 and 9 for instructions on entering borrower and banking 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 14th calendar day.	See paragraph 9 for instructions on viewing the pre-note status.
	IF...	THEN...
	the pre-note status has been updated to a valid code	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 nonvalid code	re-enter banking 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 Check Request" 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 option 5 on the EFT Main Menu 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 banking 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 banking information for the borrower, attorney, or closing agent has not changed. Ensure that the pre-note status has not been changed to “O” (Obsolete).		
2	IF the banking information has... not changed	THEN... follow directions in step 3 to disburse the loan.	
	changed or the pre-note status has changed to “O”	re-enter the banking information.	Use option 1 on the EFT Main Menu to update the bank account and establish a new pre-note if the banking information has changed. See paragraphs 8 and 9 for instructions on updating banking information.
3	IF the... loan is closed by an FSA official and the “1C Check Request” transaction has been entered in DLS	THEN... enter the loan information entered in DLS.	Use option 5 on the EFT Main Menu to enter the loan information entered in DLS.
	attorney or closing agent contacts the County Office and advises of the loan closing date, and a “1C Check Request” transaction has been 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 banking information that has been established in the EFT database
- that will reduce FSA's liability for disbursing funds into an incorrect bank account
- consisting of the same banking information that a normal EFT disbursement transaction holds, except it is flagged as a pre-note with a zero dollar amount.

B Verifying Bank Account Information

As part of the pre-note verification process, the bank is required by NACHA rules to verify that the bank account number is correct, and either the type of account (checking or savings) or the payee's TIN. The bank 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 banking information for a payee is added and when any of the following information is changed on an existing record:

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

Once the payee's bank 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 bank does **not** respond that the pre-note is incorrect. If the bank responds to Treasury with a corrected bank account number, the:

- bank account number will be changed systematically
- pre-note status updated to "V" (Valid)
- "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 banking 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 bank during the current night’s update.
- **“S” Submitted** - Pre-note has been sent to the bank for approval.
- **“A” Assumed Valid** - Systematically changed after the required 14-calendar-day time period for banking information to be verified has elapsed.
- **“V” Valid (Manual)** - FLOO contacts the bank to verify the banking information. When verified, FLOO personnel will manually change the pre-note status to valid.
- **“I” Invalid (Manual)** - FLOO received notification from the bank 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.

Notes: If the 14 calendar days do **not** meet the disbursement dates needed, contact FLOO to request a manual pre-note. FAX a screen print of the Account Detail (AD) Screen with the supporting bank document; such as SF-3881, SF-1199A, or voided check to FLOO. See subparagraph 1 D for FLOO’s telephone and FAX numbers. A manual pre-note will change the pre-note status to “V” Valid (Manual).

If during the 14-calendar-day time period the bank rejects the pre-note, FLOO will be contacted and the pre-note status will be changed to “I” Invalid (Pre-Note). The payment profile will have to be corrected.

17 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 the ACH rules in subparagraph B.

B ACH Rules

The ACH rules state that the bank **must** be contacted within 2 calendar days of disbursement for the funds to be returned to Treasury. The bank may request a Letter of Indemnity from FSA/FLOO. Once the bank 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 FSA-2072.

In situations where the bank will **not** return the funds, FLOO should be contacted **immediately**. As the originator of the disbursement, FLOO can request the bank 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 bank directly and request the return.

C Completing FSA-2072's

If a return is to be processed by the bank, complete FSA-2072 and FAX it to FLOO. Indicate appropriate cancellation action requested and note in FSA-2072, item 14, "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.

If disbursement return does **not** meet ACH rules guidelines, the disbursement may be returned by paper check made payable to, "Farm Service Agency". The check should be returned by mail to FLOO, at the address in subparagraph 1 D, with completed FSA-2072.

18 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 bank 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 banking information if banking information is not already on file in the County Office. Verify the banking 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 bank account of borrower. • Closing Agent – Payment disbursed to bank account of closing agent. Usually used for Farm Ownership loans. • Designee – Payment disbursed to third party on behalf of borrower.
4	How do I update the payee detail and bank information?	Access the NITC Screen and choose the EFT option. Select option 1 from the EFT Main Menu to input the payee TIN, type, and name. The Bank Account Detail Screen can be accessed from the EFT Main Menu. Entering the bank 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?	According to NACHA rules, which regulate all ACH transactions, the bank has 6 workdays to verify the banking 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.
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 banking information. If the 14 calendar days do not meet the users disbursement needs, users may contact FLOO according to subparagraph 1 D for instructions on acquiring a manual pre-note. When a manual pre-note is accomplished, the pre-note status will change to “V”.

18 Frequently Asked Questions (Continued)

A Direct Loan Program Questions (Continued)

No.	Frequently Asked Question	Answer
7	When can I update Option 5 Update PLAS Payment Profile Detail to attach the borrower information to the bank account?	<p>The PLAS Payment Profile can be entered after users have established the payee detail and bank account and processed the “1A Obligation” transaction to obligate loan funds. Users must have the correct fund and loan number to update the PLAS Payment Profile. Users do not have to wait for the pre-note to be validated to attach the PLAS Payment Profile to the bank account.</p> <p>The update must be accomplished before the processing of the “1C Check Request” transaction to disburse the funds. The EFT system is online real time so users can update the EFT system the same day as the “1C Check Request” 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 the EFT Main Menu, option 1, the Update Payee Detail Screen, or modified from the Update PLAS Payment Profile Detail Screen. See paragraphs 8 and 12.
9	How do I change the payee bank account information?	Payee bank account information can be changed from the Update Account Detail Screen or modified from 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 banking information.</p> <p>S - Zero dollar pre-note submitted to bank.</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 banking information and when a change is made to the banking information.</p>
11	Can I delete the banking information from the EFT system?	If a PLAS Payment Profile is attached to a bank account, it must be deleted before deleting the bank account information. If the bank account will no longer be used for disbursement, it should be deleted. The banking information will be systematically deleted after 3 years if there is no activity on the account.
12	What is the difference between ACH and wire transfer?	<p>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 “1C Check Request” transaction. Verify that the bank account information received from closing agents will accept an ACH disbursement. Many closing agents have provided wire bank account information in error.</p> <p>Wire transfer is an allowable EFT method for same day disbursement through Treasury. FLOO handles requests for wire transfers manually.</p>

18 Frequently Asked Questions (Continued)

A Direct Loan Program Questions (Continued)

No.	Frequently Asked Question	Answer
13	How can I verify the method of disbursement after I update the “1C” 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 bank 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 bank says the funds have not been received?	Check the Unclosed Screen to verify that the funds were transmitted electronically. Verify that the bank 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 “1C Check Request” transaction:</p> <ul style="list-style-type: none"> • updating payee detail information • establishing the bank 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 bank 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>

18 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 banking information?	From the EFT Main Menu, ENTER “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 banking 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.
3	What is the purpose of the Program field on the Update GLAS Payment Profile Detail Screen?	FLP should be entered in the Program field for FLP’s. The Program field allows the lender to have a different account number for FSA loans and 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 “Farm Loan Programs”, CLICK “ EFT of Payments to Guaranteed Lenders ”.