

**For:** State Offices

### FLP Goal Evaluation Methodology

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



## 1 Overview

### A Background

FLP goals:

- are an important component of overall program management
- set priorities and provide direction for program implementation
- directly contribute to the accomplishment of broader strategic goals contained in the FSA and USDA strategic plans.

Establishing measurable long-term and annual goals, monitoring performance on an ongoing basis, and reporting results achieved provides DAFLP a level of credibility that does not exist in many Federal programs. In this era of limited budgetary resources, the ability to demonstrate program performance will likely carry greater weight in funding decisions.

Because of limited staffing and administrative funding negatively affecting the ability to meet some of the FLP goals, the goal evaluation methodology developed and implemented in FY 2012 will be continued. In addition, slight adjustments have been made to some goals. DAFLP is launching a goals task force that will complete work this FY to create a new 5-year goal methodology that will be established for FY 2020.

### B Purpose

This notice provides the methodology that will be used to evaluate FLP performance and FY 2019 goal information.

**Note:** This notice extends some of the FY 2012 through 2016 FLP goals to FY 2019. These goals were distributed by a DAFLP memorandum on December 22, 2011.

### C Contact

Questions about this notice can be e-mailed to Sheila Oellrich at [sheila.oellrich@usda.gov](mailto:sheila.oellrich@usda.gov).

**Disposal Date**

January 1, 2020

**Distribution**

State Offices

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### 2 Goals

#### A Overview

Many of the goals from FY 2018 have carried over into FY 2019, with some goals remaining the same and others having minor changes.

#### B FY 2019 Goals

Adjustments will be based on the FY 2018 final numbers. State and Field Offices should use reports available in the FLP Data Mart and Guaranteed Loan System to monitor FY 2019 goals.

### 3 Evaluation Methodology

#### A Overview

The goal evaluation methodology consists of the following 2 components:

- a point value is assigned for accomplishing each goal according to subparagraph B
- additional points may be earned based on 2 indicators according to subparagraph C.

If an aggregate score of 80 or greater is achieved, goals are considered met.

#### B Point Values for Goals

A point value is assigned for accomplishment of each of the eight FLP goals. Special emphasis is being placed on the “Lending to SDA Farmers” and “Special Servicing Processing Time” goals, with accomplishment of each goal worth 20 points. Accomplishment of all other goals is worth 10 points each.

Goal	Point Value
First Year Delinquency Rate	10
Direct Loan Processing Time	10
Guaranteed Loan Processing Time	10
Lending to Beginning Farmers	10
Lending to SDA Farmers	20
Direct Loan Delinquency Rate	10
Guaranteed Loan Delinquency Rate	10
Special Servicing Processing Time	20
<b>Total</b>	<b>100</b>

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### 3 Evaluation Methodology (Continued)

#### C Additional Points for Workload

An additional 10 points will be added to a State's total if any of the following conditions are met:

- the number of borrowers in the portfolio per County Office GS-1165 employee exceeds the national average by 20 percent

**Example:** Baseline: 20 percent above FY 2018 National average = 124 borrowers.

- the dollar amount of loan obligations per County Office GS-1165 employee in a given year exceed the national average by 20 percent

**Example:** Baseline: 20 percent above FY 2018 National average = \$5,471,000.

- the number of chattel inspections completed is 80 percent or greater of the total chattel inspections required.

**Example:** A State meets 5 of 8 goals for a total of 70 points. However, because the State has 124 borrowers per County Office GS-1165 employee, exceeding the baseline for that indicator, the State receives an additional 10 points. The goals are now considered met.

**Note:** The employee numbers that will be used in calculations are provided by DAFO.

#### D Effects of Furlough on Goals

The 2018-2019 furlough may have a significant impact on a State's ability to achieve the established goals, especially those applicable to processing times. Since this impact is not immediately measurable, the FY 2019 goals will not be adjusted to account for the furlough period. Instead, considerations will be made at the end of the goal period.

### 4 Action

#### A State Office Action

To ensure that goals are achievable, extenuating circumstances will be taken into consideration as the impact may be evaluated. If a State Office experiences conditions that make it extraordinarily difficult or impossible to achieve goals as provided in this notice, contact the National Office as soon as the impact of the conditions can be assessed for a determination of whether revised goal levels may be approved, taking the extenuating circumstances into consideration. Examples of these conditions include extraordinary increases in loan application activity or loan servicing activities, or staffing shortages because of circumstances beyond management's control (FLP staff illness, unanticipated resignations, etc.).