



**MINNESOTA ASSOCIATION OF CREDIT SPECIALISTS –
FSA**

110 2nd Street So, Suite 125
Waite Park, MN 56387
320-251-2092 ext. 100 Fax: 320-251-7780



November 14, 2009

TO: Linda Hennen, SED
Glenn Schaefer, EO
Farm Service Agency
375 Jackson Street, Suite 400
St. Paul, MN 55101

FROM: Jerry A. Hurrele, MACS President

SUBJECT: Minnesota FSA Office Restructure Concerns

I appreciate the opportunity for MACS to be a part of the discussion as an office restructure plan is developed. It is understood the process is still ongoing but is nearing a completion time when the ideas will become a plan.

FLP office restructuring has been discussed for the past several years in varying degree and intensity. Although some details and issues have changed, our primary concerns continue to be the same. MACS has issued various memos and documents regarding FLP office restructuring over the past five years. I have attached the documents for your reference. The documents include:

1. April 16, 2004 - MN FLP "Structured for Success"
2. September 16, 2005 - Memo: Issues
3. October 6, 2005 - Memo: FSA Tomorrow - MACS Perspective
4. June 7, 2006 - Memo: MN FSA Office Restructure Concerns
5. 2007 MACS resolutions
6. 2007 FSA Then & Now memo

Our primary concerns include the inadequate staffing, 1165 issue, customer service and employee rights.

Inadequate Staffing: The current level of staffing is not adequate to complete all required FLP work activity and provide quality customer service in a timely manner. The current economic stress will also create additional need for FLP loans as well as an increase in distressed or delinquent credit. With inadequate staffing and the current economic stress, customer service may decrease as well as an increase in risk to the agency. We understand the limitations with the budget and employment ceilings, but encourage you to hire FLP staff to the maximum extent possible. We recommend all vacancies be filled as

quickly as possible. We also recommend new FLOT's be hired on consistent annual or semi-annual basis.

1165 Issue: MACS believes that the 1165 issue continues to be a driving force behind the office restructuring plan. Although we agree that some restructuring may be needed, the need may not be as extensive if not for the 1165 issue. NACS has initiated a classification review of the GS-12 Farm Loan Manager position. The result of this review may alter the 1165 requirements and provide additional office restructuring options. The timeframe for completion of this review is uncertain at this time, but we request some flexibility be allowed in the restructuring plan if the result of the 1165 review provides additional options.

Customer Service and Employee Service/Rights: MACS agree that customer service is/must be our first priority. The final office restructure plan must continue to allow for quality customer service while balancing the business needs of the agency and fairness to our employees. Communication with employees is important as we move through the process. Detailed information must also be provided regarding the various options, rights, relocation options, grade & pay retention, selection criteria for competing positions, and timeframes. We must make every effort to retain all employees and minimize the disruption to the employees. It appears that the FLP-PT's will be the most adversely affected. MACS encourage you to provide relocation expenses to the maximum extent possible. MACS also recommend that the rights of the employees affected be clearly defined upfront as to competition, severance pay, reemployment rights, retirements, etc. We understand this is still being researched; however, it is important this information be made available as soon as possible for all potentially impacted employees.

Communication: Communication on most of these issues has been very good throughout the process and recognizes your efforts to keep MACS informed to the extent possible. We request you continue to keep MACS informed and engaged in the process.

Summary

The complexities of putting together any restructure plan are understood along with the competing interests of customers, employees, and Agency resources. No one plan can meet everyone's expectation or meet everyone's satisfaction. Our Association will not put forth a plan of office realignment/consolidation etc. Our concern is instead in the process by which these decisions and plans are made and that all employee rights are followed.

Please let me know if you have any questions or wish to discuss any issues further.