



MACS Newsletter



September 2007

2007 MACS/MNASCOE Joint Convention Minutes

Attached are the full minutes from the July 20th MACS Annual Meeting included in this newsletter. Please take the time to review these, plus the included resolutions that were acted on.

The passed resolutions will be forwarded to the State Office for their response as appropriate. Issues of a national nature will be passed along to NACS/NASE as appropriate.

The minutes are attached at the end of this newsletter.

NASE State Contact Elected

Lorraine Edwards, FLP PT, Worthington has been nominated and confirmed to serve as the NASE State Contact for the 2007-08 year. Lorraine will be the contact point for NASE at the National level.

Please forward any issues to be directed to NASE to Lorraine at Lorraine.Edwards@mn.usda.gov.

Lorraine's willingness to serve in this capacity is greatly appreciated!

Board Votes On Dues Increase

The MACS Board voted on August 27th in St. Cloud to approve an increase in annual dues by \$32 for MACS members with loan approval authority. This vote was necessary due to the recent NACS vote to increase NACS dues by \$32 in 2008. The new MACS dues structure is as follows: \$156 FLM, FLO, FLS, DD and CED with loan approval authority; \$58 FLP PT; \$58 FLOT; \$20 Retired or Other. This increase will go into effect on October 1, 2007. Dues may be sent via check to MACS Treasurer, Sue Westrom, at the Crookston FSA office or via payroll deduction. Please have the employees in your office that are planning to become members contact Sue at this time (218) 281-2809.

Member Participation Opportunities

There is still time for members to volunteer to serve in a number of capacities for the 2007-08 year. The following positions have been filled:

Farm Loan Program Committee – Kevin Hagan, Rod DeGraaf, Doug Kunde and Bev Turner will serve on this committee.

Management/Personnel Committee – Jim Velde, Gary Schommer, Mary Golkowski, Cindy Schalapkohl, Ellen Dilly, Jennifer Robinson, Anna Anderson, and Becky Stueber will serve on this committee.

IT Committee – Cindy Vukasin, Keith Hobbie and Bonnie Ward will serve on this committee.

Farm Program Committee – Kirk Phelps, Cory Christensen, Derek Nelson and Justin Phillips will serve on this committee.

MACS Operating Manual Committee – Mark Bertram,

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Russell Miller, Randy Dufner will formalize the President & Vice Presidential duties. James Kruize and Becky Martinson will formalize the Secretarial duties. Sheree Krogstad and Sue Westrom will formalize the Treasurer duties. Bev Turner, Jean Post, Wendy Erickson and Lorraine Edwards will formalize the NASE State Contact duties. Jim Eberhard and Mark Drewitz will formalize the Past Presidential duties. The goal is for these individual reports to be completed by June 2008 so the Operating Manual is ready to roll out at the July 2008 annual meeting.

MACS/MNASCOE 2008 Joint Convention Committee

– Mark Baumann and Tom Anderson will serve on this committee. They will be working with similar designees from MNASCOE.

Zone B 2009 Convention Committee – Jerry Hurrle, Tom Haubrich Jim Velde, Sheree Krogstad, Greg Janachovsky, Cindy Haubrich and Lynn Meyer will serve on this committee. They will be working with similar designees from Rural Development. The entire membership will be need to assist with this project when called upon.

If you have an interest in serving on one of these committees, please contact Lee Crawford at jalee33@earthlink.net or the MACS_FSA@yahoo.com address.

2007-08 MACS Board

President – Lee Crawford
Vice President – Randy Dufner
Secretary – Becky Martinson
Treasurer – Sue Westrom
NASE State Contact – Vacant
Past President – Mark Drewitz
District 1 Representative - Derrek Nelson
District 2 Representative – Jim Velde
District 3 Representative – Dave Petry
District 4 Representative – Kevin Lehman
District 5 Representative – Rick Ray
District 6 Representative – Scott Nordby
District 7 Representative – Mark Baumann
District 8 & STO Representative – Tom DeCock

2008 MACS/MNASCOE Meeting

Discussions have begun on the 2008 MACS/MNASCOE meeting. Though not yet formally approved, initial discussions are centering on the New Ulm area for July 17 & 18th or July 24 & 25th. The goal is to finalize the location and date with MNASCOE in October.

More information will be provided as details develop.

NACS/NASE Information

Newsletters are available at their respective web sites:

NACS – www.nacsfsa.org

NASE – www.nasefsa.org

Links to these sites as well as FMA are maintained on the MACS web site under “Links”.

FMA Information

The FMA Washington Report newsletter is located at: <http://www.fedmanagers.org/public/washingtonreport.cfm>. Members are encouraged to monitor the FMA site to keep abreast of the latest events with FMA and legislative actions in Washington.

Upcoming Meetings

Zone B Meeting – Sioux Falls, South Dakota – February 1 & 2

NACS/NASE Annual Convention – Lincoln, Nebraska – June 2008.

Both of these meetings are reasonably close commutes and Minnesota has the ability to make a strong showing for both. If interested in attending these meetings and you are looking for someone to share a room with, share travel with, etc., please contact me at: jalee33@earthlink.net

To support USDA military families, go to www.usdamilitaryfamilies.org

2007 Minnesota Association of Credit Specialists (MACS) Annual Meeting

Date: Friday, July 20, 2007
Time: 8:30 a.m.
Location: Bigwood Event Center – Fergus Falls, MN

GENERAL SESSION held with MNASCOE and MACS.

Pledge of Allegiance was recited by the group.

President's Opening Remarks: Kevin Beekman, MNASCOE, and Mark Drewitz, MACS, thanked everyone for attending. Guest speakers were introduced.

Guest Speakers:

Stuart Shelstad spoke to us for Perry Aasness who is in Boston with Dan Hockert for SED/AO training..

- Budget – We are getting the money we need for Minnesota. We need to return what we don't need but request what we still need.
- MN staff ceiling – 387 county employees. Hope to hire new PT before departing PT leaves. Marshall is getting a FLOT. East Polk is getting a non-staff ceiling FTE; Roseau gets one also. 132 GS employees. We will keep 8 DD's – GS13 only – they must supervise 3 or more people. SED will redraw the lines on developing criteria or guideposts and on how DD boundaries will be drawn. All options are on the table so please share ideas with Perry.
- Source of information – goal is to improve efficiency of communication. Alex Dubish has filled the e-gov position.
- We need to better utilize COR's & COR findings.
- Credit team boundary proposal – the same proposal was resent. More credit teams will have to be evaluated with 1165.

Darrel Strand, retired MN FSA FLP employee, spoke to us about NARFE (National Active & Retired Federal Employees Assoc.)

- 400,000 employees, retirees, spouses & survivors; 1650 local chapters; 50 state federations.
- NARFE is important because earned benefits are not guaranteed. Medicare, Part B means tested income level for means testing won't affect us but if reduced will save us.
- Health savings – NARFE is opposed because younger members would make premiums go up. Premiums are based on years of service.
- Thinking of changing:
 - ◊ formula from high 3 to high 5
 - ◊ cola
 - ◊ lower the match in TSP
 - ◊ increase employee contribution to pension.
- Employees have not lost anything in last 14 years.
- Past Accomplishments:
 - Δ obtained legislation to provide survivor benefits
 - Δ restored annuities to survivors
 - Δ went from high 5 to high 3
 - Δ annuitants included in open season
- Retirees pay taxes on health insurance premiums – average of \$400 per year. This needs to be changed but it gets to committee and never gets to the floor.
- Windfall elimination and Government pension offset – Iowa amended in 2005 and Missouri in 2006 (took 11 years to pass).
- Why join – protect benefits, provides protection, information and service. Membership while employed is \$60 for 3 years. After retirement dues are \$33 to join and \$35 to renew. Carolyn Billings also spoke about NARF – she joined 2 ½ years before her retirement.
- Many sources of information such as pamphlet on Alzheimer's research program "Be Prepared for Life's Benefits".
- Web site is NARFE.org. Minnesota site is MN-NARFE.org

Mary Mike Taylor spoke for James Mace of JM Marketing

- Federal employees can join as an associate member for \$20 per year.
- We can have any insurance coverage (ie Blue Cross) and add this supplemental coverage for cancer benefits, etc.

Wally Sparby, former Minnesota SED, spoke for Collin Peterson's office.

- Mr. Peterson wants to reorganize the department (FSA offices without employees). An office with 1 employee was

asked what that employee needed. Reply was an answering machine.

- Most feasible thing to do is to transfer the conservation program over to FSA. NRCS doesn't have the tools or personnel to keep up. Soil & Water got worried and stopped the process. The issue is still being brought up. Lots of times all they hear from is nay sayers. We need to advertise – need to tell every congressman and senator that FSA is the one to deal with that program. We are part of the safety net. There isn't a farm that can exist without farm programs. Anyone that gets a \$25 or less should be taken out of that program as it costs \$15 to send out a payment.
- FSA has 6.4 administrative cost; RMA is 20-22% administrative cost. Farm Credit – philosophy is that catastrophic should have been done by FSA.
- USDA reorganization – can economize, reduce duplication. He mentioned the RC factor – resistance to change.
- Direct term limits – send script to Collin with your input.
- Tell Collin how we appreciate his efforts.

BUSINESS MEETING - MACS

Stuart Shelstad, Farm Loan Program Chief

- Have been meeting goals the last few years
- Need to retain FTEs (or regain them). When numbers are higher it's easier to shuffle FTEs around.
- FLPPRA – guaranteed program is a supervised program. Common finding – doing a good job of documentation. “Why” is the problem (why are they trading tractors, etc.) Missing goals time frame by 1 day. Something has got to give or there will be additional problems. FLPPRA – don't strive for all 1's; shoot for 2's and 3's.
- Goals – MAC data still unreliable, wait until it is more reliable.
- Thanks to Jerry Hurrell and Mark Drewitz for helping guide service center goals. Service centers will have input.
- Overtime – has had his ear bent hard that FLMs are doing PT work and PTs doing FP work. It is OK for FLOTs to learn the PT process.
- PTs are feeling under valued; losing expertise as PT becomes spread too thin which creates a program integrity issue. Who has responsibility for a program? There is a concern that if FLO/FLM is doing PT work then who is doing outreach and strategic planning.
- 1165 – who is supervising the PT if the PT is doing FP work? If the FLO is doing PT work then that FLO needs to be relocated to where needed to do FLO work. MACS should give guidance before DD meeting in Alex on 7-31-07.
- DD profiles – Ask for help to meet your needs; volunteer to train new hires. State Office can't argue for staff if we don't request help; others are pushing for more FP GS positions.
- Outlook calendars – a good thing
- FLOT training – still concerned with non-mobile workforce. Dan Hockert has drawn up a map of zones for FLOTs. What do we do when there are gaping holes? We need a way to keep some type of stability in lives of FLOTs.
- Legislative issues – nothing in President's budget – no increased guarantee fees
- 2008 Training budget – See Stuart's list of potential training.
- Positive issues – providing good customer service.
- Met with Kevin Elton & Mark Drewitz for the Fillmore County opening.

Question and Answer Session:

Question: Does Perry really think that missing signatures (FP documents) is as big a thing as it was made out to be?

Answer: Phone calls from the Administrator were pretty tense. Overblown? – politically we have to toe the line.

Question: 1165 – What have other states done (Wisconsin, Iowa) ?

Answer: Some states bit the bullet – unless there's a vacancy there's not a problem. Have not had people retiring or going to CEDs – some states have not had this issue. Be sure DD has in profile whether you need FLO or extra FLO to be shared. Dan Hockert needs to know our needs. If we are getting the job done we think that State Office doesn't need to know. If it isn't in the profile, the State Office will ignore.

Question: Who gets the DD profile?

Answer: Perry, Dan & Mary. The profile can get into confidential issues.

Question: What is Stuart's role?

Answer: Profile covers local office and up to the district level. We need to be ahead of the curve – look ahead to what the needs are.

The meeting was brought to order by President Mark Drewitz. Motion made by Lee Crawford, seconded by Cindy Vukasin to approve the Secretary's minutes as printed. Motion passed.

Roll Call

All attendees have been recorded on Roll Call Sheet. There were 37 members in attendance (see Attachment “A” for roll call).

Additions to Agenda

There were no additions to the agenda.

Treasurer's Report – Sue Westrom

- See Attachment “B” for Treasurer's Report

Motion made by Justin Phillips, seconded by Dave Petrey to accept the Treasurer's Report as printed, subject to audit. Motion carried.

Secretary's Report – James Kruize

Motion made by Lee Crawford, seconded by Cindy Vukasin to approve the Secretary's Report as printed. Motion carried.

No additions to the above reports from the Secretary or Treasurer.

Vice President -Lee Crawford spoke of our concerns:

- 1165 – only 4 or 5 offices of Minnesota's 28 or 29 offices are OK with 1165. It's a problem for the PT. How many DDs needed if we go to 24 credit teams? – 8. Do we have enough FTEs? If we had 7 DDs, could we go to 21 credit teams? State Office plan – don't need to do this tomorrow but the PT needs to be let know what the plan is for the office.
- Goals – as drilled down to County Office and performance – no problem tying to performance if it ties with the mission of the agency
- USDA reorganization – may or may not happen. Letters or contacts will need to be made. Mission tied to graduation and that's OK. If it ties to maintain or increase caseload – then we can't control it.

Past President - Russell Miller

- We are setting a good example for new workforce by coming to our meeting. Legislative links such as FMA are important (term limits).

President – Mark Drewitz – (no written report)

- This past year was more of a standard year after FSA tomorrow ended. We need to get involved with personnel issues. The 2 day meeting scheduled for St Cloud earlier this year (with 1 week's notice) got postponed after Mark talked to Dan Hockert. In another office situation, data was used to change a result.
- FLOT training – discouraged new way of handling – no change was made.
- FMA / NACS / NASE – Our associations need to hear from us all during the coming year. The MACS President needs to hear from us – either good or bad. The board needs to know what we want or it will be flying blind. District reps need phone contact rather than email. People will talk if a personal contact is made.
- As private citizens we need to make contacts with our congressmen, senators, etc, to make our needs known - but not on work time.
- State Directory – thanks to Cindy Vukasin for resurrecting it.
- New Zone B Representative – Mark Drewitz.
- New MACS dues – the NACS board voted to increase NACS dues \$32 up the \$52, which will go into effect the first quarter of 2008. NACS has been running with a deficit for 3-5 years. NACS also changed their FY so dues paid this fall will be for 2008.
- FMA issue – hire outside lobbyist to influence the new farm bill although it may be too late. Are we getting a \$90,000 value?
- Kevin Lehman sold the most tickets. Over 90 tickets were sold so we earned 3 free registrations to the national convention.
- Lynn Meyer – was recognized by NASE for her significant contribution to NASE
- Legislative Committee Report – may or may not happen. Need to hire a lobbyist.

Committee Reports:

Farm Loan Program Committee Report – Kevin Hagan, Bev Turner, Doug Kunde, Rod DeGraaf

- See Attachment “C” for the resolutions submitted.

Management/Personnel Committee Report – Randy Dufner, Gary Schommer, Jim Velde

- See Attachment “C” for the resolutions submitted.

IT Committee Report – Keith Hobbie, Cindy Vukasin

- See Attachment “C” for the resolutions submitted.

Legislative Committee Report – Lee Crawford

- See NACS website for resolutions from National Convention.

Farm Program Committee Report – Randy Dufner

- See Attachment “C” for the resolutions submitted.

Old Business: none

New Business:

- Zone B Meeting in 2009 - RD is supportive but MACS has more members (unlike the last time we hosted the meeting). Motion by Cindy Vukasin, seconded by Lee Crawford to host the 2009 Zone B Meeting in Minnesota. Discussion: Was there another state that was interested? – No. Bloomington is the logical choice for location but that will be left up to the committee. The NACS president is allowed to appoint committees. Motion passed.

Election of Officers

President – Sheree Krogstad nominated Lee Crawford, seconded by Mark Baumann. Motion Passed.

Vice-President – Mark Bertram nominated Justin Phillips who declined. Russ Miller nominated Randy Dufner, seconded by Dave Petry. Motion Passed.

Secretary – Sheree Krogstad nominated Becky Martinson, seconded by Cindy Vukasin. Motion Passed.

Treasurer – Cindy Vukasin nominated Sue Westrom, seconded by Steve Hinton. Motion Passed.

New District Reps: #1 Derek Nelson

#3 Dave Petry

#5 Rick Ray

#7 Mark Baumann

#8 Tom DeCock

(Existing District Reps are #2 - Jim Velde, #4 - Kevin Lehman, & #6 - Scott Nordby)

Miscellaneous Business:

- Mark Drewitz has ordered a plaque to signify the Presidency of NACS.
- Sheree Krogstad stressed that the district reps contact PTs also for their input.
- Cindy Vukasin asked that we look at the new state directory for errors and omissions. The directory will be posted to the website some time later.

Audit Report of Treasurer's Report

- Audit was performed by Jim Eberhard and Kevin Hagen and the books were found to be in order. Justin Phillips made a motion to accept the audit committee's report. Motion seconded by Russ Miller and motion was passed.

Adjournment

Motion to Adjourn made by Jim Velde, seconded by Gary Schommer. Motion Passed – meeting adjourned at 3:30 pm.

Respectfully Submitted,

/s/ Becky L. Martinson

BECKY L. MARTINSON
MACS Secretary

Attachment A – Roll Call

MACS Meeting – July 20, 2007	
Name	Name
1. Mark Drewitz	24. Sue Westrom
2. Lee Crawford	25. Lorraine Edwards
3. MARK BERTRAM	26. Amy Dykema
4. Russ Miller	27. Bob Vaughn
5. Randy Detner	28. Lynn Meyer
6. Mike Kiser	29. Sherree Krogtad
7. Tony Riniker	30. Pat Henderson
8. Dane Ryden	31. Justin Phillips
9. Kevin Lemman	32. Derek Nelson
10. Keith Hobbie	33. Scott Nordby
11. Steve Hinton	34. Mary Golkowski
12. Gary Schommer	35. Wendy Erickson
13. Jim Velde	36. Cindy Vakason
14. Betty Martindale	37. Stuart Shekstad
15. Jerry Hurnle	38.
16. Greg Janachovsky	39.
17. Rick Ray	40.
18. Mike FOSBERG	41.
19. Kevin Kristero	42.
20. Mark Baymond	43.
21. Jim Eberhard	44.
22. KEVIN HAGAN	45.
23. DAVE PETRY	46.

ATTACHMENT "B" – Treasurer's Report
MINNESOTA ASSOCIATION OF CREDIT SPECIALISTS
Treasurer's Report
July 20, 2007

Beginning Balance-7/21/2006	<u>\$5,882.90</u>
<u>Income</u>	
Regular Managerial Members (29 @ 124.00)	3,596.00
Regular Support Members (8 @ \$58.00)	464.00
MACS/NASE Associate (1 @ \$46.00)	46.00
Associate (5 @ \$20.00)	100.00
Payroll Deduction (27 managerial/ 10 support-currently)	4,045.42
2006 Annual Meeting	192.56
NACS/PACS Incentive	420.00
Annual Meeting Registration	935.00
Interest	18.40

Total Income	\$9,817.38
Total Available	\$15,700.28
<u>Expenses</u>	
FMA Dues	3,536.60
'06 4 th Quarter-60 @ \$18.00=\$1,080.00	
'07 1 st Quarter-60 @ \$18.00=\$1,080.00	
'07 2 nd Quarter-60 @ \$18.00=\$1,080.00	
'07 3 rd Quarter-57 @ \$20.00=\$1,140.00 less \$843.40 FMA voucher=\$296.60	
NACS Membership Dues (57 @ \$20.00)	1,140.00
NASE Membership Dues (20 @ \$26.00)	520.00
2006 Annual Meeting	918.65
2007 Zone Meeting (8 attended)	899.93
2007 FMA Convention Reimbursement (1 attended)	998.17
2007 National Convention (3 attended)	1,320.00
Postage	0.00
Check Blanks	16.60

Total Expenses	\$9,349.95
Ending Balance-7/20/2007	<u>\$6,350.33</u>

Respectfully submitted,

SUE WESTROM
MACS Treasurer

ATTACHMENT "C" - Resolutions

Resolution #1

Committee: Farm Loan Program
Procedure: New Streamlining regulations

Concern: New and revised National Handbooks are to be introduced this fall in order to implement the new streamlining regulations. This will result in the need to rewrite or amend a number of Minnesota procedures.

Solution: STO allow the immediate input and assistance of MACS in order to provide for the timely release of Minnesota procedure as soon as the streamlined handbooks are released. The process could be initiated based on the draft copies to determine the Minnesota procedure to be affected.

• Streamlining regulations – Stuart stated that the State Office welcomes assistance in rewriting Minnesota procedure. Resolution Passed.

Resolution #2

Committee: Farm Loan Program

Procedure: 1951-S and 1-FLP

Concern: The most recent training in the use of DALR\$ was in November, 2001 with the release of DALR\$ 3.3. Since that time there are a number of new FLP employees as well as existing employees who could benefit from training.

Solution: Minnesota State office Farm Loan Program staff provide updated training on the use of the DALR\$ program and the use of the DALR\$ input information contained in the Farm Business Plan.

• 1951-S, 1-FLP, and DALR\$ - need for 1 for new employees and 1 for experienced employees. Resolution Passed.

Resolution #3

Committee: Farm Loan Program

Procedure: 1-EQ and 1940-G

Concern: The full scope of environmental assessment is difficult for lenders, applicants, and loan officials to understand and fully implement.

Solution: 1) National Office and Minnesota State Office create an environmental checklist similar to the checklist in 2-FLP for direct loan processing. 2) National office create an environmental assessment flowchart to guide loan officials and Guaranteed lenders with the process.

• Turned down at National convention – every state has different regulations. Keith Hobbie stated that the National Office is working on something (ECAM). Resolution Failed.

Resolution #4

Committee: Farm Loan Program

Procedure: 2-FLP

Concern: When FSA and Lender's share financial information such as Balance Sheets and Cash flows as attachments to email FSA is now required to encrypt the information with WinZip and a password. The problem is that many lenders do not have the software installed that is necessary to open the encrypted files.

Solution: Information be issued by Minnesota State Office Farm Loan Programs to all lenders and Farm Business Management instructors on a statewide basis concerning FSA's required protection of customer financial data. This could be included in the Guaranteed loan newsletter and included in the annual FSA meetings held with Minnesota Bankers Association, Farm Credit Services and Ag Star. The information could provide directions or links to allow lenders to download the software needed in order to open the encrypted data received from FSA.

• Encryption is an egov issue. Stuart Shelstad made a motion to amend the resolution to give to the egov coordinator. Motion seconded by Keith Hobbie. Amendment motion passed. Resolution Passed.

Resolution #5

Committee: Farm Loan Program

Procedure: 1-EQ

Concern: Practical applications using GIS have the potential to improve the ability to assemble and present information necessary as part of the environmental assessment process. Across the state there is a large difference in the GIS technical capabilities of Farm Loan Program staff.

Solution: GIS be utilized to assist Farm Loan Program staff in assembling and presenting information needed in the environmental assessment process. Specific templates should be developed that will assist the loan officials without the need to become totally proficient in GIS.

Training in the use of the templates should be provided in a hands-on basis on a District or bi- District level.

- 1-EQ Resolution Passed

Resolution #6

Committee: Farm Loan Program

Procedure: 2-FLP

Concern: There is no good method to double check the expiration of Interest Assistance to make sure that payments are made properly. Computer system does not inform county office that an Interest Assistance Agreement has expired when inputting the 1980-24.

Solution: Computer system should double check the Interest Assistance expiration date to verify that the 1980-24 can be paid. F/O should send out a "Maturity" letter 90 days prior to the expiration of the pending Interest Assistance Agreement, similar to the 90 maturity letter for guaranteed loans that F/O now sends out.

- 2-FLP – same as GLS resolution – Resolution Failed

Resolution #1

Committee:

Concern: Changes in application of FLM 1165 classification standards has resulted in an inability to back fill certain positions that become vacant. This is causing reduced customer service due to the inadequate staffing, increased workload for remaining employees in the vacant FLP office, and increased workload for other FLP offices called upon to provide work assistance. Further, because of this change in application of the 1165 standard, many more FLP offices are subject to this situation should the FLM position become vacant. This increases the stress most notably on FLP PT's and FLO's.

Solution #1: Take no action and deal with each situation as it develops.

Discussion: 84 employees ÷ 4 = 21 offices (solution 4). Can now count FP employee if supervising 25%. Motion by Sue Westrom to add as a con to #4 – can be a hardship for FLO or PT. Employee relocation may be necessary; seconded by Dave Petry. Zone hiring could be a pro for PT promotion. Motion passed.

- **MACS VOTE SOLUTION #1: FAILED**

Solution #2: Realign office structure so that FLM position supervises a minimum of 2.75 positions as identified by the 1165 classification standard. Accomplish this through a “paired” office structure whereby presence in existing FLP offices is maintained and caseloads remain separate in the service centers.

Discussion: #2 is not an efficient process. Motion made by Steve Hinton to add a con to #2 – dual caseload may be hard to manage. Motion seconded by Tony Riniker. Hard enough to deal with what we do know without dealing with the unknown and end up with a decision we regret. Motion passed.

• **MACS VOTE SOLUTION #2: FAILED**

Solution #3: Realign office structure so that FLM position supervises a minimum of 2.75 positions as identified by the 1165 classification standard. Accomplish this through a “paired” office structure whereby presence in existing FLP offices is maintained; however, caseloads are combined into one service center.

• **MACS VOTE SOLUTION #3: PASSED**

Solution #4: Realign office structure so that FLM position supervises a minimum of 2.75 positions as identified by the 1165 classification standard. Accomplish this through a consolidation of offices and caseloads yielding approximately 21 FLP offices.

• **MACS VOTE SOLUTION #4: FAILED**

Solution #5: Utilizing caseload and other data, realign office structure so that FLM position supervises a minimum of 2.75 positions as identified by the 1165 classification standard. Accomplish this through a combination of solutions 3-4 taking into account geographic issues, caseload, customer base and other relevant factors.

• **MACS VOTE SOLUTION #5: PASSED**

Solution #6: Train and establish a sufficient level of additional service area PT assistance to reach a total of 2.75 positions supervised by the FLM in accordance with the 1165 classification standard.

• **MACS VOTE SOLUTION #6: FAILED**

The Management/Personnel Committee has identified the following pro’s and con’s to these solutions.

Solution	Pro’s	Con’s
1 – Take no action.	<ol style="list-style-type: none"> 1. No existing employee is adversely impacted if office is not vacant. 2. Future staffing and caseload is not known. 3. Servicing of customers is maintained offices. 	<ol style="list-style-type: none"> 1. Vacancies drive the office structure. 2. FLO’s and PT’s live in fear their FLM will leave. 3. Office structure is not stable. 4. FLO’s are unsure of promotion potential.

<p>2 – Pair offices, caseloads remain separate.</p>	<ol style="list-style-type: none"> 1. Office structure is not changed for customers. 2. FLM position becomes stable. 3. Can revert to current structure should 1165 issue be resolved. 	<ol style="list-style-type: none"> 1. Caseload may be too large. 2. Difficulty in choosing supervisory FLM from the affected FLM's. 3. Caseload and future staffing is unknown. 4. Dual caseload may be difficult to manage.
<p>3 – Pair offices, caseloads combined.</p>	<ol style="list-style-type: none"> 1. Office structure is not changed for customers. 2. FLM position becomes stable. 3. Caseload is centralized for planning and supervision issues. 	<ol style="list-style-type: none"> 1. Caseload may be too large. 2. Difficulty in choosing supervisory FLM from the affected FLM's. 3. Caseload and future staffing is unknown. 4. May be difficult to revert to decentralized structure if 1165 issue is resolved.

<p>4 – Consolidate into approximately 21 offices.</p>	<ol style="list-style-type: none"> 1. Office structure and FLM position becomes stable. 2. FLO's will know where promotion opportunities are. 3. Equalization of caseload can be accomplished. 4. Larger office will ease burdens on one single employee for A/L, S/L, etc. 	<ol style="list-style-type: none"> 1. Fewer offices from which to service customers. 2. Areas, caseloads could become too large. 3. Little possibility of going back to more FLP offices. 4. Increased outreach difficulties 5. Increased travel costs due to larger geographic areas. 6. Employee relocation may be necessary.
<p>5 – Combination of solutions 3-4.</p>	<ol style="list-style-type: none"> 1. Can accomplish the pro's of the other solutions. 	<ol style="list-style-type: none"> 1. Has the same con's of the other solutions. 2. Difficulty in assessing which solution to apply to each office.

<p>6 – Train/establish sufficient additional PT support in Service Area.</p>	<ol style="list-style-type: none"> 1. Can keep the existing office structure. 2. Can stabilize the office structure and FLM positions. 	<ol style="list-style-type: none"> 1. Finding a minimum of 25% assistance from each additional employee for FLP work. 2. Finding sufficient additional employees to reach the required number to allow for 2.75 positions to be reached. 3. Insufficient existing FLP employees to “give back” to FP the amount received from FP. 4. Splitting an employee’s duties is difficult due to split supervisors and competing workload needs.
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Minnesota FSA - Then and Now

Category	Jul-03	Jul-07	Change	% Change
State Office Employees*	47	43	-4	-8.51%
State Office FLP Employees	17	14	-3	-17.65%
District Directors	9	8	-1	-11.11%
County FP Offices	80	79	-1	-1.25%
County FP Office Employees	416	378	-38	-9.13%
FLP County Offices**	35	29	-6	-17.14%
FLP County Office Employees	90	84	-6	-6.67%
Avg. # FLP County Emploeyess Per Office	2.57	2.90	0.33	12.64%

Data Sources: July 2003 Directory, July 2007 Directory

*Does not include IT employees who were a part of the State Office in 2003.

**2007 number includes one pair shared office.

Resolution #1

Committee: IT

Concern: DLS - Now that we have moved to a much improved DLS system for loan making, the software should be continually updated to improve speed and efficiency of the data entry required.

Solution: Setup the select customer screen in SCIMS to automatically default to the users state, or at a minimum have a map of the US show up and the user would then click the appropriate state. Once this is initially completed it would be beneficial if the software would hold this as the default for the balance of the session when one works with multiple applicants.

- Pat Gendron said to see the CM notice – we are seeing a bridge to SCIMS, not SCIMS itself. DLS and DCP are on the same server and this overloaded the server. Resolution Passed.

Resolution #2

Committee: IT

Concern: DLS - The New 1940-1 form letter only allows 20 characters (after Dear). There are customers with last names which are more than 20 characters (ie. Customer with a hyphenated last name).

Solution: Add more characters to the text box (grayed area) after the word Dear.

- [Resolution Failed.](#)

Resolution #3

Committee: IT

Concern: DLS - FOCUS reports not being updated with new DLM information – Direct applications submitted, Direct applications approved, Direct SDA applications and Beginning Farmer application information is not being updated from DLM for the different counties. This information use to come from MAC which still updates the FOCUS reports with current number of borrowers.

Solution: Tie DLM to the FOCUS reports allowing the county reports to be updated so counties and STO can pull current reports from the FOCUS reports.

- [Kathleen Miller is working on this. Resolution Failed.](#)

Resolution #4

Committee: IT

Concern: The DLM will allow the entry of direct applications for a loan type on which the term limit has expired.

Solution: Program the DLM to look at the loan term limit years remaining when the loan type button is clicked on entry of a new application. If zero years remain a red warning or a warning box could come up to warn the person inputting data that applicant may not be eligible to receive additional assistance and to review with the loan official.

- [Resolution Failed.](#)

Resolution #5

Committee: IT

Concern: The DLM will allow the entry of direct applications for a customer who signed a 1924-23 but never completed the Borrower Training.

Solution: Program the DLM to look at the Borrower Training entry to determine if the 2 year limit has past as of the date of the application. If beyond the 2-year period a red warning or a warning box could come up to warn the person inputting data that applicant may not be eligible to receive additional assistance and to review with the loan official. Recommend warning to appear on the Process Application Screen.

- [Have to accept the submitted application – check profile. Resolution Passed](#)

Resolution #1

Committee: GIS - FLP

Concern: GIS Floodplain Map Project - The FLP structure is such that the headquarters or satellite offices handle multiple counties. The existing project directions only address the project for one's "base" county. The data for the neighboring counties is not located on the "base" county server; thus, making access to the other counties floodplain inefficient or impossible without permissions or copying the data from the neighboring counties servers and placing on one's c: drive.

Solution: At a minimum have a copy of the neighboring counties floodplain data which either the FLP and/or FP staff work with on the "base" counties server to save time and improve efficiency.

- [This is in national resolutions. Resolution Passed.](#)

Resolution #2

Committee: GIS - FLP

Concern: User's ability to quickly and efficiently search for a particular section within ones service area (multiple counties).

Solution: Recommend creating PLSS layers which contain the multiple counties serviced by each FLP team; thus, allowing quick searching of any particular section within the FLP teams service area via the CLU Maintenance tool - search tool.

- Resolution Passed

Resolution #1

Committee: Farm Program

Procedure: 6-CP Par 201 (A), 6-CP Par 504 (B), 6-CP Par 504 (C)

Concern: County offices around the state have been basing their decision to not have producers obtain a written conservation plan based on 6-CP Par 201 (A) where it states that the "producer is not required to have a written conservation plan to be in compliance w/HEL provisions. The producer must still be actively applying an NRCS approved conservation system to HEL to retain eligibility for USDA program benefits".

The Web Based eligibility system requires that the borrower have a conservation plan in place with all HEL land in order to make program payments.

This resulting to the COF staff assuming that the producers will go to NRCS and sign on to the existing conservation plan that is active or create a revised plan making them in compliance making their "Y" flag (statement in the system) to be true. FLP is to entrust the Farm Program PT that all data in the system is correct resulting in us making eligibility decisions.

Solution: Either allowing the system to make payments without a written conservation plan (CPA-027) so to not falsify future AD 1026-A print outs (also allowing credit officials to more fully understand where the producer's eligibility status is at), or change the requirements in 6-CP Par 201 (A) to force all producers that operate HEL land to have a written plan in place prior to government program payments

Motion by Randy Dufner to table until we went through the rest of resolutions; seconded by Kevin Kvistero. Motion was withdrawn.

- Later Discussion: Conservation plan – new operator inherits prior operator's conservation plan. Resolution submitted to the website. Concern that large operator gets payments pulled because no one checked and it becomes a HEL violation. Is it the agency's job to not trust another part of the agency? Resolution Passed.

Resolution #1

Committee: FBP

Concern: The question "For existing customers account cannot graduate" does not have a N/A button to click only a Yes or No.

Solution: Create a N/A button option for "For existing customers account cannot graduate", like the eligibility servicing questions and the FO question.

- Resolution Failed

Resolution #2

Committee: FBP

Concern: FBP printouts include the complete SSN

Solution: Eliminate the SSN or all but the last 4 on the FBP printouts

- [Resolution Passed](#)

Resolution #3

Committee: FBP

Concern: FBP requires one to click on four different areas to print out the balance sheet, cashflow, balance sheet schedule, cashflow schedule. Typically, the FLM, FLO, or FLOT will print all for the customer and case file.

Solution: Create a report option which would allow the user to choose the cashflow plan to print, which will then print the cashflow plan, cashflow plan schedule, and the balance sheet related to the plan and the balance sheet schedule.

- [This is in the pipeline but server capacity is the problem; it takes too much space. Resolution Passed.](#)

Resolution #1

Committee: GLS

Concern: The present GLS system does not contain a safeguard to stop an office from obligation or payment of Interest Assistance when beyond the allowed limits (10th year-cases prior to the change or the 5th year on the recent IA approvals).

Solution: Create safeguards within the GLS system which will warn the user that it appears the obligation or payment request of Interest Assistance is beyond the allowed eligibility limit for Interest Assistance and it should be reviewed prior to completing the obligation or payment request of Interest Assistance. F/O should send out a "Maturity" letter 90 days prior to the expiration of the pending Interest Assistance Agreement, similar to the 90 maturity letter for guaranteed loans that F/O now sends out.

- [Resolution Passed](#)