UNITED STATES DEPARTMENT OF AGRICULTURE
Farm Service Agency
Washington, DC 20250

2-FLP

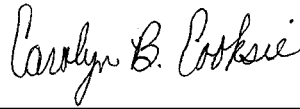**For:** FSA Offices

Electronic Reporting Within the Guaranteed Loan System

Approved by: Deputy Administrator, Farm Loan Programs

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1 Overview

A Background

Development has been completed for an electronic lender status, default status reporting, and loan closing system. USDA is incorporating FSA-1980-41, FSA-1980-44, and FSA 1980-19 for electronic reporting to allow lenders to submit data electronically through the USDA Lender Interface Network Connection (LINC) web site connected to the Guaranteed Loan System (GLS). Lenders will have the capability of updating borrowers' accounts through web access to the status and default status reports. The data is submitted in real time, which:

- saves mailing time
- eliminates the possibility of lost documents
- reduces paper generation.

FSA-1980-38 has been revised to include the terms and conditions for lenders participating in electronic data submission with FSA through the USDA LINC web site. Lenders who will participate in electronic reporting **must** do the following:

- recertify using the revised FSA 1980-38

- ensure that employees with access to electronic reporting create a level 2 eAuthentication ID and password

- designate an employee(s) as their Security Administrator(s) who will act as a point of contact to FSA.

FSA will use the new Application Authorization Security Management (AASM) system to authenticate and maintain lender employees' eAuthentication accounts and grant lender access to the electronic status and default status reporting system.

Disposal Date	Distribution
January 1, 2008	All FSA Offices; State Offices relay to County Offices

1   Overview (Continued)

    B   Purpose

        This notice provides:

- information about guaranteed lenders' notification of electronic reporting capability
- information concerning modifications to FSA-1980-38
- information about the AASM system
- lender requirements for electronic reporting through the USDA LINC web site
- State Office setup requirements for the AASM system.

    CContact

        If there any questions or problems with the status and default reporting or AASM:

- Security Administrators shall contact their State Offices

- State Offices shall contact 1 of the following:

  - St. Louis Finance Office GLS technicians
  - Courtney Dixon, LSPMD, at 202-720-1360
  - Pat Elzinga, LMD, at 202-690-1729

- County Offices shall contact the State Office.

2   Notification and Guidance

    A   Lenders' Notification of the Electronic Status Reporting Capability

        Lenders were notified of the capability to electronically submit status and default status reports by letter with their March 2007 FSA-1980-41's. Lenders should be encouraged to sign up for access to status and default status electronic reporting in GLS **before** the September 2007 reporting period. Lenders who do not choose this electronic method shall complete either a manual or eFile FSA-1980-41, 1980-44, and/or FSA-1980-19 for each loan according to 2-FLP. FSA-1980-41, FSA-1980-44, and 1980-19 are available at **http://forms.sc.egov.usda.gov/eforms/mainservlet**. The forms can be eFiled or mailed to the local FSA Service Center.

2   Notification and Guidance (Continued)

B   Revised FSA-1980-38

Currently, only the lenders that would like to participate in electronic reporting through the USDA LINC web site **must** recertify with the revised FSA-1980-38, which contains the electronic data submission agency regulations and guidelines in Part H. Lenders who are **not** participating will recertify with the revised FSA-1980-38 during their renewal period. Recertifying with the revised FSA-1980-38 will give authorization to the lenders' employees who will have access to electronic reporting. Guaranteed lenders shall recertify according to the following:

- Guaranteed Standard Eligible Lenders (SEL) shall recertify FSA-1980-38 with their County Office. County Offices shall notify the State Office of all SEL's recertifications.

- Certified Lenders shall recertify FSA-1980-38 with their State Office if lender's existing:

  - FSA-1980-38 is due to expire, the State Office shall combine a review for continued status eligibility with the execution of the revised FSA-1980-38 to avoid having the lender go through the process within a few months.

  - FSA-1980-38 is **not** due to expire, the State Office shall have the lender recertify with the   revised FSA-1980-38 that would cover the remaining time of the existing FSA-1980-38, or enter into a new FSA 1980-38, if lender requests.

- Preferred Lenders (PLP) shall recertify FSA-1980-38 with the National Office.

  Note: State Offices shall ensure that all PLP lenders who currently want to participate in electronic reporting and who do not have a revised FSA-1980-38 on file contact Charles Russell, LMD, at 202-720-3309. The National Office will complete the recertification and distribute all PLP lenders revised FSA-1980-38's to the applicable State Office(s).

C   Application Authorization Security Management (AASM) System

AASM is the database used by FSA and Rural Development that will contain the lenders' information as well as the eAuthentication IDs for the lender's employees authorized to participate in electronic reporting with the agencies. FSA will use AASM to grant access to lenders to electronically report status and default status reports, guaranteed loan closings, and future GLS electronic reporting applications, such as web-based guaranteed loss claims.

2   Notification and Guidance (Continued)

C Application Authorization Security Management (AASM) System (Continued)

Delegated State Office personnel will add the lender's Security Administrator(s) to the system. Security Administrators will add lender employees designated by the lender to use FSA's electronic reporting applications.

Further instructions concerning how Security Administrators add employees to the system will be provided to State Offices to be used as a training guide for lenders during the month of August 2007. State Offices will also be provided instructions for adding Security Administrators to AASM and analyzing the GLS 4264 and GLS 4264A reports.

3   Requirements

A Lender Requirements for Electronic Reporting

Lenders **must** have the following requirements completed to participate in electronic reporting through the USDA LINC web site.

- Each lender employee who participates in electronic reporting **must** create a level 2 eAuthentication ID and password at **ww.eauth.egov.usda.gov**. The level 2 security provides users with the ability to conduct official electronic business transactions with USDA agencies through the Internet. If a lender's employee presently has a level 2 eAuthentication ID/account with any USDA agency, then a 2nd account is **not** needed. Further instructions on obtaining a level 2 eAuthentication account will be provided to State Offices during the month of August 2007.

- Lenders are responsible for ensuring that all employees who will have access to electronic reporting adhere to the requirements outlined in the revised FSA-1980-38.

- Each lender must designate an employee as their Security Administrator who will have the authority and responsibility of granting access to other lender employees designated by the lender to use FSA's electronic reporting applications. The Security Administrator will be the point of contact for FSA for maintaining the lender employees' eAuthentication ID's in AASM. A lender can choose to designate additional Security Administrators to act as a backup for the primary Security Administrator.

After the Security Administrators are designated and the requirements have been fulfilled, the lender shall have the Security Administrator contact the State Office with his/her eAuthentication ID and lender information to be validated and entered into AASM.

3   Requirements (Continued)

A   Lender Requirements for Electronic Reporting (Continued)

Once Security Administrators are validated in the system, they will receive an e-mail confirmation validating their authorization and authority to add additional lender employees to AASM. Additional lender employees may be added by logging into the USDA LINC web site at **https://usdalinc.sc.egov.usda.gov/**.

Note: The e-mail confirmation is sent to the e-mail address the Security Administrator entered when creating the eAuthentication account. The following types of roles can be assigned to lender employees in AASM.

- Security Administrator – Employee that the lender designates and authorizes to input electronic data through the USDA LINC web site and is responsible for adding the Lender Administrator, Branch Administrator, Lender Viewer, or Branch Viewer to AASM. The State Office assigns this role type in AASM.

- The Lender Administrator – Employee who has authorization for all branches of the lender and is responsible for inputting electronic data through the USDA LINC web site. The Security Administrator assigns this role type.

- Lender Viewer – Employee has view only capabilities of all transactions associated with the lender's tax ID for all branches. The Security Administrator assigns this role type.

- Branch Administrator – Employee who has authorization only for a specific branch(s) of the lender and is responsible for inputting electronic data through the USDA LINC web site. The Security Administrator assigns this role type.

- Branch Viewer - Employee has view only capabilities of all transactions for the branch that the user is associated. The Security Administrator assigns this role type.

3   Requirements (Continued)

B State Office Setup Requirements for the AASM System

State Offices shall delegate a State Office employee(s) with a State Office GLS ID to authenticate and maintain lender Security Administrators within AASM. AASM can be accessed by logging into GLS and clicking the "Application Authorization" hyperlink on the FSA GLS Homepage. Delegated State Office personnel shall complete the following when he/she is contacted by a lender's Security Administrator to be authenticated within AASM:

- validate that the lender has a revised FSA-1980-38 on file

- validate that the Security Administrator has a level 2 eAuthentication account with USDA

- complete the process of adding Security Administrators to the AASM system.