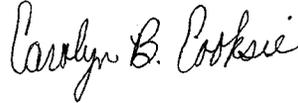


For: State and County Offices

Management of Agricultural Credit (MAC) Data Conversion to Direct Loan System (DLS)

Approved by: Deputy Administrator, Farm Loan Programs



1 Overview

A Background

DLS is part of the FLP’s Information Delivery System (FLPIDS). The direct loan making portion of DLS is currently being tested and will soon be piloted in Kentucky and Wisconsin. Nationwide implementation is scheduled for December.

MAC direct application and borrower data will be converted to DLS direct loan making.

Note: All MAC direct application and borrower data **must** be accurate and current **before** conversion.

The following 5 problems with MAC data will cause data conversion errors:

- customers with blank or temporary (“T”) tax ID type on the Basic Borrower Information (BBI) file
- duplicate tax ID’s
- invalid servicing office mail codes
- incorrect direct operating loan (OL) and farm ownership (FO) eligibility years remaining(term limit) information
- unresolved entries on MAC Unprocessed Report.

Disposal Date	Distribution
October 1, 2007	State Offices, State Offices relay to County Offices

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1 Overview (Continued)

B Purpose

This notice:

- provides County Offices with guidance on actions required before DLS implementation to insure that MAC direct application and borrower data converted to DLS is accurate and current
- supplements guidance provided in DLS Loan Making User's Guide and Notice FLP-392.

C Contacts

Direct questions about this notice to Kathleen Miller by either of the following:

- e-mail at kathleen.miller@wdc.usda.gov
- telephone at 202-720-1643.

2 Data Cleanup

A Blank or "T" Tax ID Type

The following table provides tax ID guidance.

IF tax ID...	THEN...
is blank	establish a legacy link in the Service Center Information Management System (SCIMS). Note: When users create legacy links in SCIMS, MAC BBI file is updated with the tax ID during AS/400 end-of-day process.
downloaded is invalid	delete the borrower.
is "T"	do either of the following: <ul style="list-style-type: none">• correct SCIMS with the permanent tax ID and tax ID type• delete the borrower if the tax ID is invalid.

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2 Data Cleanup (Continued)

B Duplicate Tax ID's

Servicing offices **must** resolve entries on MAC Duplicate Tax ID Report. The report should **only** reflect borrower/co-borrower names that have both **active** direct and guarantee loans outstanding in multiple servicing offices.

Example: Accounts where 1 servicing office services an active direct loan and 1 servicing office is assigned PLP active guarantee loan.

Servicing offices can determine payment-in-full (PIF) date or settlement based on the fully paid code on the ADPS LA Screen. The date of last payment will indicate a PIF date or the OH Screen will display the date a loan was settled (any fully paid code such as S00, S03, etc.).

The purpose of the Duplicate Tax ID Report is to ensure that MAC data is consolidated onto 1 AS/400.

IF...	THEN...
a servicing office receives a name on the report	be aware that another servicing office is also getting the name because this report is showing that more than 1 AS/400 has MAC data on this borrower/co-borrower. Note: Servicing offices on the report need to determine which servicing office MAC data should be maintained and use "MAC Move" option to consolidate the data into the servicing office with the active loan activity.
both the direct and guarantee loans are inactive	Servicing offices will move MAC data to the direct loan servicing office.

"MAC Move" option will move all the account data from the sending servicing office's AS/400 to another AS/400. The borrower data will be completely removed from the sending servicing office's AS/400. However, "MAC Move" option will **not** remove the co-borrower data in case the co-borrower also has loans as a borrower. A **copy** of the co-borrower data will be transferred, but the **original** co-borrower data will reside on the sending servicing office's AS/400. After "MAC Move" option is complete the co-borrowers will probably show up on the Duplicate Tax ID Report.

Note: To remove co-borrowers data, the sending servicing office will need to take the "borrower delete" option on co-borrowers. Do **not** remove any co-borrower that has loans in the sending servicing office as a borrower.

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2 Data Cleanup (Continued)

C Invalid Servicing Office Mail Codes

Servicing offices **must** review the Servicing Office Mail Code Report from MAC “Administrative Functions” option. Corrections to the borrower account information **must** be made in MAC through the “Basic Borrower Information”, “Update Applicant/Borrower Information” option.

Servicing offices may need to:

- review ADPS LA Screens to determine the following:
 - PLAS Mail Code currently on the account
 - whether there may be outstanding direct loans located in another County Office.
- access through GLS block mode, the LL Screen for a listing of the guaranteed status and the current Servicing Office Mail Code for the guarantee.

Note: SCIMS **must** have a legacy link to the receiving County Office.

The following table provides DLS data conversion preparation instructions.

IF...	THEN...
borrower has outstanding loans in PLAS	DLS Loan Making will pre-fill the county code and servicing office PLAS Mail Code with the codes currently in PLAS.
current PLAS Mail Code is incorrect	process a 9G transaction to correct PLAS Mail Code through either of the following: <ul style="list-style-type: none"> • ADPS for a borrower who has only direct loans • GLS for a borrower who has either of the following: <ul style="list-style-type: none"> • both direct and guaranteed loans • only guaranteed loans.
county code is incorrect	process a 4D transaction to correct county code through either of the following: <ul style="list-style-type: none"> • ADPS for a borrower who has only direct loans • GLS for a borrower who has either of the following: <ul style="list-style-type: none"> • both direct and guaranteed loans • only guaranteed loans.

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2 Data Cleanup (Continued)

D Term Limits

Servicing offices **must** verify the term limits in MAC as of the end of CY 2005 and report those borrowers with incorrect data to their DLS coordinator. If the eligible period remaining is not correct in MAC for direct OL loans and/or the date is not correct for direct FO loans, then manual adjustments **must** be made during data conversion.

Note: MAC is not always adding the 1-time, 2-year extension for direct OL loans. Check **all** borrowers who have received an extension.

E MAC Unprocessed Report

Servicing Offices need to ensure that all entries on the report are resolved to the extent possible.

3 Action

A SED Action

SED's shall ensure that MAC data is ready for conversion to DLS direct loan making.

B DLS Coordinator Action

DLS coordinators shall spotcheck MAC data to ensure that the data is accurate, up-to-date, and ready for conversion to DLS direct loan making.

C Servicing Office Action

Servicing offices shall ensure that MAC data entry is up-to-date and accurate by **December 15, 2006**.