Defense Finance and Accounting Service

DFAS 7900.4-M

Financial Management Systems Requirements Manual

Volume 12, Guaranteed Loans

September 2011

Financial Management Center of Excellence

SUBJECT: Financial Management Systems Requirements
     Volume 12, Guaranteed Loans

1. <u>PURPOSE</u>

a. This Volume presents the financial management system design and implementation requirements for Department of Defense (DoD) military components' and agencies' Guaranteed Loan financial management systems. This Volume is part of the publication which reissues Defense Finance and Accounting Service (DFAS) 7900.4-G, "Federal Requirements for Financial Management Systems," commonly known as the "Blue Book," as a multivolume Manual titled DFAS 7900.4-M. The Blue Book is a comprehensive compilation of the Federal Financial Management Improvement Act (FFMIA) and DoD system requirements.

b. The Blue Book serves as a "roadmap" to Federal and DoD financial management system requirements by major financial management functional areas and the authoritative sources, and will assist managers who are responsible for financial management systems in planning, designing, enhancing, modifying, and implementing financial management systems. Managers are ultimately responsible for being knowledgeable of and complying with the various authoritative sources of financial requirements (both legislative and regulatory). The Blue Book guidance and procedures are contained in several volumes located on the DFAS Reference Library at http://www.dfas.mil/dfasffmia/bluebook.html. Appendix 4 of the Blue Book includes links to where authoritative sources of requirements may be accessed.

c. Adherence to these requirements will enable DoD military components and agencies to meet Federal mandates and will help facilitate the DFAS to progress toward reaching its strategic goal of providing services faster, better, and cheaper. The objective of this Volume is to promulgate the financial management systems requirements for system and program managers' use in developing Guaranteed Loan functionality.

2. <u>APPLICABILITY</u>:

Requirements contained within this document are applicable to accounting and finance systems operated and maintained by DoD.

3. <u>POLICY</u>:

a. This Volume provides a synopsis of Federal and DoD financial system requirements, mandated by policy, for Guaranteed Loan financial management systems. It is a comprehensive compilation of financial management systems requirements mandated by Public Law 104-208, "Federal Financial Management Improvement Act of 1996," September 30, 1996.

b. This Volume incorporates revisions to existing financial system requirements from the authoritative sources **via highlighting the appropriate text in bolded blue font**. See Appendix 2 of DFAS 7900.4-M for a complete listing and description of the financial system requirements changes, deletions, and additions, listed by major financial system requirements functional area.

c. Users of this Volume may forward questions, comments and suggested changes to:

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Defense Finance and Accounting Service
Financial Management Center of Excellence
Attn: Integration and Requirements Branch
8899 East 56th Street
Indianapolis, IN 46249

E-mail questions, comments, and suggestions to ffmiarequirements@dfas.mil

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4. <u>ORGANIZATIONAL RESPONSIBILITIES FOR FFMIA COMPLIANCE</u>

a. Within DoD, various organizations operate financial management systems. In an overall scheme, many of these systems should be linked in an integrated network. However, these systems frequently "stand-alone" or "stovepipe" systems that are not logically integrated with other related systems. Critical financial data, instead of being transferred electronically between systems through well-controlled interfaces, are often transferred manually by means of journal vouchers, hardcopy spreadsheets, "data calls," or other inefficient and error-prone methods.

b. DFAS functions as the primary Departmental entity responsible for producing a Trial Balance from the ERP general ledger and preparing the financial reports for the DoD. Much of the data used by DFAS to carry out the DoD's accounting and financial reporting functions—such as property and inventory values—originate in non-DFAS organizations or systems. Therefore, other organizations, primarily the military services and Defense agencies, should be held responsible for the compliance of their financial management systems with all applicable Federal requirements. Appendix 5 of DFAS 7900.4-M contains Federal and DoD guidance on FFMIA compliance, evaluation, and reporting.

5. <u>PROCEDURES:</u>

    Procedures are presented in each Volume of this Manual as appropriate.

6. <u>RELEASABILITY:</u>

    UNLIMITED. This Volume as part of DFAS 7900.4-M is approved for public release and may be accessed at http://www.dfas.mil/dfasffmia/bluebook.html

7. <u>EFFECTIVE DATE:</u> This Volume is effective immediately.

                Steve Bonta
                Director, Financial Management
                 Center of Excellence

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GUARANTEED LOANS INTRODUCTION

Annually, Federal agencies guarantee billions of dollars of loans made by various lending institutions to American citizens and companies. Outstanding guaranteed loans represent liabilities to the Federal Government. Because of the magnitude of Federal loan activity, the FSIO has established specific requirements for agencies' systems used to manage guaranteed loan processes and portfolios. These requirements encompass the full scope of requirements for an automated guaranteed-loan system. Each Agency must evaluate whether it is practical to automate fully all of these functions or whether manual systems and processes are justified. Chapter 4 of DoD 7000.14-R, Volume 12 prescribes the Department of Defense's accounting requirements for loan guarantees. These requirements reflect FASAB's Statement of Federal Financial Accounting Standards (SFFAS) No. 2 and subsequent amendments in SFFAS Nos. 18 and 19.

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Lender Management: Lender Eligibility	12.01.001			A system must record and update lender application information, ensuring that all required data is present and valid (e.g., Taxpayer Identification Number (TIN).	JFMIP SR-00-01, Mar 00, Pg 22		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility_1
Lender Management: Lender Eligibility	12.01.002			A system must document that any required lender application fee has been received and calculated correctly.	JFMIP SR-00-01, Mar 00, Pg 22		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility_2
Lender Management: Lender Eligibility	12.01.003			A system must provide an automated interface with the Core Financial System to record the receipt of any application fee.	JFMIP SR-00-01, Mar 00, Pg 22		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility_3
Lender Management: Lender Eligibility	12.01.004			A system must compare lender application information against information on firms currently debarred or suspended from participating in a government contract or delinquent on a debt to the government.	JFMIP SR-00-01, Mar 00, Pg 23		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility_4
Lender Management: Lender Eligibility	12.01.005	Y		To add value, a system should compare lender application information against qualification requirements and provide the results to principal officers and staff.	JFMIP SR-00-01, Mar 00, Pg 23		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility_5

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Lender Management: Lender Eligibility	12.01.006			A system must compare lender application information against information concerning the lender's financial credentials gathered from banking regulatory agencies, rating services, and other information sources.	JFMIP SR-00-01, Mar 00, Pg 23		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility_6
Lender Management: Lender Eligibility	12.01.007			A system must compare lender application information against lender performance data.	JFMIP SR-00-01, Mar 00, Pg 23		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility_7
Lender Management: Lender Eligibility	12.01.008			A system must update the lender information store to reflect the agency's decision on the lender application.	JFMIP SR-00-01, Mar 00, Pg 23		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility_8
Lender Management: Lender Eligibility	12.01.009	Y		A system should generate and electronically transmit a notice to inform the lender of approval or disapproval of the lender's application.	JFMIP SR-00-01, Mar 00, Pg 23		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility_9
Lender Management: Lender Eligibility	12.01.010			A system must maintain data on lender disapprovals as a historical reference to support effective monitoring of future lenders.	JFMIP SR-00-01, Mar 00, Pg 23		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility_10
Lender Management: Lender Eligibility	12.01.011	Y		A system should record text comments related to approval or disapproval of the lender application.	JFMIP SR-00-01, Mar 00, Pg 23		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility_11

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Lender Management: Lender Eligibility	12.01.012			A system must record relevant data concerning the lender agreement.	JFMIP SR-00-01, Mar 00, Pg 23		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility _12
Lender Management: Lender Eligibility	12.01.013	Y		A system should generate the lender agreement for signature by the lender.	JFMIP SR-00-01, Mar 00, Pg 24		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility _13
Lender Management: Lender Eligibility	12.01.014			A system must document that the agency and lender have consummated the lender agreement.	JFMIP SR-00-01, Mar 00, Pg 24		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility _14
Lender Management: Lender Eligibility	12.01.015			A system must provide a tracking mechanism to identify expiring agreements needing renewal.	JFMIP SR-00-01, Mar 00, Pg 24		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility _15
Lender Management: Lender Eligibility	12.01.016			A system being designed and implemented, or in use, must operate in accordance with laws, regulations; and judicial decisions. It is the responsibility of each agency to be knowledgeable of the legal requirements governing its human resources and payroll operations.	JFMIP SR-00-01, Mar 00, Pg 10		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility _16
Lender Management: Lender Eligibility	12.01.017			A guaranteed loan system must control the data in the optional processes which must be consistent with standard guaranteed loan systems that contain the official records for the agency.	JFMIP SR-00-01, PAGE 10		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility _17

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Lender Management: Lender Eligibility	12.01.018			A system interacts with the core financial system to perform fund control check, initiate or record payments, and record the results of other guaranteed loan-related financial transactions, and acknowledge receipt of financial information exchange.	JFMIP SR-00-01, Mar 00, Pg 12		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility _18
Lender Management: Lender Eligibility	12.01.019			A system must be able to perform automatic system balancing.	JFMIP SR-00-01, Mar 00, Pg 12		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility _19

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Lender Management: Lender Eligibility	12.01.020			A system must use Lender/Servicer Information. This refers to data about the lender necessary to determine the eligibility and creditworthiness of the lender financial information concerning the level of loans under the lender's control; data about the lender's level of responsibility extending loans to borrowers both within the agency and outside the agency; and the status of the various reviews performed on the lender. This information store includes the following data: - Lender/Servicer Application Data - Lender/Servicer Review Data - Approved Lender/Servicer Data - Lender/Servicer Status	JFMIP SR-00-01, Mar 00, Pg 14		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility _20

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Lender Management: Lender Eligibility	12.01.021			A system must store guarantee information. This refers to data about guarantee requests received by the agency. The amount of information about each individual loan will vary depending on the loan's size, the lender's status, the statutory requirements of an individual loan program and each individual agency's policies. This information store includes the following data: - Guarantee Data (e.g., lender, loan amount, guarantee level, loan status, subsidy information, interest rate, and loan terms) - Collateral Data (e.g., appraised value, status) (Mandatory unless specifically excluded by program requirements - Borrower Data (e.g., borrower's name, address, social security number (SSN) or taxpayer identification number (TIN), financial data) - Guarantee fees due and/or collected	JFMIP SR-00-01, Mar 00, Pg 14-15		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility _21

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Lender Management: Lender Eligibility	12.01.022			A system must use Claim Information. This refers to data about a lender's claim for payment from the government on a defaulted loan under the guarantee agreement. This information store includes the following data: - Claim Application Data - Claim Status	JFMIP SR-00-01, Mar 00, Pg 15		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility _23
Lender Management: Lender Eligibility	12.01.023			A system must use Acquired Loan Information. This refers to data associated with, a defaulted or delinquent loan guarantee that has been acquired by the agency. This store will include all loan information plus other data required for loan servicing and collection activity. This information store includes the following data: - Acquired Loan Data - Acquired Loan Status - Acquired Loan Collateral Data - Payment History	JFMIP SR-00-01, Mar 00, Pg 15		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility _24

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Lender Management: Lender Eligibility	12.01.024			A system must use Program Criteria. This refers to decision-making criteria used by system functions and based on statutes, regulations, and policies for the guaranteed loan program. This information store includes the following data: - Lender Eligibility - Lender Financial Rating - Lender-Risk Rating - Portfolio Evaluation - Creditworthiness (Mandatory unless specifically excluded by program requirements) - Borrower Eligibility - Guarantee Fees - Fee Penalty - Claim Application Evaluation - Receipt Application Rules - Debt Collection - CAIVRS Referral - Credit Bureau Reporting - Treasury Offset Referral - Collection Agency Selection - Litigation Referral - Write-off	JFMIP SR-00-01, Mar 00, Pg 15-16		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility_25

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Lender Management: Lender Eligibility	12.01.025			A system must use Core Financial System Information. This refers to information for performing funds control checks, initiating or recording payments, and recording the results of other guaranteed loan financial transactions. This information store includes the following data: - Budget Execution Data - Receivables - Disbursement Data - Collections/Receipts - Administrative Costs - Principal and Interest Data - Acquired Asset Data - Collateral	JFMIP SR-00-01, Mar 00, Pg 16		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility _27

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Lender Management: Lender Eligibility	12.01.026			A system must use External Organizational Information. This refers to information coming from outside the agency into the system. This information store is composed of the following types of data: - Lender Rating Data - Treasury Interest Rates - SF-1151's (Non-Expenditure Transfer Authorization) and SF-1081% (Voucher a Schedule of Withdrawals and Credits) - Loan Status - Sale Approval - Collection Activities and Results - Write-off Approval - Foreclosure Data	JFMIP SR-00-01, Mar 00, Pg 16-17		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility_28

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Lender Management: Lender Eligibility	12.01.027			A guaranteed loan system must use the following functions should be supported by the system: - Lender Management - Guarantee Extension and Maintenance - Portfolio Management - Acquired Loan Servicing - Delinquent Debt Collection - Treasury Cross Servicing - Other Reporting Requirements	JFMIP SR-00-01, PAGE 20		Record Loans and Grants	Proposal-to-Reward	Lender_Eligibility _30
Lender Management: Lender Eligibility	12.01.031	Y		A system may refer to data about guarantee requests received by the agency. The amount of information about each individual loan will vary depending on the loan's size, the lender's status, the statutory requirements of an individual loan program and each individual agency's policies. This information store includes: - Rejected Guarantee Data (e.g., lender, reason for rejection)	JFMIP SR-00-01, Mar 00, Pg 15				

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Lender Management: Lender Eligibility	12.01.032	Y		A system may use Program Criteria. This refers to decision-making criteria used by system functions and based on statutes, regulations, and policies for the guaranteed loan program. This information store includes the following data: - Close-out - Loan Sale	JFMIP SR-00-01, Mar 00, Pg 16				
Lender Management: Lender Eligibility	12.01.033	Y		A system may use External Organizational Information. This refers to information coming from outside the agency into the system. This information store is composed of the following types of data: - Sale Proceeds	JFMIP SR-00-01, Mar 00, Pg 17				
Lender Management: Lender/Servicing Monitoring	12.02.001			A system must compare lender/servicer financial and performance information against agency portfolio evaluation criteria to identify lenders/servicer for regular or special review.	JFMIP SR-00-01, Mar 00, Pg 25		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_1

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Lender Management: Lender/Servicing Monitoring	12.02.002			A system must have the capability to compute performance statistics for effective monitoring, including delinquency rates, default rates, and claim rates.	JFMIP SR-00-01, Mar 00, Pg 25		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_2
Lender Management: Lender/Servicing Monitoring	12.02.004			A system must compute a quantified risk for each lender/service. The risk is quantified by weighting appropriate risk factors (e.g., loan volume, delinquency rate, default rate) based on the correlation between the risk factor and lender/ servicer performance.	JFMIP SR-00-01, Mar 00, Pg 25		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_3
Lender Management: Lender/Servicing Monitoring	12.02.005			A system must compare the quantified lender/servicer risk to risk rating criteria to assign a risk rating to each lender/servicer (e.g. high, medium, low).	JFMIP SR-00-01, Mar 00, Pg 25		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_4
Lender Management: Lender/Servicing Monitoring	12.02.006	Y		A system should enter high-risk lenders/servicers on a problem watch list and generate a notice to each affected lender/servicer.	JFMIP SR-00-01, Mar 00, Pg 25		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_5

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Lender Management: Lender/Servicing Monitoring	12.02.007			A system must provide historical performance information on lenders and services identified for review to the review team. The preferred method is by electronic means.	JFMIP SR-00-01, Mar 00, Pg 25		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_6
Lender Management: Lender/Servicing Monitoring	12.02.008	Y		A system should provide for scheduling and tracking of the review team's activities.	JFMIP SR-00-01, Mar 00, Pg 25		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_7
Lender Management: Lender/Servicing Monitoring	12.02.009	Y		A system should document review results including date of review, name(s) of reviewer(s), and any deficiencies and associated explanations.	JFMIP SR-00-01, Mar 00, Pg 25		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_8
Lender Management: Lender/Servicing Monitoring	12.02.010	Y		A system should record text comments relevant to the review process.	JFMIP SR-00-01, Mar 00, Pg 25		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_9
Lender Management: Lender/Servicing Monitoring	12.02.011	Y		A system should generate a notice to inform the lender/servicer of a finding of non-compliance (electronically, where appropriate), including any penalties or sanctions, and the right to appeal.	JFMIP SR-00-01, Mar 00, Pg 26		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_10

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Lender Management: Lender/Servicing Monitoring	12.02.012	Y		A system should document and track corrective action plans agreed to by the agency and the lender/servicer, including proposed resolution dates, and update lender/servicer data to reflect any changes in status resulting from the corrective actions.	JFMIP SR-00-01, Mar 00, Pg 26		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_11
Lender Management: Lender/Servicing Monitoring	12.02.013			A system must update the status of lenders and servicers that do not comply with agency standards for continued program participation or do not correct deficiencies identified through reviews in a reasonable period of time. The system must also provide data to support corrective action plans such as penalties and/or sanctions.	JFMIP SR-00-01, Mar 00, Pg 26		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_12
Lender Management: Lender/Servicing Monitoring	12.02.014	Y		A system should document and track appeals received from the lender/servicer and agency appeal decisions and generate a decision notice to the lender/servicer.	JFMIP SR-00-01, Mar 00, Pg 26		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_13

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Lender Management: Lender/Servicing Monitoring	12.02.015			A system must record penalties and/or sanctions imposed by the agency review board on those lenders or servicers found to be in serious and frequent non-compliance with federal problem standards.	JFMIP SR-00-01, Mar 00, Pg 26		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_14
Lender Management: Lender/Servicing Monitoring	12.02.017			A system must record critical data on the lender's guarantee request to support the guarantee evaluation process.	JFMIP SR-00-01, Mar 00, Pg 29		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_15
Lender Management: Lender/Servicing Monitoring	12.02.018			A system must provide access to guarantee request information to each individual participating in the guarantee decision.	JFMIP SR-00-01, Mar 00, Pg 29		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_16
Lender Management: Lender/Servicing Monitoring	12.02.019	Y		A system should record text comments relevant to the guarantee decision.	JFMIP SR-00-01, Mar 00, Pg 29		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_17
Lender Management: Lender/Servicing Monitoring	12.02.020			A system must compare borrower information on the lender's guarantee request to agency program borrower eligibility criteria.	JFMIP SR-00-01, Mar 00, Pg 29		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_18

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Lender Management: Lender/Servicing Monitoring	12.02.021			A system must check the appropriate system data files to determine whether a lender has recently submitted a duplicate guarantee request for the applicant, or a guarantee request for the applicant has been previously denied.	JFMIP SR-00-01, Mar 00, Pg 30		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_19
Lender Management: Lender/Servicing Monitoring	12.02.022	Y		A system should document that the lender obtained a credit bureau report.	JFMIP SR-00-01, Mar 00, Pg 30		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_20
Lender Management: Lender/Servicing Monitoring	12.02.023			A system must compare the applicant's credit worthiness information to system-stored program credit worthiness criteria and assign a credit risk rating to the applicant, unless specifically excluded by program requirements.	JFMIP SR-00-01, Mar 00, Pg 30		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_21
Lender Management: Lender/Servicing Monitoring	12.02.024	Y		A system should document that borrower financial data, repayment ability, and repayment history have been verified.	JFMIP SR-00-01, Mar 00, Pg 30		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_22
Lender Management: Lender/Servicing Monitoring	12.02.025			A system must document whether the applicant has previously defaulted on debt to the federal government.	JFMIP SR-00-01, Mar 00, Pg 30		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_23

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Lender Management: Lender/Servicing Monitoring	12.02.026			A system must provide the information needed to re-compute the credit subsidy amount associated with a guaranteed loan using projected cash flows and the applicable Treasury interest rate in accordance with OMB Circular A-11, and SFFAS No 2.	JFMIP SR-00-01, Mar 00, Pg 30		Record Loans and Grants	Proposal-to-Reward	Lender_Service_M onitoring_24
Lender Management: Lender/Servicing Monitoring	12.02.027			A system must provide an automated interface with the Core Financial System to determine if sufficient funds are available in the program account and if available lending limits in the financing account are sufficient to cover the subsidy cost and the face value of the proposed guarantee.	JFMIP SR-00-01, Mar 00, Pg 30		Record Loans and Grants	Proposal-to-Reward	Lender_Service_M onitoring_25
Lender Management: Lender/Servicing Monitoring	12.02.028			A system must reflect the approved guarantee status.	JFMIP SR-00-01, Mar 00, Pg 30		Record Loans and Grants	Proposal-to-Reward	Lender_Service_M onitoring_26
Lender Management: Lender/Servicing Monitoring	12.02.029			A system must accept, identify, track, and report supervisor overrides of system-generated acceptance/rejection recommendations.	JFMIP SR-00-01, Mar 00, Pg 30		Record Loans and Grants	Proposal-to-Reward	Lender_Service_M onitoring_27
Lender Management: Lender/Servicing Monitoring	12.02.030			A system must create and maintain a system record of rejected guarantee requests.	JFMIP SR-00-01, Mar 00, Pg 30		Record Loans and Grants	Proposal-to-Reward	Lender_Service_M onitoring_28

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Lender Management: Lender/Servicing Monitoring	12.02.031	Y		A system should notify the lender of approval or disapproval (electronically where appropriate).	JFMIP SR-00-01, Mar 00, Pg 30		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_29
Lender Management: Lender/Servicing Monitoring	12.02.032	Y		A system should provide at least the following types of management information: lender eligibility activity, completed reviews, lender performance, and exceptions.	JFMIP SR-00-01, Mar 00, Pg 26-27		Record Loans and Grants	Proposal-to-Reward	Lender_Service_Monitoring_30
Guarantee Extension and Maintenance: Guarantee Origination	12.03.001			A system must record the cohort and risk category, as defined in OMB Circular A-11, associated with the guaranteed loan.	JFMIP SR-00-01, Mar 00, Pg 31		Record Loans and Grants	Proposal-to-Reward	Guarantee_Origination_1
Guarantee Extension and Maintenance: Guarantee Origination	12.03.002			A system must assign a unique account number to the guaranteed loan that remains unchanged throughout the life of the guarantee.	JFMIP SR-00-01, Mar 00, Pg 31		Record Loans and Grants	Proposal-to-Reward	Guarantee_Origination_2
Guarantee Extension and Maintenance: Guarantee Origination	12.03.003			A system must generate a guarantee endorsement to confirm that the loan is guaranteed and transmit it to the lender (electronically where possible).	JFMIP SR-00-01, Mar 00, Pg 31		Record Loans and Grants	Proposal-to-Reward	Guarantee_Origination_3
Guarantee Extension and Maintenance: Guarantee Origination	12.03.004			A system must calculate and record the guarantee origination fee in accordance with the terms and conditions of the guarantee agreement.	JFMIP SR-00-01, Mar 00, Pg 31		Record Loans and Grants	Proposal-to-Reward	Guarantee_Origination_4

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Guarantee Extension and Maintenance: Guarantee Origination	12.03.005	Y		A system should transmit the origination fee invoice to the lender.	JFMIP SR-00-01, Mar 00, Pg 32		Record Loans and Grants	Proposal-to-Reward	Guarantee_Origination_5
Guarantee Extension and Maintenance: Guarantee Origination	12.03.006			A system must record collections of origination fees received.	JFMIP SR-00-01, Mar 00, Pg 31		Record Loans and Grants	Proposal-to-Reward	Guarantee_Origination_6
Guarantee Extension and Maintenance: Guarantee Origination	12.03.008			A system must provide an automated interface with the Core Financial System to record the guaranteed loan commitment, the obligation for the related subsidy, and the origination fee, receivable, and collection.	JFMIP SR-00-01, Mar 00, Pg 31		Record Loans and Grants	Proposal-to-Reward	Guarantee_Origination_7
Guarantee Extension and Maintenance: Guarantee Origination	12.03.009	Y		A system should provide the capability to receive electronic transmission of disbursement data by the lender.	JFMIP SR-00-01, Mar 00, Pg 32		Record Loans and Grants	Proposal-to-Reward	Guarantee_Origination_8
Guarantee Extension and Maintenance: Guarantee Origination	12.03.010			A system must have the capability to record information on loan disbursements by the lender, including amounts and applicable Treasury interest rates, to support interest computations and subsidy re-estimates, unless specifically excluded by program requirements.	JFMIP SR-00-01, Mar 00, Pg 32		Record Loans and Grants	Proposal-to-Reward	Guarantee_Origination_9

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Guarantee Extension and Maintenance: Guarantee Origination	12.03.011			A system must provide an automated interface with the Core Financial System to record the outlay of subsidy from the program account.	JFMIP SR-00-01, Mar 00, Pg 32		Record Loans and Grants	Proposal-to-Reward	Guarantee_Origination_10
Guarantee Extension and Maintenance: Guarantee Origination	12.03.013	Y		A system should provide the capability for reporting loan-closing information.	JFMIP SR-00-01, Mar 00, Pg 32		Record Loans and Grants	Proposal-to-Reward	Guarantee_Origination_11
Guarantee Extension and Maintenance: Guaranteed Loan Maintenance	12.04.001			A system must support reevaluation of the modified loans in accordance with OMB Circular A-11 and program policy.	JFMIP SR-00-01, Mar 00, Pg 33		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Maintenance_1
Guarantee Extension and Maintenance: Guaranteed Loan Maintenance	12.04.002			A system must reflect the modified status of the guaranteed loan.	JFMIP SR-00-01, Mar 00, Pg 33		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Maintenance_2
Guarantee Extension and Maintenance: Guaranteed Loan Maintenance	12.04.003			A system must establish a new loan account and collateral record for each new debt instrument and assign a unique loan account number to the new account record. Also, it must maintain a link between the new loan account established for the new instrument and the old loan account records.	JFMIP SR-00-01, Mar 00, Pg 33		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Maintenance_3

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Guarantee Extension and Maintenance: Guaranteed Loan Maintenance	12.04.004			A system must perform a funds control check to verify the availability of subsidy through an automated interface with the Core Financial System.	JFMIP SR-00-01, Mar 00, Pg 33		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Maintenance_4
Guarantee Extension and Maintenance: Guaranteed Loan Maintenance	12.04.005			A system must provide an automated interface with the Core Financial System to record the subsidy changes associated with the guaranteed loan modification.	JFMIP SR-00-01, Mar 00, Pg 33		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Maintenance_5
Guarantee Extension and Maintenance: Guaranteed Loan Maintenance	12.04.006			A system must compare guaranteed loan data to guaranteed fee criteria to determine which lenders owe guarantee fees.	JFMIP SR-00-01, Mar 00, Pg 33		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Maintenance_6
Guarantee Extension and Maintenance: Guaranteed Loan Maintenance	12.04.007			A system must compute the amount of the guarantee fee.	JFMIP SR-00-01, Mar 00, Pg 33		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Maintenance_7
Guarantee Extension and Maintenance: Guaranteed Loan Maintenance	12.04.008			A system must identify lenders with overdue fee payments and calculate penalties on loans for which lenders have not submitted guaranteed fee payments.	JFMIP SR-00-01, Mar 00, Pg 33		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Maintenance_8

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Guarantee Extension and Maintenance: Guaranteed Loan Maintenance	12.04.010			A system must generate invoices, including penalties assessed for late payment, for guarantee fee payments due from lenders (electronically where possible).	JFMIP SR-00-01, Mar 00, Pg 33		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Maintenance_9
Guarantee Extension and Maintenance: Guaranteed Loan Maintenance	12.04.011			A system must provide an automated interface with the Core Financial System to record the receipt of guarantee fees from lenders.	JFMIP SR-00-01, Mar 00, Pg 33		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Maintenance_10
Guarantee Extension and Maintenance: Guaranteed Loan Maintenance	12.04.012			A system must identify guaranteed loans requiring interest supplement payments.	JFMIP SR-00-01, Mar 00, Pg 34		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Maintenance_11
Guarantee Extension and Maintenance: Guaranteed Loan Maintenance	12.04.013			A system must compare current interest rates to the interest rates in the agreement to determine the appropriate levels of interest supplements required.	JFMIP SR-00-01, Mar 00, Pg 34		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Maintenance_12
Guarantee Extension and Maintenance: Guaranteed Loan Maintenance	12.04.014			A system must recognize the interest supplement payment as an interest subsidy expense and a loan guarantee interest supplement liability.	JFMIP SR-00-01, Mar 00, Pg 34		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Maintenance_13

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Guarantee Extension and Maintenance: Guaranteed Loan Maintenance	12.04.015			A system must provide an automated interface with the Core Financial System to initiate and record disbursements for interest supplement payments. If the guaranteed loan itself handles the payment processing, it must meet the requirements in the Core Financial System Requirements related to payments and send summary data to the Core Financial System.	JFMIP SR-00-01, Mar 00, Pg 34		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Maintenance_14
Guarantee Extension and Maintenance: Guaranteed Loan Maintenance	12.04.016	Y		A system should capture the estimated useful economic life of the pledged collateral and compare it to the proposed term of the loan.	JFMIP SR-00-01, Mar 00, Pg 34		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Maintenance_15
Guarantee Extension and Maintenance: Guaranteed Loan Maintenance	12.04.017	Y		A system should document that transactions over a predetermined amount identified by program requirements have a collateral appraisal by a licensed or certified appraiser.	JFMIP SR-00-01, Mar 00, Pg 34		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Maintenance_16
Guarantee Extension and Maintenance: Guaranteed Loan Maintenance	12.04.018	Y		A system should compute the loan-to-value ratio and flag those loans with a ratio exceeding applicable program requirements.	JFMIP SR-00-01, Mar 00, Pg 34		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Maintenance_17

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Guarantee Extension and Maintenance: Guaranteed Loan Maintenance	12.04.019	Y		A system should provide at least the following types of management information: approval and rejection monitoring, override expectations, potential application fraud, approval/rejection statistics, detailed transaction history, median loan-to-value ratio, loan guarantee fee collection, loan guarantee periodic fee collection, and exceptions.	JFMIP SR-00-01, Mar 00, Pg 35		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Maintenance_18
Portfolio Management: Portfolio Performance	12.05.001			A system must receive and document loan guarantee information from lenders (electronically where appropriate).	JFMIP SR-00-01, Mar 00, Pg 37		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Portfolio_Performa nce_1
Portfolio Management: Portfolio Performance	12.05.002			A system must have the capability to maintain standard information on the history and status of each guaranteed loan (e.g., borrower identification, amount and nature of debt, loan originator, holder, and/or servicer).	JFMIP SR-00-01, Mar 00, Pg 37		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Portfolio_Performa nce_2
Portfolio Management: Portfolio Performance	12.05.003			A system must maintain data from the lender, which identifies delinquent accounts and potential defaults.	JFMIP SR-00-01, Mar 00, Pg 37		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Portfolio_Performa nce_3

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Portfolio Management: Portfolio Performance	12.05.004			A system must accept lender data by cohort and risk category.	JFMIP SR-00-01, Mar 00, Pg 37		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Portfolio_Performa nce_4
Portfolio Management: Portfolio Performance	12.05.005			A system must provide agency access to the loan status information.	JFMIP SR-00-01, Mar 00, Pg 37		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Portfolio_Performa nce_5
Portfolio Management: Portfolio Performance	12.05.006			A system must compute and maintain program performance information such as: - number and dollar value of loans made, - average loan size, - loans made by geographical region, - number and amount of defaulted loan accounts, - number and amount of claims paid, and - amount of loan write-offs.	JFMIP SR-00-01, Mar 00, Pg 38		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Portfolio_Performa nce_6

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Portfolio Management: Portfolio Performance	12.05.007			A system must compute and maintain financial measures to help assess the credit soundness of a loan program, such as: - overall portfolio risk rate, - average loan to value ratio (for collateralized programs), - write-offs as a percentage of seriously delinquent acquired loans, - net proceeds on real property sold compared to appraised value, - loan loss rates, - recovery rates, and - loan currency rate.	JFMIP SR-00-01, Mar 00, Pg 38		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Portfolio_Performance_7
Portfolio Management: Portfolio Performance	12.05.008			A system must maintain portfolio data needed to determine the effectiveness of use of agency resources, such as: - administrative cost per loan guarantee approved, - administrative cost per acquired loan serviced, -administrative cost per dollar collected, and - time required to process a loan guarantee application.	JFMIP SR-00-01, Mar 00, Pg 38		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Portfolio_Performance_8

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Portfolio Management: Portfolio Performance	12.05.009			A system must receive and record lender substitution and/or transfer data, i.e., secondary market sales (electronically where possible).	JFMIP SR-00-01, Mar 00, Pg 37		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Portfolio_Performa nce_9
Portfolio Management: Program Financing	12.06.001			A system must execute SF-1151's, and also record amounts borrowed from the Treasury to cover shortfalls in subsidy estimates temporarily.	JFMIP SR-00-01, Mar 00, Pg 39		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Portfolio_Program _Financing_1
Portfolio Management: Program Financing	12.06.002			A system must track the amount of un-invested funds in the financing account as needed to support interest earnings calculations.	JFMIP SR-00-01, Mar 00, Pg 39		0	Proposal-to-Reward	Guaranteed_Loan_ Portfolio_Program _Financing_2
Portfolio Management: Program Financing	12.06.003			A system must compute interest expense on borrowings and interest earnings on un-invested funds.	JFMIP SR-00-01, Mar 00, Pg 39		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Portfolio_Program _Financing_3
Portfolio Management: Program Financing	12.06.004			A system must execute and record receipt of interest earnings from the Treasury on un-invested funds using SF-1081's.	JFMIP SR-00-01, Mar 00, Pg 39		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Portfolio_Program _Financing_4

		GUARANTEED LOANS REQUIREMENTS							
Chapter	**Req Id**	**Value Added?**	**Change Type**	**Requirement**	**Federal Sources**	**DoD Sources**	**BPM Processes**	**End 2 End Process**	**DFMIG Rule Name**
Portfolio Management: Program Financing	12.06.005			A system must support the re-estimate of the subsidy cost for each cohort and risk category of loans at the beginning of each fiscal year in accordance with OMB Circular A-11 and SFFAS No. 2.	JFMIP SR-00-01, Mar 00, Pg 41		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Portfolio_Program _Financing_5
Portfolio Management: Program Financing	12.06.006			A system must have the capability to maintain cash flow data that permits comparison of actual cash flows each year (and new estimates of future cash flows), as well as historical data from prior years to the cash flows used in computing the latest loan subsidy estimate.	JFMIP SR-00-01, Mar 00, Pg 42		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Portfolio_Program _Financing_6
Portfolio Management: Program Financing	12.06.008			A system must compare the current year re-estimated subsidy cost to prior years re-estimated loan subsidy costs to determine whether subsidy costs for a risk category increased or decreased.	JFMIP SR-00-01, Mar 00, Pg 42		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Portfolio_Program _Financing_7

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Portfolio Management: Program Financing	12.06.009			A system must transfer loan subsidies from those risk categories with an excess of loan subsidies to those risk categories in the same cohort that are deficient in loan subsidies to provide adequate funding for each risk category.	JFMIP SR-00-01, Mar 00, Pg 42		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Portfolio_Program _Financing_8
Portfolio Management: Program Financing	12.06.010			A system must group those cohorts that need indefinite appropriation loan subsidy funds separately from those cohorts that have excess funds. The system must also support the request for an apportionment and obligation of funds to cover the subsidy increase for those cohorts of loans that have insufficient subsidy of cohorts of loans to the Special Receipt Account.	JFMIP SR-00-01, Mar 00, Pg 42		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Portfolio_Program _Financing_9
Portfolio Management: Program Financing	12.06.015			A system must execute and record repayment of principal using SF-1151's, and interest to the U.S. Treasury using SF-1081's.	JFMIP SR-00-01, Mar 00, Pg 39		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Portfolio_Program _Financing_10

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Portfolio Management: Program Financing	12.06.016			A system must provide at least the following types of management information: detailed transaction history, profile of guaranteed loan portfolio, and program credit reform status.	JFMIP SR-00-01, Mar 00, Pg 42		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Portfolio_Program _Financing_11
Acquired Loan Servicing: Claim Processing	12.07.001			A system must record key claim data, maintain data on original and if applicable, final claims.	JFMIP SR-00-01, Mar 00, Pg 44		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Cl aim_Processing_1
Acquired Loan Servicing: Claim Processing	12.07.002			A system must compare the claim application information to the agency's program claim application evaluation criteria.	JFMIP SR-00-01, Mar 00, Pg 44		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Cl aim_Processing_2
Acquired Loan Servicing: Claim Processing	12.07.003			A system must suspend processing for claims that are incomplete; and the claims should remain in suspension until they are corrected.	JFMIP SR-00-01, Mar 00, Pg 44		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Cl aim_Processing_3
Acquired Loan Servicing: Claim Processing	12.07.004			A system must identify claims not meeting agency program requirements and notify the lender of the rejection.	JFMIP SR-00-01, Mar 00, Pg 44		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Cl aim_Processing_4
Acquired Loan Servicing: Claim Processing	12.07.005			A system must document and track information on accepted and rejected claims and the reason for the rejections.	JFMIP SR-00-01, Mar 00, Pg 45		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Cl aim_Processing_5

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
				GUARANTEED LOANS REQUIREMENTS					**DFAS 7900.4-M, Vol. 12**
Acquired Loan Servicing: Claim Processing	12.07.006			A system must reflect the status of the claim.	JFMIP SR-00-01, Mar 00, Pg 45		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Claim_Processing_6
Acquired Loan Servicing: Claim Processing	12.07.007			A system must calculate the claim payment to be made, making adjustments for any disallowed amounts or authorized debt collection activities.	JFMIP SR-00-01, Mar 00, Pg 45		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Claim_Processing_7
Acquired Loan Servicing: Claim Processing	12.07.008			A system must provide an automated interface with the Core Financial System to initiate a disbursement of the claim payment to the lender. If the system processes payments, it must meet the requirements in the Core Financial System Requirements related to payments data to the Core Financial System.	JFMIP SR-00-01, Mar 00, Pg 45		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Claim_Processing_8
Acquired Loan Servicing: Claim Processing	12.07.009			A system must record acquired loan information and establish appropriate accounting entries such as receivables.	JFMIP SR-00-01, Mar 00, Pg 45		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Claim_Processing_9
Acquired Loan Servicing: Claim Processing	12.07.011			A system must have the capability to develop edits to address claims issues.	JFMIP SR-00-01, Mar 00, Pg 45		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Claim_Processing_10
Acquired Loan Servicing: Claim Processing	12.07.012			A system must have the capability to record or track claims errors.	JFMIP SR-00-01, Mar 00, Pg 45		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Claim_Processing_11

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Acquired Loan Servicing: Claim Processing	12.07.013			A system must have the capability to support underlying details.	JFMIP SR-00-01, Mar 00, Pg 45		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Claim_Processing_12
Acquired Loan Servicing: Account Status Maintenance	12.08.003			A system must identify accounts that should be written-off.	JFMIP SR-00-01, Mar 00, Pg 45		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Account_Status_Maintenance_1
Acquired Loan Servicing: Account Status Maintenance	12.08.004			A system must identify accounts for which collection is to be pursued.	JFMIP SR-00-01, Mar 00, Pg 45		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Account_Status_Maintenance_2
Acquired Loan Servicing: Account Status Maintenance	12.08.005			A system must calculate outstanding balances for each loan account invoiced, including principal, interest, late charges, and other amounts due.	JFMIP SR-00-01, Mar 00, Pg 46		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Account_Status_Maintenance_3
Acquired Loan Servicing: Account Status Maintenance	12.08.006			A system must identify loan accounts to be invoiced based on agency program invoicing criteria and loan account information.	JFMIP SR-00-01, Mar 00, Pg 46		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Account_Status_Maintenance_4
Acquired Loan Servicing: Account Status Maintenance	12.08.007			A system must generate and transmit an invoice to each borrower. At a minimum, the invoice must include borrower ID, amount due, date due, the date after which the payment will be considered late, and the current balance.	JFMIP SR-00-01, Mar 00, Pg 46		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Account_Status_Maintenance_5

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Acquired Loan Servicing: Account Status Maintenance	12.08.008			A system must provide for automatic acceleration of delinquent installment payment notes based on an acceleration clause.	JFMIP SR-00-01, Mar 00, Pg 46		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Account_Status_Maintenance_6
Acquired Loan Servicing: Account Status Maintenance	12.08.009			A system must track and age receivables by type.	JFMIP SR-00-01, Mar 00, Pg 46		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Account_Status_Maintenance_7
Acquired Loan Servicing: Account Status Maintenance	12.08.010			A system must provide an automated interface with the Core Financial System to record accrual of interest, administrative charges, and penalties for delinquent loan accounts.	JFMIP SR-00-01, Mar 00, Pg 46		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Account_Status_Maintenance_8
Acquired Loan Servicing: Account Status Maintenance	12.08.011			A system must apply collections according to agency program receipt application rules to the appropriate liquidating or financing account.	JFMIP SR-00-01, Mar 00, Pg 46		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Account_Status_Maintenance_9
Acquired Loan Servicing: Account Status Maintenance	12.08.012			A system must include a partial, full, or late payment indicator.	JFMIP SR-00-01, Mar 00, Pg 47		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Account_Status_Maintenance_10
Acquired Loan Servicing: Account Status Maintenance	12.08.013			A system must identify payments that cannot be applied and document the reasons why the payments cannot be applied.	JFMIP SR-00-01, Mar 00, Pg 47		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Account_Status_Maintenance_11

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Acquired Loan Servicing: Account Status Maintenance	12.08.015			A system must provide an automated interface with the Core Financial System to record the collection. If the system processes collections, it must meet the requirements in the Core Financial System Requirements related to collections and send summary data to the Core Financial System.	JFMIP SR-00-01, Mar 00, Pg 47		Record Loans and Grants	Proposal-to-Reward	Acquired_Loan_Account_Status_Maintenance_12
Foreclosure and Liquidate Collateral: Foreclose on Collateral	12.09.001			A system must provide information on collateral for use in the foreclosure process.	JFMIP SR-00-01, Mar 00, Pg 48		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Foreclosure_On_Collateral_1
Foreclosure and Liquidate Collateral: Foreclose on Collateral	12.09.002			A system must update the acquired loan information store with additional information obtained during the foreclosure preparation process, such as recent appraisal values and property condition.	JFMIP SR-00-01, Mar 00, Pg 48		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Foreclosure_On_Collateral_2
Foreclosure and Liquidate Collateral: Foreclose on Collateral	12.09.003			A system must calculate outstanding principal, interest, and penalties, for each loan with collateral to be foreclosed.	JFMIP SR-00-01, Mar 00, Pg 48		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Foreclosure_On_Collateral_3
Foreclosure and Liquidate Collateral: Foreclose on Collateral	12.09.004			A system must provide information to generate a foreclosure notice to the borrower.	JFMIP SR-00-01, Mar 00, Pg 48		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Foreclosure_On_Collateral_4

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Foreclosure and Liquidate Collateral: Foreclose on Collateral	12.09.005			A system must transmit information necessary or the foreclosure to the Department of Justice and/or agency Office of General Counsel, as applicable.	JFMIP SR-00-01, Mar 00, Pg 48		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Foreclosure_On_Collateral_5
Foreclosure and Liquidate Collateral: Foreclose on Collateral	12.09.006			A system must record the results of the foreclosure proceedings and title conveyance to the agency.	JFMIP SR-00-01, Mar 00, Pg 48		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Foreclosure_On_Collateral_6
Foreclosure and Liquidate Collateral: Foreclose on Collateral	12.09.007			A system must provide an automated interface of data on acquired collateral to the property management system for management and liquidation of the property.	JFMIP SR-00-01, Mar 00, Pg 48		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Foreclosure_On_Collateral_7
Foreclosure and Liquidate Collateral: Foreclose on Collateral	12.09.008			A system must provide an automated interface to the Core Financial System to record the value of the property acquired and to reduce the receivable amount.	JFMIP SR-00-01, Mar 00, Pg 48		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Foreclosure_On_Collateral_8
Foreclosure and Liquidate Collateral: Manage/Liquidate Collateral	12.10.001			A system must generate payments to property management contractors for services rendered.	JFMIP SR-00-01, Mar 00, Pg 49		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Foreclosure_Collateral_Liquidation_1
Foreclosure and Liquidate Collateral: Manage/Liquidate Collateral	12.10.002			A system must track, record, and classify operations and maintenance expenses related to the acquired collateral.	JFMIP SR-00-01, Mar 00, Pg 49		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Foreclosure_Collateral_Liquidation_2

Foreclosure and Liquidate Collateral: Manage/Liquidate Collateral	12.10.003			A system must document rental income and other collections related to the acquired collateral.	JFMIP SR-00-01, Mar 00, Pg 49		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Foreclosure_Collat eral_Liquidation_3
Foreclosure and Liquidate Collateral: Manage/Liquidate Collateral	12.10.004			A system must post the expenses and income to the Core Financial System through an automated interface.	JFMIP SR-00-01, Mar 00, Pg 49		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Foreclosure_Collat eral_Liquidation_4
Foreclosure and Liquidate Collateral: Manage/Liquidate Collateral	12.10.005			A system must update the acquired loan information store to record receipts resulting from the liquidation of acquired collateral and disposition of the collateral.	JFMIP SR-00-01, Mar 00, Pg 49		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Foreclosure_Collat eral_Liquidation_5
Foreclosure and Liquidate Collateral: Manage/Liquidate Collateral	12.10.006			A system must identify any deficiency balances remaining for the loan after collateral liquidation for further collection activities.	JFMIP SR-00-01, Mar 00, Pg 49		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Foreclosure_Collat eral_Liquidation_6
Foreclosure and Liquidate Collateral: Manage/Liquidate Collateral	12.10.007			A system must provide an automated interface to the Core Financial System and the property management system to record disposal of the property and associated receipts.	JFMIP SR-00-01, Mar 00, Pg 49		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Foreclosure_Collat eral_Liquidation_7

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Foreclosure and Liquidate Collateral: Manage/Liquidate Collateral	12.10.008			A system must provide at the least the following types of management information: guaranteed loan claim activity, summary data of claim losses paid out, detailed transaction history, standard management control/activity, exceptions, portfolio sale historical payments, portfolio sales performance, and collateral management activity and expense.	JFMIP SR-00-01, Mar 00, Pg 50		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Foreclosure_Collat eral_Liquidation_8
Delinquent Debt Collection: Collection Actions	12.11.001			A system must identify delinquent commercial and consumer accounts for reporting to credit bureaus (preferably by electronic interface) by comparing reporting criteria to delinquent loan data.	JFMIP SR-00-01, Mar 00, Pg 52		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _1
Delinquent Debt Collection: Collection Actions	12.11.002			A system must calculate outstanding balances, including interest, penalties, and administrative charges and include this information in credit bureau records.	JFMIP SR-00-01, Mar 00, Pg 52		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _2

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Delinquent Debt Collection: Collection Actions	12.11.003			A system must generate (or include in demand letters) a notice to inform the borrower of the referral of a delinquent debt to a credit bureau, in accordance with regulations.	JFMIP SR-00-01, Mar 00, Pg 52		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _3
Delinquent Debt Collection: Collection Actions	12.11.004	Y		A system should maintain a record of each account reported to credit bureaus to allow tracking of referred accounts.	JFMIP SR-00-01, Mar 00, Pg 52		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _4
Delinquent Debt Collection: Collection Actions	12.11.005	Y		A system should prepare data on appropriate medium, on a monthly basis, of delinquent debtors to be included in the CAIVRS database.	JFMIP SR-00-01, Mar 00, Pg 53		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _5
Delinquent Debt Collection: Collection Actions	12.11.006			A system must generate and transmit dunning letters to debtors with past-due loan accounts.	JFMIP SR-00-01, Mar 00, Pg 53		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _6
Delinquent Debt Collection: Collection Actions	12.11.007			A system must identify debtors who do not respond to dunning letters within a specified time period.	JFMIP SR-00-01, Mar 00, Pg 53		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _7
Delinquent Debt Collection: Collection Actions	12.11.008			A system must track demand letters and borrower responses in order to document borrower due process notification (and borrower willingness and ability to repay debt).	JFMIP SR-00-01, Mar 00, Pg 53		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _8

				GUARANTEED LOANS REQUIREMENTS					
Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Delinquent Debt Collection: Collection Actions	12.11.009			A system must track and document debtor appeals received in response to demands for payment.	JFMIP SR-00-01, Mar 00, Pg 53		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _9
Delinquent Debt Collection: Collection Actions	12.11.010			A system must have the capability to provide automated support to the collection process. Support could be provided for activities such as contacting a delinquent borrower by phone; documenting contacts with a debtor and the results; documenting installment payments, rescheduling agreements, and debt compromise; generating management reports; and tracking the performance of individual agency collectors.	JFMIP SR-00-01, Mar 00, Pg 53		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _10
Delinquent Debt Collection: Collection Actions	12.11.011			A system must identify accounts eligible for referral to the Treasury Offset Program (TOP).	JFMIP SR-00-01, Mar 00, Pg 53		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _11

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Delinquent Debt Collection: Collection Actions	12.11.013			A system must generate written notification to the borrower that includes the following: - the nature and the amount of the debt, - the intention of the agency to collect the debt through administrative offset, - an explanation of the rights of the debtor, - an offer to provide the debtor an opportunity to inspect and copy the records of the agency with respect to the debt, -and an offer to enter into a written repayment with the agency.	JFMIP SR-00-01, Mar 00, Pg 53		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _12
Delinquent Debt Collection: Collection Actions	12.11.014			A system must identify, at the end of the notification period, the debtors that remain delinquent and are eligible for referral.	JFMIP SR-00-01, Mar 00, Pg 53		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _13
Delinquent Debt Collection: Collection Actions	12.11.015			A system must generate written notices informing the borrower of the agency's intention to initiate proceedings to collect the debt through deduction from pay, the nature and amount of the debt to be collected, and the debtor's rights.	JFMIP SR-00-01, Mar 00, Pg 54		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _14

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Delinquent Debt Collection: Collection Actions	12.11.016			A system must update the information store to reflect TOP status.	JFMIP SR-00-01, Mar 00, Pg 54		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _15
Delinquent Debt Collection: Collection Actions	12.11.018			A system must apply collections received through the TOP process to debtor accounts in accordance with applicable payments application rules.	JFMIP SR-00-01, Mar 00, Pg 54		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _16
Delinquent Debt Collection: Collection Actions	12.11.020			A system must interface with the Core Financial System to record receipts remitted to the agency.	JFMIP SR-00-01, Mar 00, Pg 54		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _17
Delinquent Debt Collection: Collection Actions	12.11.021			A system must compare delinquent account data to agency's program collection referral criteria to select delinquent loan accounts for referral to collection agencies.	JFMIP SR-00-01, Mar 00, Pg 54		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _18
Delinquent Debt Collection: Collection Actions	12.11.022			A system must sort and group delinquent loan accounts based on type of debt (consumer or commercial), age of debt, and location of debtor.	JFMIP SR-00-01, Mar 00, Pg 54		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _19
Delinquent Debt Collection: Collection Actions	12.11.023			A system must calculate outstanding interest, penalties, and administrative charges for each delinquent loan account to be referred.	JFMIP SR-00-01, Mar 00, Pg 54		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _20

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Delinquent Debt Collection: Collection Actions	12.11.024			A system must assign selected delinquent loan account groupings to appropriate collection agencies based on collection agency selection criteria for agency programs.	JFMIP SR-00-01, Mar 00, Pg 54		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _21
Delinquent Debt Collection: Collection Actions	12.11.025			A system must document that the delinquent account has been referred to a collection agency.	JFMIP SR-00-01, Mar 00, Pg 54		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _22
Delinquent Debt Collection: Collection Actions	12.11.026			A system must generate and receive electronic transmissions of account balance data and status updates to and from collection agencies.	JFMIP SR-00-01, Mar 00, Pg 55		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _23
Delinquent Debt Collection: Collection Actions	12.11.027			A system must record receipts remitted to the collection agency and forwarded to the agency.	JFMIP SR-00-01, Mar 00, Pg 55		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _24
Delinquent Debt Collection: Collection Actions	12.11.028			A system must update the acquired loan information store to reflect receipts, adjustments, and other status changes, including rescheduling, compromise, and other resolution decisions.	JFMIP SR-00-01, Mar 00, Pg 55		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _25
Delinquent Debt Collection: Collection Actions	12.11.029			A system must accept and match collection agency invoices with agency records.	JFMIP SR-00-01, Mar 00, Pg 55		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _26

GUARANTEED LOANS REQUIREMENTS									
Chapter	**Req Id**	**Value Added?**	**Change Type**	**Requirement**	**Federal Sources**	**DoD Sources**	**BPM Processes**	**End 2 End Process**	**DFMIG Rule Name**
Delinquent Debt Collection: Collection Actions	12.11.030			A system must request, reconcile, and record returned accounts from collection agencies.	JFMIP SR-00-01, Mar 00, Pg 55		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _27
Delinquent Debt Collection: Collection Actions	12.11.031			A system must interface with the Core Financial System to record collections processed through collection agencies.	JFMIP SR-00-01, Mar 00, Pg 55		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _28
Delinquent Debt Collection: Collection Actions	12.11.032			A system must compare delinquent loan account information against the agency's litigation referral criteria to identify delinquent loan accounts eligible for referral. Support identification of accounts to be referred to counsel for filing of proof of claim based on documentation that a debtor has declared bankruptcy.	JFMIP SR-00-01, Mar 00, Pg 55		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _29
Delinquent Debt Collection: Collection Actions	12.11.033			A system must provide an electronic interface with credit bureaus to obtain credit bureau reports that will enable assessment of the debtor's ability to repay before a claim is referred to legal counsel.	JFMIP SR-00-01, Mar 00, Pg 55		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _30

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Delinquent Debt Collection: Collection Actions	12.11.034			A system must calculate the outstanding balance, including principal, interest penalties, and administrative charges, for each delinquent loan account to be referred to legal counsel.	JFMIP SR-00-01, Mar 00, Pg 55		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _31
Delinquent Debt Collection: Collection Actions	12.11.035			A system must generate the Claims Collection Litigation Report (CCLR). The CCLR is used to capture collection actions and current debtor information and transmit this information to DOJ.	JFMIP SR-00-01, Mar 00, Pg 55		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _32
Delinquent Debt Collection: Collection Actions	12.11.036			A system must receive electronic transmissions of account data and status updates to and from DOJ's Central Intake Facility or the agency's Office of General Counsel's (OGC) automated system for referrals.	JFMIP SR-00-01, Mar 00, Pg 55		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _33
Delinquent Debt Collection: Collection Actions	12.11.037			A system must update the loan status to reflect referral for litigation so that the loan can be excluded from other collection actions and to alert the agency to obtain approval from counsel before accepting voluntary debtor payment.	JFMIP SR-00-01, Mar 00, Pg 55		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _34

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Delinquent Debt Collection: Collection Actions	12.11.038			A system must track filing of pleadings and other motions, including proofs of claims in bankruptcy to ensure swift legal action and to monitor litigation activity.	JFMIP SR-00-01, Mar 00, Pg 55		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Delinquent_Debt_Collection_Actions_35
Delinquent Debt Collection: Collection Actions	12.11.039			A system must match agency litigation referrals with DOJ listing of agency litigation referrals.	JFMIP SR-00-01, Mar 00, Pg 55		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Delinquent_Debt_Collection_Actions_36
Delinquent Debt Collection: Collection Actions	12.11.040			A system must record and track recovery of judgment decisions.	JFMIP SR-00-01, Mar 00, Pg 55		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Delinquent_Debt_Collection_Actions_37
Delinquent Debt Collection: Collection Actions	12.11.041			A system must update the loan information store to reflect receipts and adjustments.	JFMIP SR-00-01, Mar 00, Pg 55		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Delinquent_Debt_Collection_Actions_38
Delinquent Debt Collection: Collection Actions	12.11.042			A system must interface with the Core Financial System to record any collections resulting from litigation.	JFMIP SR-00-01, Mar 00, Pg 55		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Delinquent_Debt_Collection_Actions_39
Delinquent Debt Collection: Collection Actions	12.11.043			A system must offset delinquent debts internally before referral to TOP, where applicable.	JFMIP SR-00-01, Mar 00, Pg 53		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Delinquent_Debt_Collection_Actions_40
Delinquent Debt Collection: Collection Actions	12.11.044			A system must transmit to TOP eligible new debts, and increase, decrease, or delete previously reported debts.	JFMIP SR-00-01, Mar 00, Pg 53		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Delinquent_Debt_Collection_Actions_41

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Delinquent Debt Collection: Collection Actions	12.11.045			A system must record offset fees in accordance with agency program requirements.	JFMIP SR-00-01, Mar 00, Pg 54		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _42
Delinquent Debt Collection: Collection Actions	12.11.046			A system must update the Core Financial System to record collections from TOP.	JFMIP SR-00-01, Mar 00, Pg 54		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _43
Delinquent Debt Collection: Collection Actions	12.11.047			A system must process agency refunds given to borrowers erroneously and offset and transmit this information to Treasury in a timely manner.	JFMIP SR-00-01, Mar 00, Pg 54		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _44
Delinquent Debt Collection: Collection Actions	12.11.048			A system must record refunds given by Treasury and adjust the loan information store accordingly.	JFMIP SR-00-01, Mar 00, Pg 54		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _45
Delinquent Debt Collection: Collection Actions	12.11.049			A system must document that the wage garnishment order was sent to the employer.	JFMIP SR-00-01, Mar 00, Pg 54		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _46
Delinquent Debt Collection: Collection Actions	12.11.050			A system must provide ad hoc reporting capability needed to monitor the amount recovered through nonfederal wage garnishment.	JFMIP SR-00-01, Mar 00, Pg 54		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _47
Delinquent Debt Collection: Collection Actions	12.11.051			A system must document that agency provided debtors a hearing, when requested.	JFMIP SR-00-01, Mar 00, Pg 54		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _48

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Delinquent Debt Collection: Collection Actions	12.11.052			A system must apply collections received through wage garnishment according to agency application rules.	JFMIP SR-00-01, Mar 00, Pg 54		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _49
Delinquent Debt Collection: Collection Actions	12.11.053	Y		The system should identify delinquent commercial and consumer accounts for reporting to CAIVRS by comparing reporting criteria to delinquent loan data.	JFMIP SR-00-01, Mar 00, Pg 52		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _50
Delinquent Debt Collection: Collection Actions	12.11.054	Y		The system should generate (or include in demand letters) a notice to inform the borrower of the referral of a delinquent debt to CAIVRS in accordance with regulations.	JFMIP SR-00-01, Mar 00, Pg 52		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _51
Delinquent Debt Collection: Collection Actions	12.11.055			A system must generate payment to the collection agency for services rendered through the core financial system.	JFMIP SR-00-01, Mar 00, Pg 55		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _52
Delinquent Debt Collection: Collection Actions	12.11.056			A system must have the capability to compare delinquent loan account information to agency program write-off criteria to select delinquent loan accounts for possible write-off.	JFMIP SR-00-01, Mar 00, Pg 56		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _53

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Delinquent Debt Collection: Collection Actions	12.11.057			A system must have the capability to classify debtors based on financial profile and ability to repay. Indicators of the financial well being of a debtor include debtor financial statements, credit bureau reports, and payment receipt history.	JFMIP SR-00-01, Mar 00, Pg 56		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _54
Delinquent Debt Collection: Collection Actions	12.11.058			A system must have the capability to produce a CCLR for each loan account to be referred to agency counsel or the (DOJ) for approval of termination of collection action. The system must update the loan status to reflect the referral.	JFMIP SR-00-01, Mar 00, Pg 56		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _55
Delinquent Debt Collection: Collection Actions	12.11.059			A system must have the capability to update the loan information store to reflect approval or disapproval by agency counsel or the DOJ for termination of collection action.	JFMIP SR-00-01, Mar 00, Pg 56		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _56
Delinquent Debt Collection: Collection Actions	12.11.060			A system must have the capability to update the loan information store and provide an automated interface with the Core Financial System to record the write-off of the receivable.	JFMIP SR-00-01, Mar 00, Pg 56		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _57

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Delinquent Debt Collection: Collection Actions	12.11.061			A system must have the capability to maintain a suspense file of inactive (written-off) loan accounts.	JFMIP SR-00-01, Mar 00, Pg 57		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _58
Delinquent Debt Collection: Collection Actions	12.11.062			A system must have the capability to reactivate written-off loan accounts at a system user's request if the debtor's financial status or the account status changes.	JFMIP SR-00-01, Mar 00, Pg 57		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _59
Delinquent Debt Collection: Collection Actions	12.11.063			A system must have the capability to compare loan account data to agency closeout criteria to identify debtor accounts eligible for closeout and 1099-C reporting.	JFMIP SR-00-01, Mar 00, Pg 57		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _60
Delinquent Debt Collection: Collection Actions	12.11.064			A system must have the capability to prepare and send a Form 1099-C to the IRS if the debtor has not responded within the required time period.	JFMIP SR-00-01, Mar 00, Pg 57		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _61
Delinquent Debt Collection: Collection Actions	12.11.065			A system must have the capability to update the loan information store to reflect receipts, adjustments, and other status changes, including rescheduling, compromise, and other resolution decisions.	JFMIP SR-00-01, Mar 00, Pg 57		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _62

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Delinquent Debt Collection: Collection Actions	12.11.066			A system must have the capability to retain electronic summary records of closeout account activity for a period of five years for use in agency screening of new loan applications.	JFMIP SR-00-01, Mar 00, Pg 57		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _63
Delinquent Debt Collection: Collection Actions	12.11.067			A system must have the capability to provide at least the following types of management information: detailed transaction history, standard management control/activity, exceptions, trend analysis/performance, and collection contractor compensation.	JFMIP SR-00-01, Mar 00, Pg 58		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Delinquent_Debt_ Collection_Actions _64
Accounting Requirements	12.12.001			A system must record as a liability the present value of estimated net cash outflows of the outstanding Post- 1991 guaranteed loans. Disclosure is made of the face value of loans outstanding and the amount guaranteed.	SFFAS-2, Jun 08, Para 23	DoDFMR Vol 12, Sep 08, Ch 4, 040202.B	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Accounting_Requi rements_1

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Accounting Requirements	12.12.002			A system must record a subsidy expense for Post-1991 guaranteed loans disbursed during a fiscal year. The amount of the subsidy expense equals the present value of estimated cash outflows over the life of the loans minus the present value of estimated cash inflows, discounted at the interest rate of marketable Treasury securities with a similar maturity term, applicable to the period during which the loans are disbursed.	SFFAS-2, Jun 08, Para 24	DoDFMR Vol 12, Sep 08, Ch 4, 040202.C	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Accounting_Requi rements_2
Accounting Requirements	12.12.003			A system must record the components of the subsidy expense of new loan guarantees separately among interest subsidy costs, default costs, fees and other collections, and other subsidy costs for the fiscal year during which new guaranteed loans are disbursed.	SFFAS-2, Jun 08, Para 25	DoDFMR Vol 12, Sep 08, Ch 4, 040202.C.1	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Accounting_Requi rements_3

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Accounting Requirements	12.12.004			A system must record default costs for loan guarantees that result from any anticipated deviation, other than prepayments, by the borrowers from the payment schedule in the loan contracts.	SFFAS-2, Jun 08, Para 27	DoDFMR Vol 12, Sep 08, Ch 4, 040202.C.3	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Accounting_Requi rements_4
Accounting Requirements	12.12.005			A system must accrue and compound interest on loan guarantee liabilities at the interest rate that was originally used to calculate the present value of the loan guarantee liabilities when the guaranteed loans were disbursed. The accrued interest is recorded as interest expense.	SFFAS-2, Jun 08, Para 31	DoDFMR Vol 12, Sep 08, Ch 4, 040202.D.1	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Accounting_Requi rements_5

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Accounting Requirements	12.12.006			A system must compute a re-estimate of the subsidy cost allowance for loan guarantee liabilities each year as of the date of the financial statements. This includes interest rate re-estimates and technical/default re-estimates and must take into account all factors that may have affected the estimate of each component of the cash flow, including prepayments, defaults, delinquencies, and recoveries.	SFFAS-2, Jun 08, Para 32	DoDFMR Vol 12, Sep 08, Ch 4, 040202.D.2	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Accounting_Requi rements_6
Accounting Requirements	12.12.007			A system must record any increase or decrease in the subsidy cost allowance or the loan guarantee liability resulting from the re-estimates as a subsidy expense (or a reduction in subsidy expense). The expense must be recorded for the current reporting period.	SFFAS-2, Jun 08, Para 32	DoDFMR Vol 12, Sep 08, Ch 4, 040202.D.2	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Accounting_Requi rements_7
Accounting Requirements	12.12.008			A system must record interest accrued on the liability of loan guarantees as interest expense.	SFFAS-2, Jun 08, Para 37	DoDFMR Vol 12, Sep 08, Ch 4, 040202.D.1	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Accounting_Requi rements_8

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Accounting Requirements	12.12.009			A system must record costs for administering credit activities, such as salaries, legal fees, and office costs, that are for credit policy evaluation, loan and loan guarantee origination, closing, servicing, monitoring, maintaining accounting and computer systems; and other credit administrative purposes, as administrative expense. Administrative expenses are not included in calculating the subsidy costs of direct loans and loan guarantees.	SFFAS-2, Jun 08, Para 38	DoDFMR Vol 12, Sep 08, Ch 4, 040202.F	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Accounting_Requi rements_9
Accounting Requirements	12.12.010			A system must record losses and liabilities for loan guarantees committed before October 1, 1992, when it is more likely than not that the loan guarantee will require a future cash outflow to pay default claims.	SFFAS-2, Jun 08, Para 39	DoDFMR Vol 12, Sep 08, Ch 4, 040202.G	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Accounting_Requi rements_10
Accounting Requirements	12.12.011			A system must re-estimate the liability each year as of the date of the financial statements.	SFFAS-2, Jun 08, Para 39	DoDFMR Vol 12, Sep 08, Ch 4, 040202.G.1	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Accounting_Requi rements_11
Accounting Requirements	12.12.012			A system must record modification costs as an expense when loan guarantees are modified.	SFFAS-2, Jun 08, Para 49	DoDFMR Vol 12, Sep 08, Ch 4, 040202.J	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Accounting_Requi rements_12

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Accounting Requirements	12.12.013			A system must record any difference between the change in liability and the cost of modification of loan guarantees as a gain or loss.	SFFAS-2, Jun 08, Para 52	DoDFMR Vol 12, Sep 08, Ch 4, 040202.J.3	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Accounting_Requi rements_13
Accounting Requirements	12.12.014			A system must record, for post-1991 loan guarantees, the modification adjustment transfer paid or received to offset the gain or loss as a financing source (or a reduction in financing source).	SFFAS-2, Jun 08, Para 52	DoDFMR Vol 12, Sep 08, Ch 4, 040202.J.3	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Accounting_Requi rements_14
Accounting Requirements	12.12.015			A system must, for loan sales with recourse, record estimated potential losses under guarantee obligations (liabilities) as a subsidy expense at their present value.	SFFAS-2, Jun 08, Para 54		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Accounting_Requi rements_15

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Accounting Requirements	12.12.016			A system must record property transferred from borrowers to a federal credit program, through foreclosure or other means, in partial or full settlement as compensation for losses that the government sustained under post-1991 loan guarantees. The foreclosed property is an asset recorded at the present value of estimated future net cash inflows discounted at the original discount rate.	SFFAS-2, Jun 08, Para 57	DoDFMR Vol 12, Sep 08, Ch 4, 040202.L	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Accounting_Requirements_16
Accounting Requirements	12.12.017			A system must recognize acquired loans, through foreclosure, at the present value of their estimated net cash inflows from selling the loans or from collecting payments from the borrowers, discounted at the original discount rate.	SFFAS-2, Jun 08, Para 59	DoDFMR Vol 12, Sep 08, Ch 4, 040202.L.2	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Accounting_Requirements_17
Accounting Requirements	12.12.018			A system must reduce the present value of the government's claim against the borrower by the amount settled as a result of the foreclosure when assets are acquired in full or partial settlement of post-1991 loans.	SFFAS-2, Jun 08, Para 60	DoDFMR Vol 12, Sep 08, Ch 4, 040202.L.3	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Accounting_Requirements_18

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Accounting Requirements	12.12.020			A system must record the interest subsidy costs of loan guarantees which equals the present value of estimated interest supplement payments.	SFFAS-2, Jun 08, Para 26	DoDFMR Vol 12, Sep 08, Ch 4 040202.C.2	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Accounting_Requi rements_20
Accounting Requirements	12.12.021			A system must record the present value of fees and other collections for a loan guarantee as a deduction from subsidy costs.	SFFAS-2, Jun 08, Para 28	DoDFMR Vol 12, Sep 08, Ch 4 040202.C.4	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Accounting_Requi rements_21
Accounting Requirements	12.12.022			A system must record the Other subsidy costs for a loan guarantee. These costs consist of cash flows that are not included in calculating the interest or default subsidy costs, or in fees and other collections.	SFFAS-2, Jun 08, Para 29	DoDFMR Vol 12, Sep 08, Ch 4 040202.C.5	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Accounting_Requi rements_22

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Accounting Requirements	12.12.023			A system must estimate default costs by considering the following risk factors: (a) loan performance experience; (b) current and forecasted international, national, or regional economic conditions that may affect the performance of the loans; (c) financial and other relevant characteristics of borrowers; (d) the value of collateral to loan balance; (e) changes in recoverable value of collateral; and (f) newly developed events that would affect the performance of the loan. Improvements in methods to re-estimate defaults also are considered.	SFFAS-2, Jun 08, Para 34	DoDFMR Vol 12, Sep 08, Ch 4, 040202.E.1	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Accounting_Requi rements_23

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Accounting Requirements	12.12.024			A system must use a systematic methodology, such as an econometric model, to project default costs of each risk category. If individual accounts contain significant dollars that would then carry a proportionately higher weight in terms of risk exposure, then an analysis of the individual accounts is warranted in making the default cost estimate for that category.	SFFAS-2, Jun 08, Para 35	DoDFMR Vol 12, Sep 08, Ch 4, 040202.E.2	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Accounting_Requirements_24
Accounting Requirements	12.12.025			A system must change the existing book value of the liability of modified post-1991 loan guarantees to an amount equal to the present value of net cash outflows projected under the modified terms from the time of modification to the maturity of those loans, discounted at the original discount rate (the rate that originally is used to calculate the present value of the liability when the guaranteed loans were disbursed).	SFFAS-2, Jun 08, Para 50	DoDFMR Vol 12, Sep 08, Ch 4, 040202.J.1	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Accounting_Requirements_25

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Accounting Requirements	12.12.026			When a pre-1992 loan guarantee is directly modified, the system must transfer the modified loan guarantee to a financing account and the existing book value of the liability of the modified loan guarantees is changed to an amount equal to its post-modification liability. Any subsequent modification is treated as a modification of a post-1991 loan guarantee. When a pre-1992 loan guarantee is indirectly modified, that loan guarantee is kept in a liquidating account. The liability of such a loan guarantee is reassessed and adjusted to reflect any change in the liability resulting from the modification.	SFFAS-2, Jun 08, Para 51	DoDFMR Vol 12, Sep 08, Ch 4, 040202.J.2	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Accounting_Requi rements_26

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Reporting	12.13.002			The system must support the disclosure of the nature of the modifications of loan guarantees, the discount rate used in calculating the modification expense, and the basis for recognizing a gain or loss related to the modification, within notes to the financial statements.	SFFAS-2, Jun 08, Para 56	DoDFMR Vol 12, Sep 08, Ch 4, 040202.K	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Reporting_1
Reporting	12.13.003			The system shall provide information to support the reconciliation between the beginning and ending balances of the loan guarantee liability, in accordance with the disclosure requirements of SFFAS No. 18, Amendments to Accounting Standards for Direct Loans and Loan Guarantees' in SFFAS No. 2.	SFFAS-18, Para 10	DoDFMR Vol 12, Sep 08, Ch 4, 040202.N	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Reporting_2
Reporting	12.13.004			When the reporting entity has made payments on behalf of borrowers (which should be collected from the borrowers), the system must report the resulting receivables in the same column as loans receivable for either direct loans or defaulted guaranteed loans.		DoDFMR Vol 6B, Jan 09, Ch 10, 101001.C	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_Reporting_3

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Reporting	12.13.005			The system shall report information on defaulted loan guarantees for applicable credit reform programs within the notes to the financial statements.		DoDFMR Vol 6B, Jan 09, Ch 10, 101015	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Reporting_4
Reporting	12.13.006			The system shall report the defaulted guaranteed loans receivable (gross), the interest receivable, the estimated value of related foreclosed property, the allowance for subsidy cost (present value), and the value of assets related to defaulted guaranteed loans receivable within the notes to the financial statements.		DoDFMR Vol 6B, Jan 09, Ch 10, 101015.C	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Reporting_5

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Reporting	12.13.008			The system shall identify other information related to guaranteed loan programs including (1) changes from the prior year's accounting methods of foreclosed property, if any; (2) restrictions on the use/disposal of the foreclosed property; (3) number of foreclosed properties held and average holding period by type or category; and (4) number of properties for which foreclosure proceedings are in process at the end of the period.		DoDFMR Vol 6B, Jan 09, Ch 10, 101015.E	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Reporting_7
Reporting	12.13.009			The system shall disclose management's method for accruing interest revenue and recording interest receivable, and management's policy for accruing interest on nonperforming defaulted guaranteed loans within the notes to the financial statements.		DoDFMR Vol 6B, Jan 09, Ch 10, 101015.E	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Reporting_8
Reporting	12.13.010			The system shall present the outstanding amount of guaranteed loans within the notes to the financial statements.		DoDFMR Vol 6B, Jan 09, Ch 10, 101017	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Reporting_9

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Reporting	12.13.011			The system shall present the liabilities for loan guarantees for each loan guarantee program within the notes to the financial statements.		DoDFMR Vol 6B, Jan 09, Ch 10, 101019	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Reporting_10
Reporting	12.13.012			The system shall present the estimated cash flows (on a present-value basis) for the various subsidy expense components of the loan guarantee programs within the notes to the financial statements.		DoDFMR Vol 6B, Jan 09, Ch 10, 101021	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Reporting_11
Reporting	12.13.013			The system shall present subsidy rates for loan guarantees within the notes to the financial statements.		DoDFMR Vol 6B, Jan 09, Ch 10, 101023	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Reporting_12
Reporting	12.13.014			The system shall present a schedule for reconciling loan guarantee liability balances for post FY 1991 loan guarantees within the notes to the financial statements.		DoDFMR Vol 6B, Jan 09, Ch 10, 101025	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Reporting_13
Reporting	12.13.015			The system shall report the portions of salaries and other administrative expenses that have been accounted for in support of the loan guarantee programs within the notes to the financial statements.		DoDFMR Vol 6B, Jan 09, Ch 10, 101026|	Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Reporting_14

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Reporting	12.13.016			The system must be capable of producing a complete transaction history of each loan.	JFMIP SR-00-01, Mar 00, Pg 63		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Reporting_15
Reporting	12.13.017			The systems must be capable of supporting the external reporting requirements of OMB and Treasury, including those associated with the Federal Credit Reform Act (FCRA) of 1990 and the CFO Act of 1990.	JFMIP SR-00-01, Mar 00, Pg 63		Record Loans and Grants	Proposal-to-Reward	Guaranteed_Loan_ Reporting_16
Reporting	12.13.018			The system must, if modifications were made to guaranteed loans, explain the nature of the modifications, the discount rate used in calculating the expense, and the basis for recognizing a gain or loss related to the modifications. When appropriate, disclose that the subsidy expense resulting from reestimates that is included in the financial statements is not reported in the budget until the following year.		DoDFMR Vol 6B, Jan 09, Ch 10, 101015.E	Record Loans and Grants	Proposal-to-Reward	

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Treasury Cross-Servicing	12.14.001			An automated system must compare delinquent loan account information to statutory criteria to select delinquent loan accounts for possible referral.	JFMIP SR-00-01, Mar 00, Pg 60		Record Loans and Grants	Proposal-to-Reward	
Treasury Cross-Servicing	12.14.002			An automated system must generate notification to the debtor of the agency's intent to refer the debt to a debt collection center.	JFMIP SR-00-01, Mar 00, Pg 60		Record Loans and Grants	Proposal-to-Reward	
Treasury Cross-Servicing	12.14.003			An automated system must update the loan information store.	JFMIP SR-00-01, Mar 00, Pg 60		Record Loans and Grants	Proposal-to-Reward	
Treasury Cross-Servicing	12.14.004			An automated system must identify accounts that can no longer be serviced by agency personnel.	JFMIP SR-00-01, Mar 00, Pg 60		Record Loans and Grants	Proposal-to-Reward	
Treasury Cross-Servicing	12.14.005			An automated system must identify accounts with monetary adjustments that must be reported to the debt collection center.	JFMIP SR-00-01, Mar 00, Pg 60		Record Loans and Grants	Proposal-to-Reward	
Treasury Cross-Servicing	12.14.006			An automated system must provide ad hoc reporting capability needed to monitor the accounts referred to a debt collection center and the amounts recovered.	JFMIP SR-00-01, Mar 00, Pg 61		Record Loans and Grants	Proposal-to-Reward	

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Treasury Cross-Servicing	12.14.007			An automated system must interface with the core financial system to record receipts remitted to the agency.	JFMIP SR-00-01, Mar 00, Pg 61		Record Loans and Grants	Proposal-to-Reward	
Treasury Cross-Servicing	12.14.008			An automated system must apply collections received from the debt collection center according to agency application rules.	JFMIP SR-00-01, Mar 00, Pg 61		Record Loans and Grants	Proposal-to-Reward	
Treasury Cross-Servicing	12.14.009			An automated system must record collection fees in accordance with agency program requirements.	JFMIP SR-00-01, Mar 00, Pg 61		Record Loans and Grants	Proposal-to-Reward	
Treasury Cross-Servicing	12.14.010			An automated system must process agency or debt collection center refunds, notify debt collection center as appropriate, and update the loan information store.	JFMIP SR-00-01, Mar 00, Pg 61		Record Loans and Grants	Proposal-to-Reward	
Treasury Cross-Servicing	12.14.011			An automated system must notify debt collection center of adjustments, recalls of debt, or collections received by the agency on the referred debt.	JFMIP SR-00-01, Mar 00, Pg 61		Record Loans and Grants	Proposal-to-Reward	

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Treasury Cross-Servicing	12.14.012			An automated system must remove from the accounting and financial records accounts that the debt collection center recommends should be written off.	JFMIP SR-00-01, Mar 00, Pg 61		Record Loans and Grants	Proposal-to-Reward	
Treasury Cross-Servicing	12.14.013			An automated system must identify the volume and type of debts serviced.	JFMIP SR-00-01, Mar 00, Pg 61		Record Loans and Grants	Proposal-to-Reward	
Treasury Cross-Servicing	12.14.014			An automated system must identify the tools used by the agency to collect its own debt.	JFMIP SR-00-01, Mar 00, Pg 61		Record Loans and Grants	Proposal-to-Reward	
Treasury Cross-Servicing	12.14.015			An automated system must provide one or more years of information on the average age of debt over 180 days.	JFMIP SR-00-01, Mar 00, Pg 61		Record Loans and Grants	Proposal-to-Reward	
Treasury Cross-Servicing	12.14.016			An automated system must calculate the amount of debt collected using various collection tools.	JFMIP SR-00-01, Mar 00, Pg 61		Record Loans and Grants	Proposal-to-Reward	
Treasury Cross-Servicing	12.14.017			An automated system must accrue late charges, as required by referring agency.	JFMIP SR-00-01, Mar 00, Pg 61		Record Loans and Grants	Proposal-to-Reward	

Chapter	Req Id	Value Added?	Change Type	Requirement	Federal Sources	DoD Sources	BPM Processes	End 2 End Process	DFMIG Rule Name
Treasury Cross-Servicing	12.14.018			An automated system must provide information to referring agency sufficient for the referring agency to satisfactorily complete the Report on Receivables Due From the Public.	JFMIP SR-00-01, Mar 00, Pg 61		Record Loans and Grants	Proposal-to-Reward	
Treasury Cross-Servicing	12.14.019			An automated system must track, by portfolio, age of debt referred, dollar and number of referrals, collections on referred debts and report to Treasury on a monthly basis.	JFMIP SR-00-01, Mar 00, Pg 61		Record Loans and Grants	Proposal-to-Reward	
Treasury Cross-Servicing	12.14.020			An automated system must provide information to referring agency as needed i.e., collections received.	JFMIP SR-00-01, Mar 00, Pg 61		Record Loans and Grants	Proposal-to-Reward	
Treasury Cross-Servicing	12.14.021			An automated system must provide ad hoc reporting capability needed to satisfy referring agencies unique information requests such as, length of workout agreements, percent of debt that can be compromised, etc.	JFMIP SR-00-01, Mar 00, Pg 61		Record Loans and Grants	Proposal-to-Reward	

ACRONYMS

CAIVRS	Credit Alert Interactive Voice Response System
CCLR	Claims Collection Litigation Report
DFAS	Defense Finance and Accounting Service
DoD	Department of Defense
DoDFMR	DoD Financial Management Regulation
DOJ	Department of Justice
FASAB	Federal Accounting Standards Advisory Board
FFMIA	Federal Financial Management Improvement Act
FSIO	Financial System Integration Office
JFMIP	Joint Financial Management Improvement Program
OFFM	Office of Federal Financial Management
SFFAS	Statement of Federal Financial Accounting Standards
TIN	Taxpayer Identification Number
TOP	Treasury Offset Program