

**For:** FSA Offices

**Adding Co-Borrowers and Co-Signers in Guaranteed Loan System (GLS)**

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



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**1 Overview**

**A Background**

The Debt Collection Act, as amended by the Debt Collection Improvement Act (DCIA) of 1996, requires that all delinquent guaranteed debtors, including co-borrowers and co-signers, be referred for noncentralized internal administrative offset and to the U.S. Department of Treasury’s Treasury Offset Program (TOP) for centralized offset of Federal Government payments. GLS has been updated to allow multiple co-borrowers and co-signers to be added to a loan once it has been closed in GLS.

**B Purpose**

This notice:

- provides guidance on how to enter co-borrowers and co-signers in GLS
- provides a deadline by when co-borrowers and co-signers will be entered in GLS
- prioritizes order in which co-borrowers and co-signers will be entered
- instructs State and County Offices to use GLS co-borrower/co-signer reports to assist with the organization and management of this task.

**2 Adding Co-Borrowers or Co-Signers in GLS**

**A Adding Single Co-Borrowers or Co-Signers**

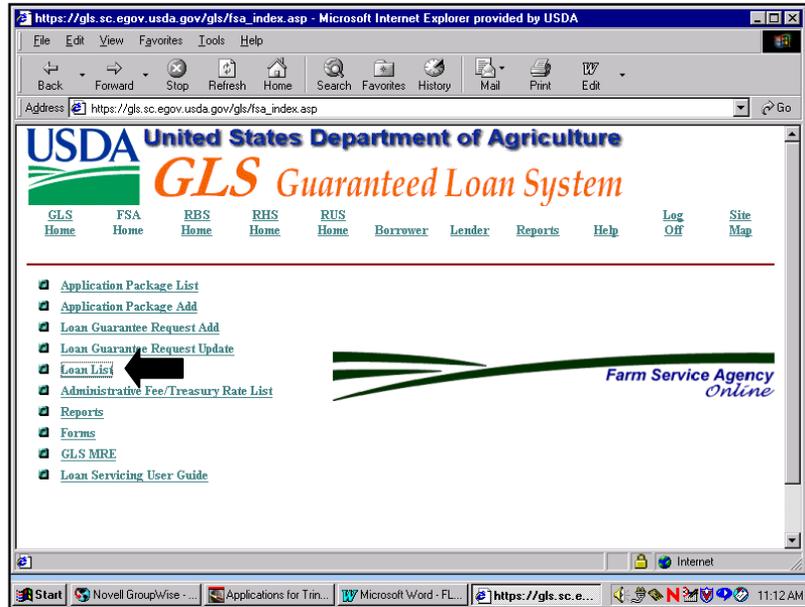
For applications with a single co-borrower or co-signer, GLS users will continue to enter co-borrower information at the same time that the loan application package is entered in GLS.

<b>Disposal Date</b>	<b>Distribution</b>
October 1, 2004	All FSA Offices; State Offices relay to County Offices

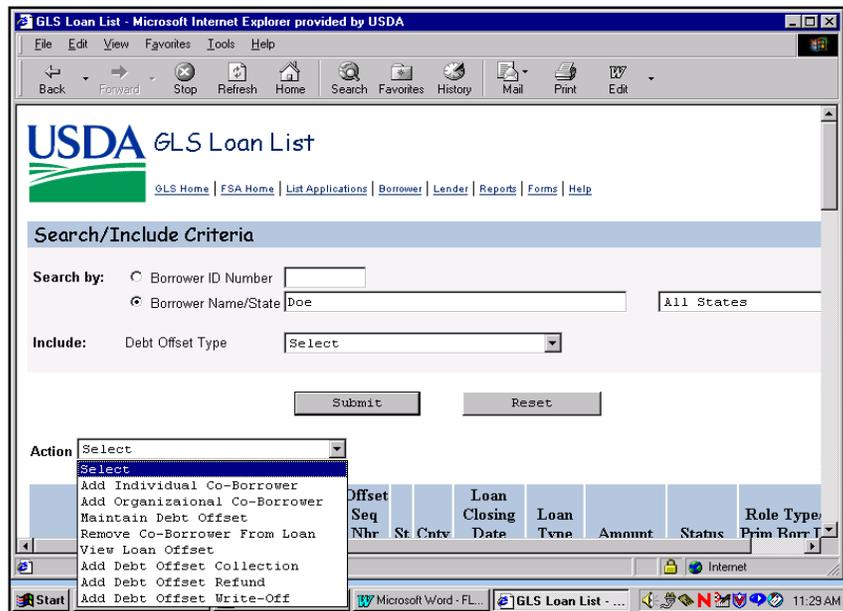
2 Adding Co-Borrowers or Co-Signers in GLS (Continued)

B Adding Multiple Co-Borrowers or Co-Signers

Multiple co-borrowers or co-signers may only be added in GLS after the loan is **closed** on the system. The starting point for adding co-borrowers is the Loan List hyperlink on FSA's Home Page in GLS according to the following screen.



**Step 1:** From the following GLS Loan List Screen, select Add Individual or Organizational Co-Borrower from the Action drop down box, and click on the Agency loan number hyperlink of the loan the co-borrower will be added to.

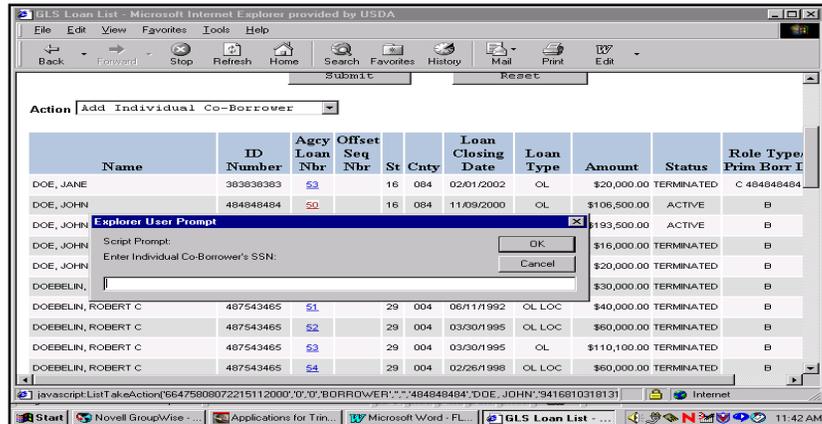


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### 2 Adding Co-Borrowers or Co-Signers in GLS (Continued)

#### B Adding Multiple Co-Borrowers or Co-Signers (Continued)

**Step 2:** User will enter the Social Security Number (SSN) or Tax Identification Number (TIN) of the first co-borrower or co-signer to be added in the Explorer User Prompt box displayed as follows.



**Step 3:** After the user enters SSN or TIN and clicks on the OK button, the GLS Individual or Organization Borrower Maintenance Screen will be displayed. User will enter the co-borrower information on the Maintenance Screen and click on the Submit button to add the co-borrower to the loan. User will receive an Update Successful pop-up box to indicate that the co-borrower has successfully been added to the loan.

**Note:** Data will be pre-filled on the borrower Maintenance Screen if SSN or TIN already exists in GLS. Users may update and edit the existing data as needed.

The screenshot shows the 'GLS Individual Borrower Maintenance' screen. It features a 'USDA' logo and a 'Help' link. The 'Identifying Information' section includes fields for SSN (pre-filled with 555121200), Last Name, First Name, Middle Name, Title, and Doing Business As Name. The 'Address and Phone' section includes fields for Address, City, State (a dropdown menu), and Zip Code.

The screenshot shows the 'GLS Organization Borrower Maintenance' screen. It features a 'USDA' logo and a 'Help' link. The 'Identifying Information' section includes fields for Tax ID (pre-filled with 555121200) and Name. The 'Address and Phone' section includes fields for Address, City, State (a dropdown menu), Geo State (a dropdown menu), County (a dropdown menu), Zip Code, Phone, and Extension.

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### 2 Adding Co-Borrowers or Co-Signers in GLS (Continued)

#### B Adding Multiple Co-Borrowers or Co-Signers (Continued)

Repeat steps 1 through 3 until all co-borrowers are added to **each** loan.

### 3 Action

#### A County Office Action

County Offices shall:

- use GLS MRE Report, Parties Liable for GLS Loan(s) – Includes Borrowers & Co-Borrowers, to:
  - determine the co-borrowers and co-signers already in GLS
  - prioritize data entry

**Note: This report will be provided to the County Offices by the State Office until the report is available as an on-line GLS report.**

- enter co-borrower and co-signer information according to the following priorities:
  - loans made after July 20, 2001, that have had a loss claim paid
  - loans made after July 20, 2001
  - all active loans
- verify that all co-borrowers and co-signers have been entered into GLS no later than April 30, 2004.

#### B State Office Action

State Offices shall:

- immediately run the GLS MRE Report by loan status (All, Active, Loss Paid, or Terminated) and provide to each County Office until the report is available as an on-line GLS report
- follow up with each servicing office no later than April 29, 2004, to ensure co-borrowers and co-signers have been added in GLS.

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### 3 Action (Continued)

#### C Contact

If there are questions about:

- GLS MRE reports, contact Sheila Oelrich, LSPMD at 202-720-2990
- GLS co-borrower/co-signer functionality or about this notice, contact Trina Brake, LSPMD at 202-690-4008.