

State Office Response to MACS Resolutions November 2005

Resolution 1 – Administrative – Goals

Concern:

Goals are ever changing and becoming increasingly used as a measure of performance. Employees responsible for achieving these goals are not consulted with prior to the issuance of the goals.

Goals that are not reasonable or supportable or promote artful manipulation of applications are no in the best interest of the FSA client.

Solution:

MACS develop and submit to the State Office a set of goals that are reasonable, supportable and are in the best interest of the FSA applicant/borrower.

State Office Response:

This is a national issue.

Minnesota met all goals in 2005 and 7 out of 8 in 2004. We do not believe the goals are unreasonable or unsupportable. We are not aware of any offices that are manipulating applications.

MACS is encouraged to work through NACS for any goal changes.

Resolution 2 – Automation

Concern:

IT has been acquiring “recycled” print cartridges that void the printer warranty. Additionally, these cartridges are inferior providing fewer copies per cartridge, potentially hazardous and fouling leaks of toner, and degradation of print quality of documents. This does not provide a professional appearing document assisting in the support and promotion of FSA programs.

Solution:

Toner printer cartridges be acquired as recommended by the printer manufacturer.

State Office Response:

This is an IT issue.

Resolution 3 – Farm Loan Program

Concern:

Under Part B; #12 B. Dates Owned. This cell on the fillable form will only allow a person to input dd/mm/yyyy.

Solution:

This form should allow the user to insert two dates (since it says: DATES OWNED). It would also be good if the user could type the date any way they would like; this is due to the fact that the user may not know the exact dd/mm/yyyy. For example they may only know both years or a month and both years, or both months and both years. (This is the way it used to be)

State Office Response:

This is a national issue.

Resolution 4 – Farm Loan Program – Policy/Procedure Documentation

Concern:

Policy direction and procedure interpretations are provided verbally at meetings or in other less official forms such as DD minutes, emails, and memos. This complicates locating the applicable item and determining the validity of the item or if it is still in force.

Solution:

MN FLP policy direction or procedure interpretations be reduced to an actual FLP notice.

State Office Response: (Taken from SED Memo to MACS dated September 20, 2005)

This is not a new issue. There has always been uncertainty as what issues rise to the issuance of an official notice or using email to relay the interpretation/policy. It appears that there are a few reasons for why communications using less formal methods has increased. The first is technology and email capabilities. The speed and number of

communications from the National Office to State Offices to County Offices and in reverse has never been faster or higher. As time has marched on, email communications have become more and more accepted as “official notice”. State Offices do not expect the vast majority of guidance received from the National Office to be reduced to official notices. Emails from the National Office are generally accepted and treated with the same weight as official notices and instructions. States in turn have increasingly relied on emails to communicate with County Offices. The Tech Newsletter contains information on dozens of issues. It does not seem practical to reduce each individual issue to a formal notice.

A good example of this are the workshop problems reviewed during training in August that came from the National Office. A national notice or directive was not sent out. State and County Offices are expected to apply the concepts contained in the workshops by the fact that they were provided by the National office and State office.

We do understand that does create some issues. Help from MACS to assist in developing parameters or guidelines would be welcome.

Resolution 5 – Farm Loan Program – Signature Requirements on Direct Loan Applications

Concern:

There is confusion by applicants when signing the application in that the spouse will sign in the co-applicant section when they are husband and wife and not joint operators. This causes a lot of paper shuffling when it should not be necessary.

Solution:

A section should be added that asks “are you applying as spouse or joint operator”.

State Office Response

This is a national issue. As per FmHA Instruction 1910.3, only one spouse needs to sign the application form, if both spouses sign the application, it must be processed as a joint operation. There is no problem collecting information on a spouse who does not sign the application, but will be signing the promissory note.

Streamlining is believed to be addressing this.

Resolution 6 – Farm Loan Programs – Specialists Duties

Concern:

In the past the FLP Specialists had defined areas of expertise and served as the primary contact in those areas. Changes in personnel have taken place with the specialists and a clear designation of duties has not been communicated to the field.

Solution:

State Office FLP send out an updated designation notice.

State Office Response:

We will send out an updated listing.

Resolution 7- Farm Loan Programs – Draft Procedures

Concern:

Draft MN procedure was issued for 1927-B and 1955-A that was never finally issued. MN 1951-S is no longer consistent with MN mediation law.

Solution:

Draft procedure should be issued as final procedure to codify actions taken by County Offices and MN 1951- should be brought into line with MN mediation law.

State Office Response:

We are working on getting the MN 1927-B approved and formally issued and will be updating MN 1951-S.

Resolution 8 – Farm Loan Program – Streamlining Regs

Concern:

National handbook streamlining will require substantive changes in existing MN procedure.

Solution:

MACS offer its support/assistance to ensure the timely and accurate release of MN procedure once streamlined National handbooks are released.

State Office Response:

The State Office acknowledges the offer of assistance.

Resolution 9 – Farm Loan Program – Goals/Loan Making Emphasis

Concern:

Recent emphasis on loan making, caseload, processing times, and other goals is obscuring the purpose and intent of the FSA farm loan program. Loans are being made to meet goals, caseload, office competition, etc.

Solution:

MACS supports the making and servicing of loans and credit packages using all available tools that meet the applicant/borrower credit needs and provide the applicant/borrower with the best possible chance for long range financial success.

State Office Response:

See SED memo to MACS dated September 20, 2005

Resolution 10 – Administrative – Balanced Staffing

Concern:

Not all FLP offices and personnel are properly positioned to provide credit services where needed and significant disparities exist in office size and workload. Difficult situations arise from retirements, reassignments, etc. affecting offices abilities to adequately perform their responsibilities.

Solution:

The State Office Admin, FLP section and SED work together with offices affected to find an equitable long range plan as to minimize crisis type actions and situations.

State Office Response:

We have been working together to address this issue in manner that best serves our customers while minimizing adverse impacts on employees. Most of this has been accomplished through attrition.

Review of workload and staffing is an ongoing process.

Resolution 11 – Administrative – Travel Vouchers Social Security Numbers

Concern:

The “Travel Voucher (Temporary Duty Station)” Form AD-616 requires the social security number of the approving official. In times of increasing identity theft, this places

undue risk on the approval official. The approval official has no ability to protect his or her personal information after signing the voucher as it is in the possession of a third party.

Solution:

Remove the requirement for the social security number of the approval official.

State Office Response:

This is a national issue. However, we did talk to Patsy and she advised that the system will compare the social security number to the name. This is true for both the approval official and the employee getting paid. This is to ensure that both persons are federal employees. The social security number does not have to be on the paper form if the person inputting the travel voucher knows the travelers and approval officials social security numbers. The hard copy printout does not contain social security numbers.

Resolution 12 – Administrative – Delegation of Signature Authority

Concern:

Exhibit 7 of 1FLP only allows for the FLM to delegate the PT authority to sign correspondence in the “for” format. Often it would be beneficial for the PT to sign in the “for” format for the FLO in cases where the FLM is not the primary correspondence signing official; however, there is no delegation of authority to do this.

Solution:

Request for change in procedure to allow FLO to delegate signing correspondence in the “for” format to the PT.

State Office Response:

This is a national issue.

The balance of the resolutions are national issues.