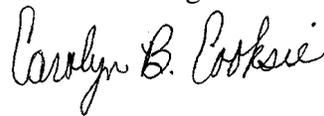


For: State Offices

Farm Business Plan (FBP) Database Management

Approved by: Deputy Administrator, Farm Loan Programs



1 Overview

A Background

FBP centralized database:

- includes current and historical producer information, including debts, assets, and operating information related to income, expenses, and production
- is available, real time, to management
- must not include duplicated records, temporary files, accounts that are paid in full, or accounts where the application from a new applicant has either been rejected or withdrawn
- data is uploaded daily to the reporting database and used to generate management reports, provide information for FLP Risk Assessment (FLPRA), and is shared with other FLP web based applications.

Users **must** take responsibility to ensure that data residing in the active database represents the true picture of FSA’s direct loan portfolio.

Currently, there are over 270 duplicate accounts residing in the FBP active database. Borrower accounts may have been duplicated to perform ‘what if’ scenarios, make changes to the critical forms, and/or to generate chattel security agreements. These actions only require 1 FBP account. FBP allows a borrower to have an unlimited number of balance sheets, income and expense schedules, and credit actions. Given this capability, duplicate FBP records for a borrower should **not** be maintained. Service Centers using the FBP consolidation feature should only have 1 account for each member of the entity and 1 “shell” account used for the consolidation.

B Purpose

This notice provides guidance to Farm Loan Chiefs (FLC) and FBP State Coordinators to better manage the FBP data base.

Disposal Date	Distribution
January 1, 2008	State Offices

Notice FLP-473

1 Overview (Continued)

C Contact

Any questions about this notice should be directed to Steven I. Rubin, Senior Loan Officer, PDEED by either of the following:

- e-mail at steven.rubin@wdc.usda.gov
- telephone at 202-690-8595.

2 Service Center Responsibilities

A FLP Borrowers

All borrowers listed on Report Code 540 shall have an FBP account established in the active database. For flagged accounts, where financial and production data is not readily available, **only** the General Information page shall be completed. All accounts, including those with just Farm Ownership (FO) loans that are still paying off their indebtedness shall be entered in FBP with current financial and production information. FO only borrowers will be entered into FBP and classified using the Credit Presentation, Classification/LReview/YEA. A list of FLP accounts that do **not** have an existing FBP account will be provided to each FLC under separate cover.

For accounts where current financial data is not available, such as foreclosure and bankruptcy cases, a new Credit Presentation, D-Loan/Special Classification has been developed and included in FBP. This Credit Presentation will require Service Centers to complete the FBP, General Information Section and input values for FSA Security Margin and Percent of FSA Loss that will be calculated from the best information available for the borrower. The basis for these values will be documented in the borrower's case file. From the Assigned Classification Level drop-down box the Service Center will then select "5", "Not Classified".

A future version of FBP will calculate the FSA Security Margin and Percent FSA Loss when total FSA collateral, prior liens, and total FSA debts are entered for this type of FBP account.

B FSFL Borrowers

Farmers who only have Farm Storage Facility Loan (FSFL) accounts are **not** to reside in the FBP system. When evaluating repayment ability and loan security for FSFL applicants, Service Centers are to follow 1-FSFL. FSFL loans made to existing FLP borrowers shall use the established FBP account. **Only** the FLP staff shall update these accounts to include FSFL information.

Notice FLP-473

2 Service Center Responsibilities (Continued)

C Moving Accounts to the Recycle Bin

When a borrower's account is paid in full, debt is settled or otherwise determined to be inactive, or when a new applicant's loan request is withdrawn or rejected, their FBP accounts will be moved to the recycle bin. **Before** transferring these accounts to the recycle bin, the Service Center shall, on FBP General Information Screen for the borrower:

- delete the borrower's case number from the "Case #" field
- enter 1 of the following in the "Case #" field, as appropriate:
 - Paid in Full, mm/dd/yyyy (date)
 - Withdrawn, mm/dd/yyyy (date)
 - Rejected, mm/dd/yyyy (date)
 - Loss to the Government, mm/dd/yyyy (date)
 - Debt Settled, mm/dd/yyyy (date).

Web EQUITY MANAGER® Locator | Calculators | Log Out | eHelp | FBP Forum | ProLearnUniversity.Com
~Briggs 28200310160021038250 2

File | General | Credit Action | Bal. Sheet | Inc / Exp | Notes | Reports

General Information

Default Model changed

[Save & Stay](#) | [Save & Menu](#)

Entity Type: C Corporation

Case #: Paid in Full, 06/21/2005

Type of Operation - Primary: [Select](#) Description: SIC: NAICS:

Individual Name: Matt ~Briggs 28200310160021038250 2
Company Name: ~Briggs 28200310160021038250 2
Common Name:
Address 1:
Address 2:
City, State, Zip:
County:
SSN / Federal Tax I.D. #: 11-1223333
Borrower Type: Direct Guaranteed Both
Contact Name:
Contact Phone:
Contact E-mail Address:
Date of Birth:
Marital Status:
Year Started Farming: Select Year

Home Phone:
Business Phone:

[Save & Stay](#)

2 Service Center Responsibilities (Continued)

D Duplicate Accounts

Duplicate accounts shall **not** reside in FBP active database. Service Centers will move duplicate accounts to the recycle bin and notify FBP State Coordinator to permanently delete the duplicate accounts from the recycle bin. These accounts shall be labeled “Duplicate Destroy file” in the case number field in General Information before transferring the account to the recycle bin.

Note: When Service Center staff is generating chattel security agreements in FBP, they shall do so in the existing customer accounts for the borrower/applicant. FBP accounts shall **not** be duplicated to create subsequent chattel security agreements or to generate “what if” scenarios.

All States have been allowed to establish 2 FBP accounts to generate temporary/training/sample accounts. Temporary/training/sample account files generated by Service Center users shall be deleted from the FBP system. Any temporary files generated for training purposes need to be deleted from the FBP system at the conclusion of the training.

E Classification of Youth Loans

For new Youth Loans, a score of “3”, “Acceptable,” will be assigned when completing the Youth Loan Credit Action. For existing Youth Loans, that are current, Service Centers shall complete a D-Loan/Special Classification Credit Action. A score of “3”, “Acceptable” will be assigned. For existing Youth Loans that are delinquent, the D-Loan/Special Classification Credit Action shall be used and will be assigned a score of “5”, “Not Classified”. The values of FSA’s Security Margin and Percent of FSA Loss will be calculated from the best information available for the borrower. The basis for these values will be documented in the borrower’s case file.

F FBP Account Type Flags

FBP is being further enhanced to include an account type flag. Accounts may be flagged:

- 1-Active Account
- 2-Credit Rpt./Elig. Only Act.
- 3-Special Classification
- 4-Guaranteed Loan Import
- 5-Producer Import.

Notice FLP-473

2 Service Center Responsibilities (Continued)

F FBP Account Type Flags (Continued)

The field identifying the account type flag will be located in the General Information section. The account type flag will be used to track which accounts were generated for:

- credit reports and eligibility determination only, D-Loan/Special classification
- guaranteed loan imports from another lender
- producer generated import files.

Only active accounts are counted toward FSA's record limit in FBP. Once this process has been implemented, Service Centers shall ensure that accounts are given the proper account type flag.

Note: The initial version of this process is **not** automated; Service Centers will need to select the appropriate account type flag. A future version of FBP will automate this process.

Account Type Flags	Description
Active	This will represent the majority of accounts residing in FBP. Active accounts are those customers that have an active loan or loan application with FSA. Note: Active accounts will not include "flagged accounts", such as BAP, FAP, CO, etc.
Credit Rpt./Elig. Only Act.	Accounts that were established for the purpose of determining eligibility and/or ordering credit reports. No financial or production information shall be entered in accounts flagged as "Credit Rpt./Elig. Only Act." Note: Once an applicant is determined eligible and FSA is moving forward with the loan process, the FBP Account Type flag shall be changed to "Active Account".
Special Classification	Accounts where financial and production data is not available and FBP is only used to generate a Special Classification code.

Notice FLP-473

3 FLC, FBP Coordinator, and National Office Responsibilities

A FLC and FBP Coordinator Responsibilities

FLC's and FBP State Coordinators shall ensure that all accounts that no longer have a credit relationship with FLP are moved to the recycle bin. If the account has not been properly identified by the Service Center, the account shall be labeled as described in subparagraph 2 C.

FBP State Coordinators will periodically monitor the recycle bin and the active database to ensure that duplicate accounts are **not** being created. The recycle bin shall be reviewed at least every other month to ensure that files generated in error, and duplicate accounts sent to the recycle bin, are permanently deleted from the system.

Each State is allowed to have 2 temporary/training/sample accounts in the FBP system. These accounts are used for training and demonstrating different scenarios. FBP State Coordinators will ensure that Service Centers are **not** generating temporary/training/sample accounts. If Service Center generated temporary/training/sample accounts are found in the active database, FBP State Coordinators shall remove these accounts.

By March 1 and September 1 of each year, FBP State Coordinators shall submit a report to Steven Rubin, National Office FBP Administrator at steven.rubin@wdc.usda.gov, confirming that:

- all duplicate FBP accounts, except the 2 authorized per state, have been removed
- all direct accounts have been classified in FBP
- all accounts that no longer have a credit relationship with FSA have been properly labeled using the Case # field and moved to the recycle bin
- accounts residing in the State's recycle bin that were closed over 1 FY prior have been moved to archive account; during FY 2007, States shall **only** move accounts closed out from FY's 2004, 2005, and 2006
- accounts have the correct FBP account type flag.

B National Office Responsibilities

The National Office FBP Administrator shall continue to monitor the FBP active database to ensure that accounts are managed as described in this notice. Periodically, the National Office will generate reports to identify duplicate records, FLP accounts not found in FBP, accounts that should not be active in FBP, and accounts needing to be updated and/or classified. These reports will be provided to the States to assist them in accomplishing their responsibilities.