

**UNITED STATES DEPARTMENT OF AGRICULTURE**

Farm Service Agency  
Washington, DC 20250

**Notice FLP-895**

**For:** State and County Offices

1-FLP

**Modernization of District Director Oversight Reporting System (DDORS)**

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



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**1 Overview**

**A Background**

As FSA continues to modernize programs and processes for continued functionality, DDORS has been identified for potential enhancement. The Program Operations and Appraisals Division (POAD) and the DDORS Modernization Taskforce have assessed the current DDORS platform, analyzed the current effectiveness of DDORS reports, and identified key issues, process improvements, and system requirements necessary to modernize the review platform.

**B Purpose**

This notice provides:

- an overview of DDORS modernization
- key areas of review
- interim reporting requirements
- information on the discontinuance of the existing DDORS platform.

**C Contact**

Direct any questions about this notice to Gretchen Thomas by either of the following:

- e-mail to [gretchen.thomas@usda.gov](mailto:gretchen.thomas@usda.gov)
- telephone at 205-650-3373.

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**Disposal Date**

July 1, 2024

**Distribution**

State Offices; State Offices relay to County Offices

## 2 Overview of DDORS Modernization

### A DDORS Modernization

The primary goal of DDORS modernization is to develop a cost-effective platform to improve the user experience while transitioning FSA's legacy systems off the .net platform. Modernizing the system will help redesign the user-facing elements of the legacy system, ensuring the new system provides better access to information and enables users to perceive, understand, navigate, and interact with a new system in an improved manner. Additionally, it was determined the existing reporting requirements were outdated and provided limited value in actual oversight and compliance within FLP requirements. To increase the value of DD FLP oversight, the DD oversight reporting requirements are also being updated.

The DDORS Modernization Taskforce:

- recommended a management tool that does not overlap with the Credit Quality Review (CQR) process with a goal of supporting oversight and management to align service center teams with the resources necessary to manage offices efficiently
- recognized 4 key areas of critical importance for DD review of each service center:
  - application processing
  - delinquency
  - security
  - goals.

### B Key Areas of Review

**Application Processing:** DD's should review application processing timeframes, rejected and withdrawn applications, and attempts by FSA staff to assist borrowers in achieving complete applications. Reviewing these items will inform management if applicants are being treated equitably and ensuring the service center has provided adequate customer service to all producers.

**Delinquency:** Reviewing loan portfolio delinquency provides management with an understanding of the overall health of the FSA loan portfolio and provides management the opportunity to discuss with FLP staff opportunities for assisting delinquent borrowers. Through this review, DD's will focus on reasons for delinquency, determine FSA's involvement before delinquency, continued communication efforts, and reviewing the security for the delinquent account.

**Security:** Reviewing FSA's overall loan security provides management with an understanding of efforts conducted by County Offices to ensure loans are adequately secured and all necessary inspections have been completed. DD reviews should focus on security inspections, DLS dashboard entries, UCC continuations, and security requirements.

## 2 Overview of DDORS Modernization (Continued)

### B Key Areas of Review (Continued)

**Goals:** DAFLP has established ten FLP goals that are an important component of overall program management. Goals set priorities and provide direction for program implementation and directly contribute to the accomplishment of broader objectives contained in the FSA and USDA strategic plans.

Establishing and monitoring measurable goals provides DAFLP a level of credibility that does not exist in many federal programs. In an era of limited budgetary resources, the ability to demonstrate program performance carries significant weight in funding decisions.

Internal controls are intended to identify deficiencies with an aim towards improvement. Oversight activities should take into consideration current programmatic and resource challenges.

Completion of the District Director FLP Management Report (Exhibit 1) will help DD's identify the challenges and conditions that impede Service Centers from achieving goals and will convey this information to the National Office.

## 3 Interim Reporting Requirements

### A Accessing the District Director FLP Quarterly Management Report

While FLP develops a modernized DD reporting system, an interim reporting process has been established to ensure continued DD oversight and reporting related to FLP. During this transition period, a Microsoft Form will be used for completing and submitting the District Director FLP Quarterly Management Report (Exhibit 1), available at:

<https://forms.office.com/Pages/ResponsePage.aspx?id=5zZb7e4BvE6GfuA8-g1Gl7FqbpWgpzdLgRz4Q0au1vJUM0tIMFpKQ05QVkvMVjJDM0pDWFkyMktFMi4u>

This form will be used during the transition of modernization, beginning with fourth quarter reporting on August 1, 2023. Only authorized users will have access. An authorized user is a DD who has been included in the global outlook group FSA-District-Directors-ALL. FLC's can submit user access requests by e-mail to [DDFLP@usda.gov](mailto:DDFLP@usda.gov).

DD's are required to complete reporting quarterly without restriction. Delegation of Loan Approval Authority is not a requirement for report completion.

### 3 Interim Reporting Requirements (Continued)

#### B Reporting Timeframes

All reporting activities are due quarterly; however, DD's may complete this report more frequently, if necessary, to assist in the overall FLP management of the Service Center. Quarterly completion is due on the following dates.

First Quarter: **January 31**  
 Second Quarter: **April 30**  
 Third Quarter: **July 31**  
 Fourth Quarter: **November 30**

#### C Completing the District Director FLP Management Report

The following table provides the actions for completing the District Director FLP Management Report (Exhibit 1).

| Item | Action  |
|------|---|
| 1-5  | Enter State, district number, Service Center name, FY, and reporting quarter.   |
| 6-9  | Only include actionable item information.   |
| 10   | Only select 1 item; "No action required" should only be selected if an office is not meeting their goals because of circumstances beyond their control.   |
| 11   | Respond if option "Planned Action" is selected in question 10, list the specific goal and include what actions the Service Center is doing to meet the goal(s) and what challenges, if any, the Service Center is experiencing. |

#### D Notifications

Upon completion of the report, users will receive an auto-generated e-mail with all report responses included. This report should be forwarded to SED, FLC, and the respective Service Center employees.

### 4 Discontinuance of DDORS

#### A Deactivation Date

The existing DDORS is scheduled to deactivate at the end of the third quarter on July 31, 2023.

#### B Deactivation Report Retrieval

Any reports not retrieved by July 31, 2023, will require National Office assistance for retrieval. DD's and FLC's should work together to ensure all reports have been printed or saved for later access.

**Note:** FSA-2101 remains available for training purposes only and should not be submitted for quarterly management reporting.

**4 Action**

**A DD Action**

DD's will:

- follow the provisions of this notice
- discontinue use of the existing DDORS and begin using the District Director FLP Management Report.

**B State Office Action**

State Offices will:

- ensure all DD's within their State are informed of the contents of this notice
- monitor the timely submission of the District Director FLP Management Reports.

**C POAD Monthly Office Hours**

For continued feedback while developing business requirements for modernization, POAD will hold monthly office hours via Microsoft Teams at [DDORS Modernization and DD FLP Quarterly Management Report Office Hours](#).

These sessions will be held the second Wednesday of each month at 1:00 PM EST on the following dates:

**August 9, 2023**

**September 13, 2023**

**October 11, 2023**

**November 8, 2023**

Discussions will be open to addressing concerns of the current reporting form or detail what the future FLP management tool should offer.

**DD FLP Quarterly Management Report**

The following is an example of the DD FLP Management Report.

## District Director FLP Quarterly Management Report

Report will assist with general oversight, determine risk associated with limited staff or negligence. Includes actions and mitigations to protect program integrity.

Instructional details are provided in current notice.

1. State \*  

Select your answer
2. District Number \*  

Select your answer
3. Service Center \*  

Enter your answer
4. Fiscal Year \*  

Select your answer
5. Quarter \*  

Select your answer
6. **Direct Loan Application Portfolio:** [entry of N/A is acceptable]  
(Review loan application processing timeframes, Withdrawn and Rejected applications) \*  
**Talking points:**
  - Why were loans withdrawn/rejected? (Are there applications that should be reversed to approvals?)
  - What communications did FSA have with the applicant prior to the decision?
  - Are niche operations or complex applications delaying processing times?
  - How is the office receiving applications? (Mail/Online/Submission after inquiry)
  - What is the status of incomplete letters? (Ensure offices are making every effort to help get applications complete)
  - Any staffing concerns?**Action Items:**
  - Indicate reason any applications have gone 45 days without disposition.
  - Verify applications are being assigned timely and equally.
  - Identify/list any concerns that were identified through the talking points with the Service Center.

Enter your answer

## DD FLP Management Report (Continued)

**7. Guaranteed Loan Application Portfolio:** [entry of N/A is acceptable]*(Review loan application processing timeframes, Withdrawn and Rejected applications) \****Talking points:**

- Why were loans withdrawn/rejected? *(Are there applications that should be reversed to approvals?)*
- What communications did FSA have with the Lender prior to the decision?
- Are niche operations or complex applications delaying processing times?
- How is the office receiving applications? *(Mail/Online/Submission after inquiry)*
- What is the status of incomplete letters? *(Ensure offices are making every effort to help get applications complete.)*
- Any staffing concerns?

**Action Items:**

- Indicate reason any applications have gone 15 days without disposition.
- Verify applications are being assigned timely and equally.
- Identify/list any concerns that were identified through the talking points with the Service Center.

Enter your answer

**8. Loan Portfolio - Delinquency:** [entry of N/A is acceptable]*Review 540 and guaranteed delinquent status reports. \****Talking Points:**

- Is the office maintaining communication with delinquent borrowers?
- How or why did the loan become delinquent?
- Were flexibilities utilized *(deferred payments, maximum repayment terms, mirror due dates to commodity sales)*
- Is the office timely sending appropriate PLS notifications and updates to DLS?
- Is proper security being taken and lien documents continued?

**Action Items:**

Review borrowers - Less Than 90 Days Past Due on 540 and review staff meeting minutes to determine if those borrowers have been contacted by loan official and review any payment recovery plans.

Identify any borrowers who are unable to make their payments and what actions the COF will be taking to help resolve the delinquency with the borrower.

Identify/list any concerns that were identified through the talking points with the Service Center.

Enter your answer

**9. Loan Portfolio - Security:** [entry of N/A is acceptable] \***Talking Points:**

- Is the DLS Dashboard being updated on a timely basis to capture security inspections?
- Who is responsible for loading workflow entries into DLS?
- Are future workflow dates being entered in Dashboard?
- What is the plan to improve completion of inspections?
- Are Security Agreements being updated, signed and returned to FSA, if applicable?
- Are Financing Statements and/or Real Estate Mortgages being updated, if applicable?
- Is workload impacting office inability to complete inspections?
- Are there extenuating circumstances that are hindering the completion of inspections?

**Action Items:**

Review completed inspections and pull the file to see what was done during that inspection and review FBP running record.

Identify/list any concerns that were identified through the talking points with the Service Center.

Enter your answer

## DD FLP Management Report (Continued)

**10. Loan Portfolio - Program Delivery:**FLP Goals established by the National Office *(select only one)*:**Note:** "No action required," should only be selected if an office is not meeting their goals due to circumstances beyond their control.

\*

|  | Meets                 | Planned Action        | No Action Required    |
|--|-----------------------|-----------------------|-----------------------|
| 1. First Installment Delinquency Rate (%)        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 2. Direct Application Processing Time (Days)     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 3. Guaranteed Application Processing Time (Days) | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 4. Lending to Beginning Farmers and Ranchers (%) | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 5. Lending to SDA Farmers and Ranchers (%)       | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

|   |                       |                       |                       |
|---|-----------------------|-----------------------|-----------------------|
| 6. Direct Dollar Delinquency Rate (%)             | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 7. Guaranteed Dollar Delinquency Rate (%)         | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 8. Primary Loan Servicing Processing Times (Days) | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 9. Borrowers Receiving Chattel Inspections (%)    | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| 10. Seriously Delinquent Borrowers (Number)       | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

**11. Comments: Loan Portfolio - Program Delivery:** [entry of N/A is acceptable]

FLP Goals established by the National Office

If option "Planned Action" is selected in question 10, list the specific goal and include what actions the Service Center is doing to meet the goal(s) and what challenges, if any, the Service Center is experiencing. \*

Enter your answer