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

For: State and County Offices

FSFL Software Changes Affected by the Food, Conservation, and Energy Act of 2008

Approved by: Acting Deputy Administrator, Farm Programs

[signature: Lynn Tjeerdsma]

1 Overview

A Background

FSFL software will be broadcast on August 17, 2009, and includes enhancements to the FSFL software on System 36.

After software broadcast, FSFL software enhancements will be made to the following processes:

- loan application
- loan approval
- obligations
- loan terms.

General policies and procedures for FSFL are found in Notices FSFL-61, FSFL-62, FSFL-63, and 1-FSFL, which will be updated accordingly.

B Purpose

This notice:

- provides State and County Offices with information and instructions for the following FSFL software changes:

  - eligible commodities
  - partial/final disbursements
  - loan terms
  - increases/decreases in loan amounts
  - facility type/codes

Disposal Date	Distribution
February 1, 2010	State Offices; State Offices relay to County Offices

1   Overview (Continued)

B   Purpose (Continued)

- obsoletes Notice FSFL-60 to correct reissued FSFL notice numbers that were cross referenced in the obsolete notice

- replaces screen numbers in subparagraph 2 C, step 4; and 4 B, step 2, with "VFA10000"

- edits subparagraph 3 E, step 5 to add "or "P""

- adds clarification to the "Note" in subparagraph 4 A.

C   Contacts

For questions about this notice, State Offices shall contact the following for:

- **policy**, DeAnn Allen by either of the following:

  - e-mail at **deann.allen@wdc.usda.gov**
  - telephone at 202-720-9889

- **automation**, Stacy Carroll by either of the following:

  - e-mail at **stacy.carroll@wdc.usda.gov**
  - telephone at 202-690-8037.

2   FSFL Software Changes to the Loan Application Process

A   Eligible Commodities/Codes

Screen VFA11000 has been modified to allow for the following additional commodities:

- hay
- renewable biomass
- fruits and vegetables.

Notes: See Exhibit 1 for commodity codes and abbreviations and Notices FSFL-62 and FSFL-63 for policy changes

If re-accessing the loan application to increase/decrease the FSFL approval amount, the 5th character of the commodity code abbreviation must be re-entered to complete the process. This is a known defect that will be updated in the next software release.

2   FSFL Software Changes to the Loan Application Process (Continued)

B   Partial Disbursement Option

If the producer requests a partial disbursement, County Offices must enter the application into the FSFL software as 2 separate loans. Information shall be the same for both loans except for "Requested Loan Amount".

Example: Joseph Smith submits a FSFL loan application for $150,000, on a manual CCC-185, as required in Notice FSFL-61, with the total capacity of 100,000 bu.

- Applicant requests a loan term of 10 years and a partial disbursement of $75,000.

- Applicant signs and dates CCC-185, page 1 on August 17, 2009.

- County Office enters the application into the FSFL software as 2 separate loans as follows:

  - 1 loan for $75,000 with a 10-year loan term for the partial disbursement and 50,000 bu. capacity

  - a separate loan for $75,000 with a 10-year loan term for the final disbursement and 50,000 bu. capacity.

Note: A partial disbursement is not a requirement and is at the producer's option.

C   Entering Initial Partial Disbursement FSFL

County Offices shall enter the initial FSFL application from the manual CCC-185 for partial disbursements in the FSFL software according to the following.

Step	Action
1	On **Menu VCA005**: • ENTER "**1**", "Application/Approval Processing" • PRESS "**Enter**".
2	On **Screen VCA11000**: • enter contact applicant's name • FY • ENTER "**N**" for new system-assigned FSFL number • PRESS "**Enter**".
3	On **Screen VCA11500**: • select producer • PRESS "**Enter**".

2   FSFL Software Changes to the Loan Application Process (Continued)

   C   Entering Initial Partial Disbursement FSFL (Continued)

Step	Action
4	On **Screen VFA10000**, for: • "**Requested Loan Amount**", enter the requested loan amount and PRESS "**Enter**" **Note:** This amount must be the **partial**, **not** the entire amount requested by producer. The final "Requested Loan Amount" must equal the total amount of producers request and/or the total from the final cost receipt less the 15 percent required down payment. • "**Existing Capacity**", enter the total existing capacity and PRESS "**Enter**" • "**Capacity of Proposed Storage Structure**", enter **half** the capacity of proposed storage structure for partial FSFL and PRESS "**Enter**". Continue processing **Screen VFA10000** entering the "Date facility equipment:" and "Required Application Fee" information from the manual CCC-185. Upon completion, **print Screen VFA10000 to have a record of the CCC-257 number**.
5	On **Screen VFA10500**, enter information for "Facility Type" and "Purpose of Loan" and PRESS "**Enter**". This information must be entered according to the applicable facility type and code as follows. <table><tr><th>Code</th><th>Definition</th></tr><tr><td>1</td><td>Storage Bin</td></tr><tr><td>2</td><td>Storage Crib</td></tr><tr><td>3</td><td>Upright Silo</td></tr><tr><td>4</td><td>Flat Storage</td></tr><tr><td>5</td><td>Affixed Handling Equipment</td></tr><tr><td>6</td><td>Affixed Drying Equipment</td></tr><tr><td>7</td><td>Maintenance Equipment (Hay)</td></tr><tr><td>8</td><td>Additions/Modifications of Existing Storage</td></tr><tr><td>A</td><td>Upright Silo for High Moisture Grain (Biomass)</td></tr><tr><td>B</td><td>Upright Silo for Silage (Fruits/Vegetables)</td></tr><tr><td>C</td><td>Bunker-Type, horizontal, or open silos for High Moisture Grain</td></tr><tr><td>D</td><td>Bunker-Type, horizontal, or open silos for Silage</td></tr></table>

2   FSFL Software Changes to the Loan Application Process (Continued)

C   Entering Initial Partial Disbursement FSFL (Continued)

Step	Action
6	On **Screen VFA10800**, enter the requested information from CCC-185 and according to the instructions in 1-FSFL, subparagraph 317 B, step 5. **Note:** Software changes have **not** affected Screen VFA10800.
7	On **Screen VFA11000**, enter all farm numbers associated with this application, commodities, acres, and yield per acre according to 1-FSFL, subparagraph 317 B, step 6. Answer the question, "Are there more farm numbers to record? (Y or N)", and PRESS "Enter". **Note:** Screen VFA11000 has been modified to allow for additional commodities according to Exhibit 1.
8	On **Screen VFA11500**, review system-calculated data and PRESS "Enter" to continue. **Note:** "**Additional Capacity Needed**", **except** for equipment only loans, this figure should be at least equal to producer's new facility capacity.
9	On **Screen VFA17005**, ENTER "Y" or "N" to continue processing and print CCC-185.

D   Entering Initial Final Disbursement FSFL

County Offices shall enter the initial FSFL applications from the manual CCC-185 for final disbursements in the FSFL software according to the following.

Step	Action
1	On **Menu VCA005**: • ENTER "**1**", "Application/Approval Processing" • PRESS "**Enter**".
2	On **Screen VCA11000**: • enter contact applicant's name • FY • ENTER "**N**" for new system-assigned FSFL number • PRESS "**Enter**".
3	On **Screen VCA11500**: • select producer • PRESS "**Enter**".

2   FSFL Software Changes to the Loan Application Process (Continued)

   D   Entering Initial Final Disbursement FSFL (Continued)

Step	Action
4	On **Screen VFA10000**, for: • "**Requested Loan Amount**", enter the requested loan amount and PRESS "**Enter**" **Note:** This amount must be the **final** amount requested by producer. Partial and final "Requested Loan Amount" added together must equal the total amount of producers request and/or the total from the final cost receipt less the 15 percent required down payment. • "**Existing Capacity**", enter the total existing storage capacity and PRESS "**Enter**" • "**Capacity of Proposed Storage Structure**", enter **half** the capacity of proposed storage structure for the final FSFL and PRESS "**Enter**". Continue processing **Screen VCA10000** entering the "Date facility equipment:" and "Required Application Fee" information from the manual CCC-185. Upon completion, **print this screen to have a record of the CCC-257 number**.
5	On **Screen VFA10500**, enter information for "Facility Type" and "Purpose of Loan" and PRESS "**Enter**". This information must be entered according to the applicable facility type and code as follows. <table><tr><th>Code</th><th>Definition</th></tr><tr><td>1</td><td>Storage Bin</td></tr><tr><td>2</td><td>Storage Crib</td></tr><tr><td>3</td><td>Upright Silo</td></tr><tr><td>4</td><td>Flat Storage</td></tr><tr><td>5</td><td>Affixed Handling Equipment</td></tr><tr><td>6</td><td>Affixed Drying Equipment</td></tr><tr><td>7</td><td>Maintenance Equipment (Hay)</td></tr><tr><td>8</td><td>Additions/Modifications of Existing Storage</td></tr><tr><td>A</td><td>Upright Silo for High Moisture Grain (Biomass)</td></tr><tr><td>B</td><td>Upright Silo for Silage (Fruits/Vegetables)</td></tr><tr><td>C</td><td>Bunker-Type, horizontal, or open silos for High Moisture Grain</td></tr><tr><td>D</td><td>Bunker-Type, horizontal, or open silos for Silage</td></tr></table>

2   FSFL Software Changes to the Loan Application Process (Continued)

   D   Entering Initial Final Disbursement FSFL (Continued)

Step	Action
6	On **Screen VFA10800**, enter the requested information from CCC-185 and according to the instructions in 1-FSFL, subparagraph 317 B, step 5. **Note:** Software changes have **not** affected Screen VFA10800.
7	On **Screen VFA11000**, enter all farm numbers associated with this application, commodities, acres, and yield per acre, according to 1-FSFL, subparagraph 317 B, step 6. Answer the question, "Are there more farm numbers to record? (Y or N)" and PRESS "Enter". **Note:** Screen VFA11000 has been modified to allow for additional commodities according to Exhibit 1.
8	On **Screen VFA11500**, review system-calculated data and PRESS "Enter" to continue. **Note:** "**Additional Capacity Needed**", **except** for equipment only loans, this figure should be at least equal to producer's new facility capacity.
9	On **Screen VFA17005**, ENTER "Y" or "N" to continue processing and print CCC-185.

3   FSFL Software Changes to the Loan Approval Process

A   Screen VFA12500

The following is an example of the **new Screen VFA12500**, which includes updates based on software changes for:

- partial/final disbursement
- requested loan term.

```
                        999-FAKE COUNTY                      VFA12500
   FARM STORAGE FACILITY LOAN PROGRAM      Version: AB10  07-23-09  9:47 Term FH
   -------------------------------------------------------------------------
   ELMO GABBARD                              FSFL# 2009/00057

        Amount Approved Pending Funding....... _.............

        COC Approval date (MMDDYYYY).............. ...........

        Is this a Partial or Final Disbursement? (P or F): ..



        Requested Loan Term (7, 10, 12):            ...







      Press "Enter" To Continue    Cmd7=End Of Job

MA    a                                                          06/045
```

B   Amount Approved Pending Funding

On **Menu VFA12500**, the "Amount Approved Pending Funding" cannot be greater than the "Requested Loan Amount" (CCC-185, item 3A). If a partial loan, this should not be more than 50 percent of the producer's actual requested loan amount. **Partial** loan and the **final** loan amounts must equal producer's actual request.

C   Partial and Final Disbursement

On **Menu VFA12500**, the question, "Is this a Partial or Final Disbursement? (P or F)", has been added.

Note: Partial disbursement is not a requirement. The producer can request just
       1 disbursement, the final disbursement.

3   FSFL Software Changes to the Loan Approval Process (Continued)

D   Requested Loan Term

On **Menu VFA12500**, the current fixed loan term of 7 years has been changed to a maximum of 12 years. The software now allows for 7, 10, or 12 year loans based upon the following dollar amounts:

- up to $100,000.00 total loan amount, the loan term is fixed at 7 years
- between $100,000.01 and $250,000.00, allow a manual entry of 7 or 10 years
- between $250,000.01 and $500,000.00, allow a manual entry of 7, 10, or 12 years.

E   Approval Process for Partial and Final Disbursements

Process FSFL approvals according to the following for partial and final disbursements.

Step	Action
1	On **Menu VCA005**: • ENTER "**1**", "Application/Approval Processing" • PRESS "**Enter**".
2	On **Screen VCA11000**: • enter FY • enter FSFL number • PRESS "**Enter**".
3	On **Screen VCA11500**: • select producer • PRESS "**Enter**".
4	On **Screen VFA000:** • ENTER "**2**", "Approval Process" • PRESS "**Enter**".

3   FSFL Software Changes to the Loan Approval Process (Continued)

   E   Approval Process for Partial and Final Disbursements (Continued)

Step	Action

5	On **Screen VFA12500**, for:
	
	• "**Amount Approved Pending Funding**", enter the amount approved pending funding and PRESS "**Enter**"
	
	   Note: The "Amount Approved Pending Funding" cannot be greater than the "Requested Loan Amount" (CCC-185, item 3A). If partial loan, this should not be more than 50 percent of the producer's actual requested loan amount. **Partial** and **final** loan amounts will equal producer's actual request.
	
	• "**COC Approval date (MMDDYYYY)**", enter the COC approval date and PRESS "**Enter**"
	
	   Note: The first approval date determines the interest rate.
	
	• "**Is this a Partial or Final Disbursement? (P or F)**", ENTER "P" or "F" and PRESS "**Enter**"
	
	   Notes: On Menu **VFA12500**, the question, "Is this a Partial or Final Disbursement? (P or F)", has been added.
	
	     When "**P**" or "**F**" is entered, the message, "Enter the approved total loan amount", will be displayed and must be completed. This amount is the total amount the producer requested for the loan (partial loan plus final loan).
	
	     County Office must ENTER "**F**" if:
	
	     • this is the **only disbursement** for producer's request
	
	     • this is the 2nd of 2 loans, partial loan disbursement and final loan disbursement.
	
	     For F (Final) disbursements, "Amount Approved Pending Funding" must match term requirements.
	
	     Partial disbursement is **not** a requirement.
	
	• "**Requested Loan Term**", enter the requested loan term and PRESS "**Enter**"
	
	   Note: Loan term will be based on the amount entered for the approved total loan amount. The term of the loan may increase or decrease when funded amount changes.

3   FSFL Software Changes to the Loan Approval Process (Continued)

   E   Approval Process for Partial and Final Disbursements (Continued)

Step	Action
6	On **Screen VFA13000**: • enter information for "Required Security" • PRESS "**Enter**". **Notes:** County Offices must enter this information according to 1-FSFL, subparagraph 319 C, step 4. Software changes have **not** affected Screen VFA13000.
7	On **Screen VFA13500**, enter the requested information according to 1-FSFL, subparagraph 319 C, step 5. **Note:** Software changes have **not** affected Screen VFA13500.
8	On **Screen VFA13505**, enter remarks as needed. **Note:** Software changes have **not** affected Screen VFA13505.
9	On **Screen VFA17005**, enter the requested information according to procedure in 1-FSFL, subparagraph 319 C, step 6. **Note:** Software changes have **not** affected Screen VFA17005.
10	On **Screen VCA97000**, continue processing and print CCC-185.

   Note: Upon completing this approval, user cannot access the application or note until
           funding is received.

4   Increase/Decrease in Loan Amount

   A   Increases/Decreases

   County Offices shall increase/decrease FSFL amounts according to the following changes.

   • The "Requested Loan Amount" producer needs for loan can **only** be changed on an
     approved loan only after loan has been **obligated**.

   • When the loan request from the producer changes (increases or decreases), County
     Offices must **first** go to **application** processing and **increase or decrease** the "Requested
     Loan Amount" on **Menu VFA10000**, then go through the **approval** process again to
     change the obligation and ensure that CCC-185, items 3A and 14A are the same.

4   Increase/Decrease in Loan Amount (Continued)

A   Increases/Decreases (Continued)

Software will **not** allow increases in loan amounts if:

- the loan is approved but not obligated
- the user has gone through note and security
- a treasury check has been requested.

Note: After verifying the amount in the note and security agreement or requesting a check through the disbursement option, the **only** option available to the user is to make a payment request.

B   Processing FSFL Increases/Decreases

Process FSFL increases/decreases according to the following for partial and final disbursements.

Step	Action
1	On **Menu VFA000**: • ENTER "**1**", "Application Processing" • PRESS "**Enter**".
2	On **Screen VFA10000**, change the requested loan amount to the amount the producer actually needs for the loan, and PRESS "**Enter**". Continue processing **Screen VFA10000** entering the "Date facility equipment:" and "Required Application Fee" information.
3	Continue processing and print CCC-185. CCC-185, item 3A should have the new requested loan amount. **Go through the approval process again to change the obligation** according to subparagraph 3 E and 1-FSFL subparagraph 319 C. On **Screen VFA12500**, for "Amount Approved Pending Funding", correct the total needed for this loan.

Additional Commodities Eligible for FSFL

Crop Name	Crop Code	Crop Abbr	Unit of Measure
Alfalfa	0027	ALFAL	Varies
Almonds	0028	ALMND	Varies
Apples	0054	APPLE	Varies
Apricots	0326	APRCT	Varies
Artichokes	0458	ARTIC	Varies
Asparagus	0104	ASPRG	Varies
Avocados	0106	AVOCD	Varies
Bamboo Shoots	0111	BAMBO	Varies
Bananas	0173	BANAN	Varies
Beans	0047	BEANS	Varies
Beets	0642	BEETS	Varies
Blueberries	0108	BLUBR	Varies
Broccoli	0110	BRCLI	Varies
Brussel Sprouts	0112	BRUSL	Varies
Cabbage	0116	CABAG	Varies
Caneberries	6000	CANBR	Varies
Cantaloupes	0759	CANTL	Varies
Carambola (Star Fruit)	0999	CRMBA	Varies

Note: Caneberries includes blackberries and raspberries.

Additional Commodities Eligible for FSFL (Continued)

Crop Name	Crop Code	Crop Abbr	Unit of Measure
Carrots	0120	CARRT	Varies
Cashew	1291	CASHE	Varies
Cauliflower	0124	CLFLW	Varies
Celery	0126	CLERY	Varies
Cherries	0128	CHERY	Varies
Chestnuts	0375	CHENT	Varies
Chicory/Radicchio	0511	CHICO	Varies
Coconuts	0175	COCON	Varies
Corn	0041	SCORN	Varies
Cranberries	0058	CRNBR	Varies
Cucumbers	0132	CUCUM	Varies
Currants	0325	CURRN	Varies
Dates	0496	DATES	Varies
Eggplant	0318	EGGPL	Varies
Figs	0060	FIGS	Varies
Garlic	0423	GARLC	Varies
Ginger	0178	GINGR	Varies
Grapefruit	0030	GFRUT	Varies
Grapes	0053	GRAPE	Varies
Grass (Hay)	0102	GRASS	Tons
Greens	4000	GREEN	Varies
Hazel Nuts	0376	HAZNT	Varies
Herbs	5000	HERBS	Varies
Honeydew	0758	HNYDW	Varies
Kiwifruit	0463	KIWIF	Varies

Additional Commodities Eligible for FSFL (Continued)

Crop Name	Crop Code	Crop Abbr	Unit of Measure
Kohlrabi	0374	KOLRA	Varies
Leeks	0377	LEEKS	Varies
Lemons	0035	LEMON	Varies
Lettuce	0140	LETUC	Varies
Limes	0036	LIMES	Varies
Macadamia Nuts	0469	MACAD	Varies
Mangos	0464	MANGO	Varies
Mushrooms	0403	MUSHR	Varies
Nectarines	0250	NECTR	Varies
Okra	0286	OKRA	Varies
Olives	0501	OLVIE	Varies
Onions	0142	ONION	Varies
Oranges	0023	ORANG	Varies
Other Fruits And Vegetables	0773	OFAV	Varies
Papaya	0181	PAPAY	Varies
Parsnip	0338	PARSN	Varies
Peaches	0034	PEACH	Varies
Peanuts	0075	PNUTS	Varies
Peas	0067	PEAS	Varies
Pecans	0146	PECAN	Varies
Peppers	0083	PEPRS	Varies
Pineapple	9033	PNAPL	Varies
Pistachios	0470	PISTA	Varies
Plantain	0186	PLANT	Varies

Additional Commodities Eligible for FSFL (Continued)

Crop Name	Crop Code	Crop Abbr	Unit of Measure
Plums	0254	PLUMS	Varies
Pomegranates	0467	POMEG	Varies
Potatoes	0084	PTATO	Varies
Potatoes Sweet	0156	SWTPO	Varies
Prunes	0086	PRUNS	Varies
Pumpkins	0147	PUMKN	Varies
Radishes	0148	RADIS	Varies
Raisins	0037	RAISN	Varies
Rhubarb	0335	RHUBR	Varies
Rutabaga	0339	RUBAG	Varies
Scallions	8109	SCALN	Varies
Shallots	0533	SHALL	Varies
Squash	0155	SQASH	Varies
Strawberries	0154	STWBR	Varies
Tangelos	0024	TANGL	Varies
Tangerines	0048	TANGR	Varies
Tomatoes	0087	TMATO	Varies
Turnips	0160	TRNIP	Varies
Walnuts	0029	WLNUT	Varies
Water Cress	0613	WACRE	Varies
Watermelon	0757	WATRM	Varies
Yam	0188	YAM	Varies
Yard/Food Waste	8888	WAST	Varies