

**For:** State Offices

**Impact of COVID-19 and the Inflation Reduction  
Act of 2022 (IRA) on FY 2023 FLP Goals and Performance**

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



**1 Overview**

**A Background**

While established program goals are a critical factor in measuring and determining FLP's success in implementing and carrying out its mission, they are not the only measure of success. States have performed very well considering the difficulties faced this year. Each State is meeting at least 1 goal, and each State has been impacted by COVID-19 in trying to meet others. In addition, every State has been impacted by implementing IRA. These impacts should be considered when evaluating FY 2023 performance.

**B Purpose**

This notice clarifies that failure to achieve goals should not be used as the basis for rating a performance element "Does Not Meet Fully Successful", or an "Unacceptable" performance rating when the goal was not met because of COVID-19 or IRA implementation.

**C Contact**

Email questions about this notice to Sheila Oellrich at [sheila.oellrich@usda.gov](mailto:sheila.oellrich@usda.gov).

Disposal Date	Distribution
February 1, 2024 10-11-23	State Offices

**2 FY 2023 Goal Performance**

**A Impact of FY 2023 Goals on Service Office Performance**

The COVID-19 pandemic significantly impacted and changed how FLP conducts business. Loan making and loan servicing actions may have been significantly delayed in some offices because of FSA's pandemic-related procedures that impacted borrowers and applicants.

In addition, IRA implementation resulted in transaction reversals and suspension of some servicing options, both of which make it difficult to accurately measure established program goals.

Service offices that met goals should be recognized for showing initiative and an ability to perform above and beyond despite these conditions. Conversely, service offices that did not meet goals should not necessarily be held strictly accountable for performance related to that FY 2023 goal. Accordingly, States are encouraged to determine whether the inability to meet the established goal is reflective of overall office management deficiencies not necessarily related to COVID-19 or IRA-related impacts.

**B Impact of FY 2023 Goals on Employee Performance Ratings**

Inability to meet FY 2023 FLP goals will not be the sole basis for a negative performance rating when the goal was not met because of impacts of COVID-19 or IRA implementation. Failure to meet goals for reasons not related to COVID-19 or IRA should still be considered.