

For: State and County Offices

Updating Bankruptcy Flags in FSA Financial Services (FSA-FS)

Approved by: Associate Administrator for Operations and Management



1 Overview

A Background

When the County Office is notified that a producer or other entity has filed for bankruptcy, a County Office employee will set the bankruptcy flag in FSA-FS. The bankruptcy court appoints a trustee to be responsible for assembling the debtor’s assets, disposing of the assets at the best price obtainable within a reasonable time and distributing the proceeds from the assets of the debtor to the creditors according to priorities established under the law. Once the County Office is notified of the court appointed trustee, the County Office employee should enter the Bankruptcy Trustee’s information into FSA-FS. Any future payments earned will be made payable to and mailed to the trustee’s name and address. The producer will continue to receive a disbursement transaction statement for their records.

Notice FI-2967:

- was mistakenly issued
- will be re-issued at a later date
- is no longer available on the Internet
- is obsolete.

B Purpose

This notice provides instructions for setting the bankruptcy flag and entering the applicable trustee information through FSA-FS.

Disposal Date	Distribution
December 1, 2010	State Offices; State Offices relay to County Offices

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1 Overview (Continued)

C Contact

State Offices with questions about this notice should contact either of the following:

- Yanira Sanabria, FMD, by:
 - e-mail to yanira.sanabria@wdc.usda.gov
 - telephone at 703-305-0969
- Sue Tolle, FMD, by:
 - e-mail at marysue.tolle@kcc.usda.gov
 - telephone at 816-926-5965.

2 Setting the Bankruptcy Flag in FSA-FS

A When to Set the Bankruptcy Flag

The bankruptcy flag must be set to “Select” when the County Office is notified that a producer has filed a petition for bankruptcy. See 58-FI, Part 11, Section 3 to determine the actions required when the County Office becomes aware of the filing.

Note: The bankruptcy flag must be set to “Delete” if the bankruptcy petition is dismissed.

B FSA-FS Web Site

State or County Office employees must have a valid eAuthentication level II user ID and password to log into the Financial Services web site at <https://pws.sc.egov.usda.gov/jloginjlogin.aspx/>. See Notice FI- 2928 for instructions on how to log into FSA-FS and select customer.

2 Setting the Bankruptcy Flag in FSA-FS (Continued)

C FSAFS Menu

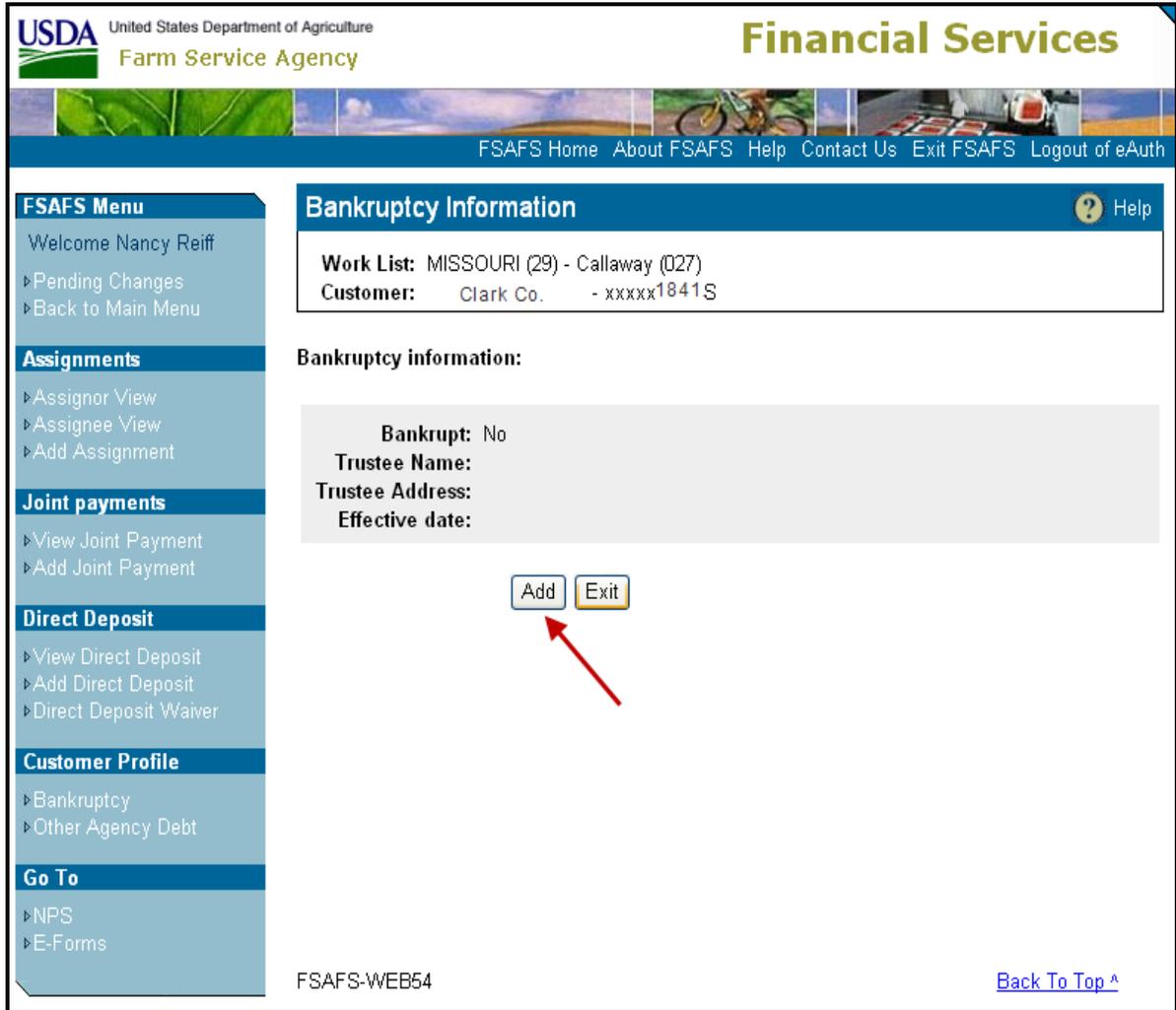
This is an example of the redesigned FSA-FS Home Page. The FSAFS Menu will be displayed after the customer has been selected. CLICK “Bankruptcy” located under “Customer Profile” to change the flag setting or to enter the Trustee information.

The screenshot displays the FSAFS Financial Services interface. At the top, the USDA logo and 'United States Department of Agriculture Farm Service Agency' are on the left, and 'Financial Services' is on the right. A navigation bar below contains links for 'FSAFS Home', 'About FSAFS', 'Help', 'Contact Us', 'Exit FSAFS', and 'Logout of eAuth'. The left sidebar, titled 'FSAFS Menu', lists several options: 'Welcome A Brubaker', 'Pending Changes', 'Back to Main Menu', 'Assignments' (with sub-options: Assignor View, Assignee View, Add Assignment), 'Joint payments' (with sub-options: View Joint Payment, Add Joint Payment), 'Direct Deposit' (with sub-options: View Direct Deposit, Add Direct Deposit, Direct Deposit Waiver), 'Customer Profile' (with sub-options: Bankruptcy, Other Agency Debt), and 'Go To' (with sub-options: NPS, E-Forms). A red arrow points to the 'Bankruptcy' option. The main content area, titled 'Financial Services', shows a 'Work List: MISSOURI (29) - Callaway (027)' and a 'Customer: Clark Co. - xxxxx1841E'. Below this is a welcome message: 'Welcome to Financial Services. Use the left navigation to begin.' At the bottom of the main content area, it says 'FSAFS-WEB01, Last Modified on 03/18/2010' and a 'Back To Top' link. The footer contains various links: 'FSAFS Home | FSA Internet | FSA Intranet | USDA.gov | Site Map | Policies and Links | FOIA | Accessibility Statement | Privacy | Non-Discrimination | Information Quality | USA.gov | White House'.

2 **Setting the Bankruptcy Flag in FSA-FS (Continued)**

D Bankruptcy Information Screen

This is an example of the Bankruptcy Information Screen. If the Service Center employee needs to change the producer status to bankruptcy, CLICK “Add” and the Add Bankruptcy Request Screen will be displayed.



E Customer Profile

When the Bankruptcy and other Agency Debt flags are set it will be applied to all State and counties that are associated with the customer.

3 Adding the Bankruptcy Trustee Information in FSA-FS

A Completing the FSAFS Add Bankruptcy Request Screen

The following Add Bankruptcy Request Screen will be displayed when the employee clicks “Add” on the Bankruptcy Information Screen.

To complete the Add Bankruptcy Request:

- click on the box labeled “Check if the customer listed above is currently in bankruptcy status”, to confirm that the customer is in bankruptcy status
- if Trustee information is provided, enter the following:
 - “Trustee Name”
 - “Trustee Address”
 - applicable “U.S or Foreign Address”
- ENTER “Effective date” of the notification of bankruptcy filing
- CLICK “Submit” to record the flag setting.

Note: If the Trustee information is not provided to the Service Center when first notified of the bankruptcy filing, leave the trustee’s information blank and CLICK “Submit” to set the bankruptcy flag. The Service Center may enter the trustee’s information at a later time by selecting the Bankruptcy Menu and clicking “Modify” to enter the trustee’s information. This will require secondary approval for verification.

3 Adding the Bankruptcy Trustee Information in FSA-FS (Continued)

B Example of Completed Update Bankruptcy Request Screen

The following is an example of the Update Bankruptcy Request Screen. Upon completing the trustee’s information CLICK “Submit” to set the bankruptcy Flag.

Notes: A secondary approval is required to validate the request.

Pending Request can be deleted or updated **before** secondary approval.

Once the bankruptcy status box is checked, the “Ineffective date” **shall not** be entered until the producer’s bankruptcy is dismissed.

The screenshot shows the 'Update Bankruptcy Request' screen. At the top, it says 'USDA United States Department of Agriculture Farm Service Agency' and 'Financial Services'. Below that is a navigation bar with links: 'FSAFS Home', 'About FSAFS', 'Help', 'Contact Us', 'Exit FSAFS', and 'Logout of eAuth'. The main content area has a blue header with 'Update Bankruptcy Request' and a 'Help' icon. Below the header, there's a box with 'Work List: MISSOURI (29) - Callaway (027)' and 'Customer: Clark Co. - xxxxx1841E'. The form has several sections: 'Bankruptcy Data' with a checked box 'Check if customer listed above is currently in bankruptcy status.'; 'Trustee Information' with fields for 'Trustee Name' (Joe Doe), 'Trustee Address' (Address Line 1: 5th Avenue N.W., Address Line 2:), 'U.S. Address' (City: Houston, State: TX, Zip: 77001), and 'Foreign Address' (Foreign Address Line: , Country: , Address: Code:). There are also fields for 'Effective date (mm/dd/yyyy): 04/27/2010' and 'Ineffective date (if no longer in bankruptcy) (mm/dd/yyyy):'. At the bottom of the form are 'Submit' and 'Exit' buttons. The footer of the page says 'FSAFS-WEB56' and 'Back To Top ^'.

The following is an example error message that will be displayed when users enter the “Ineffective date” incorrectly.



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3 Adding the Bankruptcy Trustee Information in FSA-FS (Continued)

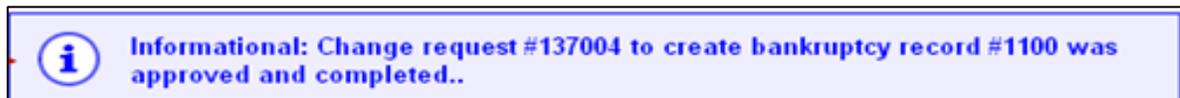
C Secondary Party Verification

After the producer's status is changed to bankruptcy in FSA-FS, the request will be sent to the Pending Changes Worklist for approval. See Notice FI-2928 for instructions on Pending Change Request and Second Party Verification.

Users will do the following as applicable:

- enter the bankruptcy effective date that was entered in the "Effective date" field and the Trustee's name on the Add Bankruptcy Request Screen
- CLICK "Approve Request" to save
- CLICK "Delete Request" to remove the request
- exit.

The following message will be displayed after approving the traction request.



4 Deleting Approved Bankruptcy Flags in Financial Services

A Deleting Approved Bankruptcy Flag

If the bankruptcy was dismissed by the Court, the Service Center employee may delete the flag in FS with the proper documentation by:

- going to FSASF Main Menu
- selecting the customer according to Notice FI-2928

B Customer Profile

Under the Customer Profile Menu, CLICK "Bankruptcy" and then "Modify", and the Modify Bankruptcy Request Screen will be displayed. Uncheck the bankruptcy status box in the field labeled "Check if customer listed above is currently in bankruptcy status", and enter the date the bankruptcy was dismissed as the "Ineffective date".

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4 Deleting Approved Bankruptcy Flags in Financial Services (Continued)

C Second Party Verification

Second party verification is required. See Notice FI 2928 for instruction on second party verification. Users will do the following as applicable for second party verification:

- enter the bankruptcy “Ineffective date”
- CLICK “Approve Request” to save
- CLICK ”Delete Request” to remove the request
- exit.

The following message will be displayed after approving the traction request.

