

# **National Association of Credit Specialists USDA-FSA**



## **2016-2017 ANNUAL REPORT**



# TABLE OF CONTENTS

## LEADERSHIP

National Officers	6
Zone Representatives	7
National Committee Members	8

## NACS OFFICER REPORTS

President's Report	10
Vice President's Report	11
Secretary's Report	12
Treasurer's Report	13
Past President's Report	19

## ZONE REPRESENTATIVE REPORTS

Zone A Representative's Report	20
Zone B Representative's Report	21
Zone C Representative's Report	22
Zone D Representative's Report	23

## COMMITTEE REPORTS

Farm Loan Program Committee Report	24
Farm Program Committee Report	30
Information Technology Committee Report	31
Management/Personnel Committee Report	38
Legislative Issues Committee Report	42
Membership Committee Report	44
NACS-FSA Member Appointment to Taskforce and Working Groups Report	45

**2016 ANNUAL CONVENTION IN WASHINGTON, D.C.**

Final 2015-16 Board Meeting July 10, 2016	46
General Assembly July 11, 2016	47
General Assembly July 12, 2016	49
NACS Annual Meeting July 13, 2016	50
Audit Committee Report	55
Credentials Report	57

**COMMITTEE RESOLUTIONS - ADOPTED AND NON-ADOPTED**



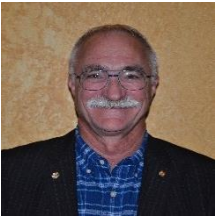


Farm Loan Program Committee Resolutions	59
Farm Program Committee Resolutions	68
Information Technology Committee Resolutions	70
Management/Personnel Committee Resolutions	75

**BOARD MEETING MINUTES**

July 14, 2016 Old/New Board Meeting	79
August 2, 2016 Board Conference Call	84
September 8, 2016 Board Conference Call	86
October 6, 2016 Board Conference Call	88
November 3, 2016 Board Conference Call	90
December 6, 2016 Board Conference Call	92
January 11, 2017 Board Conference Call	94
February 9, 2017 Board Conference Call	96
March 8, 2017 Board Conference Call	98
April 3, 2017 Spring Board Meeting	99
May 3, 2017 Board Conference Call	102
June 6, 2017 Board Conference Call	104

<b>CONVENTION RULES</b>	106
<b>CONSTITUTION AND BY-LAWS</b>	109
<b>CONSULTATIVE AGREEMENT</b>	114
<b>PAST PRESIDENTS</b>	117
<b>BLOOD, SWEAT AND TEARS AWARD WINNERS</b>	119
<b>HONORARY MEMBERSHIP</b>	121
<b>NACS NATIONAL CONVENTION LOCATIONS</b>	122

## 2016-2017 NACS BOARD MEMBERS

<b>President</b>  <b>John Gehrke</b>		<b>Cell</b> 618-267-1112  <b>Work</b> 618-283-2311 X103	<a href="mailto:2gehrke@live.com">2gehrke@live.com</a>  <a href="mailto:John.Gehrke@il.usda.gov">John.Gehrke@il.usda.gov</a>	<b>Home</b> P. O. Box 183 Vandalia, IL 62471  <b>FSA – Vandalia, IL</b> 301 South 3 <sup>rd</sup> Street Vandalia, IL 62471
<b>Vice-President</b>  <b>Theresa Windham</b>		<b>Cell</b> 912-536-3524  <b>Work</b> 706-335-8111 X108	<a href="mailto:vpnacsfsa@outlook.com">vpnacsfsa@outlook.com</a>  <a href="mailto:Theresa.Windham@ga.usda.gov">Theresa.Windham@ga.usda.gov</a>	<b>Home</b> 255 The Preserve Dr. – Apt 1032 Athens, GA 30606  <b>FSA – Commerce, GA</b> 1458 11a Road Commerce, GA 30530
<b>Secretary</b>  <b>Ray Bartholomew</b>		<b>Cell</b> 620-200-8253  <b>Work</b> 620-669-8266 X237	<a href="mailto:raybart53@gmail.com">raybart53@gmail.com</a>  <a href="mailto:ray.bartholomew@ks.usda.gov">ray.bartholomew@ks.usda.gov</a>	<b>Home</b> 4107 South Obee Road Hutchinson, KS 67501  <b>FSA – South Hutchinson, KS</b> 18 East 7 <sup>th</sup> Ave South Hutchinson, KS 67505
<b>Treasurer</b>  <b>Ryan Lukassen</b>		<b>Cell</b> 308-235-7265  <b>Work</b> 719-543-8386	<a href="mailto:Ryan.lukassen@gmail.com">Ryan.lukassen@gmail.com</a>  <a href="mailto:Ryan.Lukassen@co.usda.gov">Ryan.Lukassen@co.usda.gov</a>	<b>Home</b> 6284 Saddlebred Way Colorado Springs, CO 80925  <b>FSA – Pueblo, CO</b> 200 South Santa Fe Ave, 4 <sup>th</sup> Floor Pueblo, CO 81003
<b>Past President</b>  <b>Lisa Liska</b>		<b>Cell</b> 402-984-0686  <b>Work</b> 308-534-2360	<a href="mailto:lisahofmann@live.com">lisahofmann@live.com</a>  <a href="mailto:lisa.liska@ne.usda.gov">lisa.liska@ne.usda.gov</a>	<b>Home</b> 808 South Elm Street North Platte, NE 69101  <b>FSA – North Platte, NE</b> 1202 S Cottonwood St., Suite 2 North Platte, NE 69101

<b>Zone A</b>  <b>Casey Toyne</b>		<b>Cell</b> 405-612-2851  <b>Work</b> 720-544-2892	<a href="mailto:caseytoyne@yahoo.com">caseytoyne@yahoo.com</a>  <a href="mailto:casey.toyne@co.usda.gov">casey.toyne@co.usda.gov</a>	<b>Home</b> 21422 Unbridled Dr. Parker, CO 81038  <b>FSA – Denver, CO</b> P.O. Box 25426 Denver, CO 80225
<b>Zone B</b>  <b>Joseph Grier</b>		<b>Cell</b> 903-316-5048  <b>Work</b> 903-561-6042	<a href="mailto:Rjgrier2540@att.net">Rjgrier2540@att.net</a>  <a href="mailto:Joseph.Grier@tx.usda.gov">Joseph.Grier@tx.usda.gov</a>	<b>Home</b> 401 W Dobbs St. Tyler, TX 75701  <b>FSA – Tyler, TX</b> 4209 Republic Dr. Tyler, TX 75701
<b>Zone C</b>  <b>Jeremey Burner</b>		<b>Cell</b> 540-331-3232  <b>Work</b> 540-899-9492	<a href="mailto:jburner@vt.edu">jburner@vt.edu</a>  <a href="mailto:Jeremey.burner@va.usda.gov">Jeremey.burner@va.usda.gov</a>	<b>Home</b> 10096 Grasty Gold Mine Rd Rhoadesville, VA 22542  <b>FSA – Fredericksburg, VA</b> 4805 Carr DR Fredericksburg, VA 22408
<b>Zone D</b>  <b>Jamelda Fulton</b>		<b>Cell</b> 662-822-2004  <b>Work</b> 662-455-1199 X110	<a href="mailto:jameldafulton@yahoo.com">jameldafulton@yahoo.com</a>  <a href="mailto:Jamelda.Fulton@ms.usda.gov">Jamelda.Fulton@ms.usda.gov</a>	<b>Home</b> 2428 Hummingbird Dr. Greenville, MS 38701  <b>FSA – Greenwood, MS</b> 517 Brentwood Ave. Greenwood, MS 38930

<b><u>Zone Rep Alternates</u></b>	
Zone A	Jessica Davis, ID
Zone B	Kris Bargaen, NE
Zone C	Kim Eilerman, IL
Zone D	Patricia Sorenson, FL

## 2016-2017 NACS COMMITTEE MEMBERS

### \*Chairperson

<b>FLP</b>	Member	Alt
Zone A	Jessica Davis, ID	Tanya Dostal, WA
Zone B	Dean Bahr, SD	Denise Lickteig, NE
Zone C	<b>*Kim Eilerman, IL</b>	Dustin Mattingly, KY
Zone D	Cheryl Brooks, AR	Katie Richburg, AL

<b>Mgt/Personnel</b>	Member	Alt
Zone A	Chantel Haun, CA	Kim Adams, MT
Zone B	<b>*Jason McMillin, TX</b>	Mark Moser, NE
Zone C	Angela Wasierski, MI	Jeffrey Jones, VA
Zone D	Matthew Christian, TN	Alec Love, MS

<b>IT</b>	Member	Alt
Zone A	LeAnn Gibbs, NM	April Bryngelson, ID
Zone B	<b>*Kris Borgen, NE</b>	Kaiti Steckman, NE
Zone C	Will Loxterkamp, VA	Crystal Zwilling, IL
Zone D	Patricia Sorenson, FL	Mora Obanion, AL

<b>Legislative Issues</b>	Member	Alt
Zone A	Bardell Faux, ID	
Zone B	<b>*Ben Herink, NE</b>	Heather Cox, TX
Zone C	Greg Koerner, OH	
Zone C	Brandon Waldron, VA	
Zone D	Bob Parris, SC	
Zone D	Dave Bonnett, NC	



<b>Farm Program</b>	Member	Alt
Zone A	John Osterman, CA	Libby Anderson, WA
Zone B	Loren Drege, ND	Kay McCoy, KS
Zone C	Tiffany Grody, OH	Lora Morris, VA
Zone D	<b>*Charlean Smith, AR</b>	Lisa Gillespie, LA

<b>Membership</b>	Member	Alt
Zone A	<b>*Jeff Larsen, ID</b>	Kim Adams, MT
Zone B	Rebekah Martin, NE	Brian Wheeler, MO
Zone C	Carol Nagel, WI	Juanita Ballman, KY
Zone D	James Jackson, GA	Mike Sullivan, LA

## **PRESIDENT'S REPORT**

This past year has been a growing experience for me and hopefully for the NACS organization. The highlight so far has been attending each of the Zone meetings. It allowed me to meet new people and hear directly the concerns of each State, area of the country, and from individual members. We have good people working hard to deliver the credit programs and promoting the goals of the Agency and our organization. FSA management has continued to be supportive of our efforts and those of all employee organizations and for that we are thankful.

NACS has more work to do. We need to continue moving forward and constantly take a hard look at how we operate and how we communicate. I did not accomplish all of my goals as NACS President, but my work is not finished. It doesn't take an officer position to help NACS move forward. As I stated at each of the Zone meetings, I can talk NACS all day long and sometimes I do, but it is the members in the field that recruit employees to NACS. They do this by sharing personal experiences, passing on NACS updates, and inviting them along to attend their first Zone meeting or convention. Some states do better than others; it is important that each State and area of the country be represented by their employee organization. The Membership Committee has made good strides; we must continue to expand and use all resources available.

We have made strides in communicating what we do with members and with outside organizations. NACS must continue to focus on this area. It's not enough to do good work; people need to know about it. I continue to meet people both within and outside of NACS that are surprised by the scope of the work NACS has done and the success we have had.

Due to the support of FSA management, NACS has been able to attend and participate in FSA sponsored training and meetings as well as outside sessions. These include the ABA Annual Farm Lenders Conference & FSA Stakeholder Session, the National FLP Policy Meeting, the Managerial Cost Accounting working group, the IT Stakeholders Meeting (s), and the National Environmental Compliance Training. NACS members have been placed on several task forces and working groups this past year. We strive to be "at the table" representing FLP employees in the field when programs are implemented. I believe the National Office understands what is good for the field employees is good for the Agency and our customers.

We have made progress in the legislative area and continue to expand our reach with partner organizations that share common goals. These relationships have strengthened this past year and that continues to be good for our organization and for rural America. Thank you for the opportunity to represent your Association as NACS President this year. It has been one of the highlights of my career and it has been an honor.

John W. Gehrke  
President  
NACS-FSA

## VICE PRESIDENT'S REPORT

Once again it was an interesting challenge moving into the VP position for NACS. I have enjoyed the opportunity to continue to represent the association in this capacity. The duties as VP have again afforded me to develop and further refine various skills.

The responsibilities of the VP include organizing and assisting the committees as they complete their mission. As you know there was a good deal of change in leadership at the National Office following the last convention? During this transition period the committees continued to work with the National Office to respond to the association's various concerns despite the various challenges and depends upon their time. The results of the Committee work can be found in the page of this 2016 – 2017 NACS annual report and on the NACS-FSA website.

As in all things change is inevitable and part of the challenge is to keep the association robust and efficient in addressing the concerns of the membership. During the Spring Board meeting the board decided to alter the current committee and dissolve the standing Farm Program committee. Although no permanent decision was made as to the new committee the concept is to allow flexibility as needed, such as splitting the Farm Loan Program committee into loan servicing and loan making. The committee survey has been redeveloped to address this flexibility, please be sure to submit a new survey in this regard.

The USDA Connect **Technical Forum** continues to be a valuable resource for effecting immediate changes. If you recall, this Forum was developed by DAFLP to address "technical" corrections which are not policy changes. When you find such errors please contact the board or the FLP or IT committee and this issue can then be posted to the forum for immediate attention.

The Board continues to work on various items for the betterment of the association, these include updating the NACS-FSA website, the operating manual, reorganizing the committees, working on a new platform for tracking of resolutions and providing more benefit information to the membership.

At various times the National Office will contact the associations for representation on various working groups and task force which generally requires a very quick turn-around. In aid of helping with this, a **Task Force Survey** was developed and provided to the Zone Representatives for distribution to the membership so that a database could be developed in this regard. Please talk with your Zone Rep about completing and submitting this survey.

Our committee members and the board continue to serve in addition to completing the everyday duties of work and personal life. I want to thank the committees for all their hard work over the past year and appreciation of their commitment. I feel confident in saying that those members that serve the association gain as much from that service as in the giving. There are a lot of ways that you too can help the association and benefit in the same.

Theresa Windham  
Vice President  
NACS-FSA

## SECRETARY'S REPORT

It has been an honor to serve the NACS membership as Secretary this past year. Having been an inactive member for the past few years it has been rewarding to be back and now be able to serve in the capacity of secretary.

I was challenged a year ago during the agency's leadership training to "give back" so I took up that challenge and ran for secretary for the board. The strength of our organization has been and is our members stepping up to help make our agency the best at serving our customers both externally and internally. At the core of that is our resolution process that brings issues impacting our services into focus and provides viable options to correct and fix the issues presented.

The relationships that our Legislative Committee has developed and fostered have brought about real and positive change in the way our services are viewed in the public's eye. For example I have one of our larger local lenders that has for over 25 years looked at clients that need &/or are eligible for the opportunities we provide as clients they do not want. Just in the past 6-12 months they have completely changed their tune and just recently filed an application for a G-OL. This is directly related to the lender organizations letting their members know that the services and opportunities we provide are not only helpful and beneficial to rural America, they are needed.

I challenge other members to step up and serve in some capacity in NACS, either on a task force, committee, or the board. Attending Zone Meetings and Annual convention are good ways to build networking and share solutions to serve our customers in a positive and efficient manner.

How we communicate timely what NACS is doing on behalf of members and our customers is still a work in progress. Part of the challenge is how to meld the newsletter concept with the opportunities of social media to provide timely information that is worth your time to read.

I have appreciated the opportunity to serve as your secretary for the past year and greatly appreciate the help of fellow board members in getting me "up to speed" on the tasks and responsibilities of the position.

Ray E. Bartholomew  
Secretary  
NACS-FSA

## **TREASURER'S REPORT**

It has been a pleasure to serve as the NACS Treasurer over the past year. The following reports are included in the Annual Report:

2017 Membership Summary Report  
2016-2017 Budget/Actuals as of 5/31/2017  
Net Worth Statement as of 5/31/2017  
Net Worth Statement as of 5/31/2016

The past year has been a challenge with making a complete switch from using the software program Quicken moving to QuickBooks. The NACS board made the decision to switch as QuickBooks had a reasonably priced product that is all available online and we no longer have the need to maintain a Treasurer laptop. In the long run, this will be more financially feasible for the organization.

With the transition to QuickBooks and the invoicing, there has been a significant improvement in states staying current on their dues. Nearly all States were current on their dues entering the next fiscal year. Going forward I hope to help in the transition of duties to the new treasurer to continue to improve the Treasurer's process in providing invoicing in a timely manner. I hope to be able to assist the next treasurer with developing a more thorough outline on Treasurer's duties for the Operating Manual.

I have appreciated the State Treasurer's patience with me over the past year with numerous address changes resulting in many mailing problems. With their help, we got through the year! It has truly been my pleasure to serve as the NACS Treasurer this past year and I look forward to many good years helping the association in any way possible.

Ryan Lukassen  
Treasurer  
NACS-FSA

## 2017 NACS Membership Summary Report

**May 31, 2017**

As of the end of the fiscal year, there were **700** members and **7** associate members.  
Throughout the year, **46** new members joined.

<b>Zone A</b>	<b>Members</b>		<b>Zone B</b>	<b>Members</b>
California/Nevada/Arizona	14		Iowa	36
Colorado	12		Kansas	27
Idaho	16		Minnesota	32
Montana/Wyoming	31		Missouri	24
New Mexico	10		Nebraska	40
Utah	8		North Dakota	16
Washington	14		South Dakota	28
			Texas	37
<b>Total</b>	<b>105</b>		<b>Total</b>	<b>240</b>
<b>Zone C</b>	<b>Members</b>		<b>Zone D</b>	<b>Members</b>
Illinois	31		Alabama	26
Indiana	14		Arkansas	27
Kentucky	44		Florida	5
Michigan	13		Georgia	22
New York	25		Louisiana	13
Ohio	25		Mississippi	16
Pennsylvania	9		North Carolina	15
Virginia	27		South Carolina	5
West Virginia	6		Tennessee	13
Wisconsin	20			
<b>Total</b>	<b>214</b>		<b>Total</b>	<b>141</b>

# Budget Comparison

## 06/01/2016 through 5/31/2017 Using FY 2017 NACS Budget

	2017 Budget	2017 Actuals	Difference
<b>INCOME</b>			
FY 2016 Dues			
Zone A Dues	\$ -	\$ 3,244.00	\$ 3,244.00
Zone B Dues	\$ -	\$ 1,440.00	\$ 1,440.00
Zone C Dues	\$ -	\$ 1,224.00	\$ 1,224.00
Zone D Dues	\$ -	\$ 193.00	\$ 193.00
<b>Total FY 2016 Dues</b>	<b>\$ -</b>	<b>\$ 6,101.00</b>	<b>\$ 6,101.00</b>
FY 2017 Dues			
Zone A Dues	\$ -	\$ 12,626.00	\$ 12,626.00
Zone B Dues	\$ -	\$ 31,727.00	\$ 31,727.00
Zone C Dues	\$ -	\$ 24,650.00	\$ 24,650.00
Zone D Dues	\$ -	\$ 17,533.32	\$ 17,533.32
<b>Total FY 2017 Dues</b>	<b>\$ 105,840.00</b>	<b>\$ 86,536.32</b>	<b>\$(19,303.68)</b>
Interest Income	\$ 50.00	\$ 27.25	\$ (22.75)
Other Income	\$ 1,000.00	\$ 2,000.00	\$ 1,000.00
Wunder Fund Transfer	\$ 2,200.00	\$ 1,262.36	\$ (937.64)
 Total Income	 \$ 109,090.00	 \$ 95,926.93	 \$(13,163.07)
<b>EXPENSES</b>			
Consultant Fees			
Administrative Fees	\$ -	\$ 390.00	\$ 390.00
Consultant Retainer Fees	\$ 62,000.00	\$ 65,000.00	\$ 3,000.00
Local Transportation	\$ -	\$ 151.35	\$ 151.35
Meals	\$ -	\$ 61.00	\$ 61.00
Travel	\$ -	\$ 151.47	\$ 151.47
<b>Total Consultant Fees</b>	<b>\$ 62,000.00</b>	<b>\$ 65,759.82</b>	<b>\$ 3,759.82</b>
Convention Expenses			\$ -
Awards	\$ 800.00	\$ 215.88	\$ (584.12)
Board Travel	\$ 4,500.00	\$ 4,500.00	\$ -
Committees			
Convention Comm.	\$ 1,600.00	\$ -	\$ (1,600.00)
Farm Loan Programs	\$ 1,600.00	\$ 1,600.00	\$ -
Farm Programs	\$ 1,600.00	\$ 1,600.00	\$ -
IT	\$ 1,600.00	\$ 1,598.46	\$ (1.54)
Legislative	\$ 2,400.00	\$ 1,600.00	\$ (800.00)
Membership	\$ 1,600.00	\$ 1,200.00	\$ (400.00)
Mgt & Personnel	\$ 1,600.00	\$ 1,600.00	\$ -
First Time Attendee Incentive	\$ 2,200.00	\$ 2,240.00	\$ 40.00
Marketing Incentive	\$ 500.00	\$ 1,939.47	\$ 1,439.47
Seed Money	\$ 1,500.00	\$ -	\$ (1,500.00)
<b>Total Convention Expenses</b>	<b>\$ 21,500.00</b>	<b>\$ 18,093.81</b>	<b>\$ (3,406.19)</b>
Legislative Expenses	\$ 7,200.00	\$ 4,312.36	\$ (2,887.64)
General Board Travel	\$ 3,000.00	\$ 4,961.76	\$ 1,961.76
Supplies/Postage/Other Expenses	\$ 150.00	\$ 139.91	\$ (10.09)

IT Expenses	\$ 500.00	\$ 840.76	\$ 340.76
Zone Meetings			\$ -
NACS President Travel	\$ 3,000.00	\$ 2,317.04	\$ (682.96)
State Travel	\$ 10,500.00	\$ 6,900.00	\$ (3,600.00)
Zone Rep Travel	\$ 1,200.00	\$ 1,200.00	\$ -
Bank Fees	\$ -	\$ 22.54	\$ 22.54
IRS Fee - One time Expense	\$ -	\$ 850.00	\$ 850.00
<b>Total Expenses</b>	<b>\$ 109,050.00</b>	<b>\$ 105,398.00</b>	<b>\$ (3,652.00)</b>
			\$ -
<b>Margin</b>	<b>\$ 40.00</b>	<b>\$ (9,471.07)</b>	<b>\$ (9,511.07)</b>



# NACS-FSA STATEMENT OF FINANCIAL POSITION

As of May 31, 2016

## ASSETS

<u>Account</u>	<u>Balance</u>
Wells Fargo Checking (Includes \$4,411 pre-paid FY17 dues)	\$13,874.08
Wells Fargo Savings	\$85,631.86
Fairness Fund	\$3,959.94
Wunder Fund	\$9,865.74
<hr/> Total Bank Accounts:	<hr/> \$113,331.62
Accounts Receivable	\$13,699.00
<hr/> Total Assets:	<hr/> \$127,030.62

## LIABILITIES

<u>Accounts Payable</u>	
Joseph Grier (NASCOE All West Rally)	\$828.07
McAllister & Quinn (May payable in June)	\$5061.70
Tanya Dostal (Awards)	\$84.06
<hr/> Total Liabilities:	<hr/> \$5,973.83
<hr/> TOTAL NET WORTH	<hr/> \$121,056.79

# NACS-FSA STATEMENT OF FINANCIAL POSITION

As of May 31, 2017

## ASSETS

### Bank Accounts:

Checking	\$12,749.92
Wunder Fund	\$8,985.35
Fairness Fund	\$3,961.13
Savings	\$85,655.37

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<b>Total Bank Accounts</b>	<b>\$111,351.77</b>
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Accounts Receivable	\$1,409.48
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<b>TOTAL ASSETS</b>	<b>\$112,761.25</b>
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## LIABILITIES AND EQUITY

Liabilities	\$0.00
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<b>TOTAL LIABILITIES</b>	<b>\$0.00</b>
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<b>TOTAL EQUITY</b>	<b>\$112,761.25</b>
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<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$112,761.25</b>
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## PAST PRESIDENT'S REPORT

It is a bittersweet moment as I sit down to write my Past President's Report. I have been a member of the NACS Board for 7 years and it will be an adjustment to change gears from a Board member to an active member of this great Association. Over the course of my involvement on the Board, I have had the wonderful opportunity to learn from others. Presidents before me have taught me how to lead effectively with courage, clear direction, and positivity. Officers have made me realize the importance of gathering feedback, listening, and making sound decisions based on what the membership is saying. The members have given me excellent advice, colleagues to lean on, and life-long friendships. As our President John Gehrke has said many a times, "NACS has done more for me than I have ever done for NACS."

This past year the Board has continued to represent YOU very well by addressing your concerns and issues as the Administration transitions. I also want to applaud John Gehrke for his leadership this past year. He has effectively steered the ship! The Committee members presented your adopted resolutions to the National Office. The Legislative Issues Committee was influential in maintaining continuous FLP funding this loan season. The Membership Committee is geared up with a national recruitment process of potential members. It takes many people to volunteer their time and energy to effectively maintain and grow NACS, so I want to thank you all for your service!

As I transition off the NACS Board, I want to bring up one last important point to all our members. The importance of being active in NACS. As the years have gone by, we continue to struggle to get members to run for an officer position or complete a committee survey to be a member of a Committee. I have been a member of NACS for 13 years now and have rarely seen competition for officer or committee positions. While I completely understand that we are all busy and have other commitments involving family and community, it is important that we remain engaged and passionate! There are many talented members across this nation, which would make excellent leaders of NACS. I believe competition is healthy and I strongly encourage all of you to think long and hard about how you can contribute to NACS.

NACS's mission is to expand, improve, and expedite the services of USDA Agencies to Rural America. We can only continue to execute our mission if members step up to leadership roles and remain actively engaged. It is important for all of us to consider a positive and proactive approach to enhancing the delivery of Farm Loan Programs to our local farmers and ranchers through NACS. As I reflect on my time as a Board member, NACS has provided me opportunities to develop my leadership skills, travel across the nation to see and hear what other members are experiencing, and meet and discuss with National Office leadership burning issues brought forth by members. These moments and memories will forever remain very special to me. In closing, I ask you to strongly consider how you can make a difference in NACS's future!

It was an honor and pleasure to serve you on the Board. Thank you!

Lisa A. Liska  
Past President  
NACS-FSA

## **ZONE A REPRESENTATIVE'S REPORT**

I would like to thank the NACS Board, my fellow Zone Representatives and the members of Zone A for all the support they have given me over this past year. With your help we were able to have a very successful Zone meeting in Seattle, WA with more than 30 NACS/NASE members in attendance. We were fortunate enough to have both FSA Associate Administrator Chris Beyerhelm and Deputy Administrator for Farm Loan Programs Jim Radintz in attendance and we are very grateful for their time and the wealth of information that they shared with the group. FSA Chief Information Officer Darren Ash, Catherine Kuhlmeier of the MCA Group, and Andy Quinn of McAllister & Quinn also gave us their time via teleconference and provided useful updates.

I am especially grateful to our NACS Committee members for all their hard work. The NACS Committee members for Zone A are: FLP – Jessica Davis, ID and Alternate Tonya Dostal, WA; Farm Program – John Oosterman, CA and Alternate Libby Anderson, WA; Information Technology – LeAnn Gibbs, NM and Alternate April Bryngelson, ID; Management Personnel – Chantel Haun, CA and Alternate Kim Adams, MT; Membership – Jeff Larson (Chair), MT and Alternate Kim Adams, MT; Legislative Issues – Bardell Faux, ID. These people work with the resolutions that are the heart of NACS and are instrumental in improving our loan programs. They should know that we are extremely appreciative of all they do.

The NACS Board met for its Spring 2017 Meeting in Denver, CO April 3, 2017. The usual meeting in Washington, D.C. didn't take place, but the meeting in Denver was productive and some changes will be coming to NACS as a result of decisions made at the meeting. I hopeful that the changes we made will be positively received by our membership. In addition to the annual Spring Meeting, the Board has been holding monthly conference calls through the year to keep abreast of things that are in the works and address any issues that arise. A lot of work goes on behind the scenes and I am thankful to the Board and Committee members who dedicate so much of their personal time to support NACS and improve the delivery of Farm Loan Programs.

It has been an honor to work with you and to represent Zone A. I couldn't ask for a better group of people to represent. I am grateful for you and sincerely appreciate everything that you do to fulfill the missions of NACS and FSA.

Casey Toyne  
Zone A Representative  
NACS-FSA

## **ZONE B REPRESENTATIVE'S REPORT**

It has been my privilege to serve as the Zone B Representative this past year as NACS has continued to put toward solid effort toward improving the Farm Service Agency for our farmers, ranchers and stakeholders. I would like to thank Kris Barga of Nebraska for her willingness to serve as the Alternate Zone B Representative. NACS continues to put toward solid effort toward improving the Farm Service Agency for our farmers, ranchers and stakeholders.

I have enjoyed working with the board, state presidents, NACS members and National Office, This year has been a year in transition with some uncertainties waiting, but the members of NACS, the NACS board, and our committees have made some solid strides in advancing our mission and we will continue that.

I would like to recognize the committee members and alternates for all their hard work. Zone B has been well represented by the following members: FLP- Dean Bahr, SD, and alternate Denise Lickteig, NE; FP- Loren Drege, ND, and alternate Kay McCoy, KS; IT- Kris Barga, NE, and alternate Kaiti Steckman, NE; M/P- Jason McMillin, TX, and alternate Mark Moser, NE; Membership- Rebekah Martin, NE, and alternate Brian Wheeler, MO; Legislative- Ben Herink, NE and alternate Heather Cox, TX.

Our NACS committees have spent many hours reviewing resolutions, on conference calls and preparing for national convention. Thank you for all your hard work as the work you do on these committees is the heart and soul of our organization. Please continue to think of new and creative ways we can make our work better and improve upon the Farm Service Agency.

We held our Zone B meeting February 2-4 in Sioux Falls, SD where we had a great meeting with close to 50 in attendance. We appreciate John Gehrke, NACS President; Jim Radintz, DAFLP; and Chris Beyerhelm, Acting FSA Administrator for traveling to be at the meeting in person. We were also able to have a conference call with the managerial cost accounting and Andy Quinn with McAllister & Quinn. We look forward to seeing everyone at the Zone Meeting in 2018 in Texas.

I would also like to thank everyone who has stepped up and served on a FSA task force this past year as this has been tremendously helpful in working with the national office in relaying how work is going in the field with I/T programs and delivery. We will continue to need individuals for these moving forward.

We were unable to travel to Washington, DC this year as a board with FSA currently in transition, but were able to adjust our schedules and hold our annual board meeting in Denver this year, where we able to get a lot of business accomplished along with some planning. Although NACS was unable to travel to Washington, DC we were able to work with many familiar faces in DC and FSA. We continue to tell our NACS story and it continues to pay dividends as seen by some of successes this past year.

Again NACS is truly an asset for all involved and continues to do its part in leading the way.

I would like to thank each of you for giving me the opportunity to serve as your Zone B Representative. I encourage everyone to get involved in NACS whether at your state organization level as well as the national level and benefit yourself and FSA.

"The achievement of an organization are the results of the combined effort of each individual"  
-Vince Lombardi

Joseph Grier  
Zone B Representative  
NACS-FSA

## **ZONE C REPRESENTATIVE'S REPORT**

It has been my privilege to serve as the Zone C Representative this past year. I would like to thank Kim Eilerman for her willingness to serve as the Alternate Zone C Representative. I have enjoyed working with the board, state presidents, NACS members and National Office that last 3 years as the Zone C Rep to assist in making FSA a better place. NACS truly is a great organization where everyone is looking to make FSA better - not for our own good, but for the farmer.

I would like to recognize the committee members and alternates for all their hard work. Zone C has been well represented this year by the following members: FLP- Kim Eilerman, IL, and alternate Dustin Mattingly, KY; FP- Tiffany Grody, OH, and alternate Lora Morris, VA; IT- Will Loxterkamp, VA, and alternate Crystal Zwilling, IL; M/P- Angela Wasierski, MI, and alternate Jeffrey Jones, VA; Membership- Carol Nagel, WI, and alternate Juanita Ballman, KY; Legislative- Brandon Waldron, VA and Greg Koerner, OH. Each committee has spent many hours reviewing resolutions, on conference calls and preparing for national convention. Thank you for all your hard work as the work you do on these committees is the heart and soul of our organization. Please continue to think of new and creative ways we can make FSA better!

We held our Zone C meeting March 9- 11 in Pittsburgh, PA. We had a great meeting with 35 in attendance. We appreciate John Gehrke, Jim Radintz and Chris Beyerhelm for traveling to be at the meeting in person. We were also able to have a conference call with the finance office, MCAG, and Andy Quinn. We look forward to seeing everyone at the Zone Meeting in 2018.

I would like to thank each of you for giving me the opportunity to serve as your Zone C Representative the last 3 years. I encourage everyone to get involved in your state organization as well as the national.

"We're all working together; that's the secret."- Sam Walton

Jeremey Burner  
Zone C Representative  
NACS-FSA

## **ZONE D REPRESENTATIVE'S REPORT**

How time flies! This was my first year to serve as your Zone D Representative, and I truly appreciate being given this grand opportunity! I would like to extend a special thanks to Patricia Sorensen, FL for serving as my alternate. Since being elected, I have participated in monthly conference call meetings with the other NAC board members and I have enjoyed working with them. In return, I have gained a lot of insight of the mechanics of NACS. One of the highlights of my term is my recommendation and the selection of Zone D member FLM Larry Pate to represent NAC as a liaison on the PT Classification Working Group Task Force. Two to Three weeks of his selection he was invited to Washington, DC. and was given an opportunity to be heard and serve the employees of FSA. This was great example on how willing members can make a difference when given the opportunity to be involved.

Our NACS Committees play a vital role in acting as liaisons between the field and National Office, and Zone D has some outstanding members who have stepped up to ensure the continued success of our resolution process! I would like to say thank you to each 2016 - 2017 Zone D Committee member. Those who volunteered their valuable time are: FLP—Cheryl Brooks, AR (Alternate Katie Richburg, AL); FP—Charlean Smith, AR (Alternate Lisa Giles, LA); IT—Patricia Sorensen, FL (Alternate Mora Obanion, AL); Mgmt/Personnel—Matthew Christian, TN (Alternate Alec Love, MS); Membership—James Jackson, GA (Alternate Mike Sullivan, LA); and Legislative—Bob Parris, SC & David Bonnett, NC. Each employee should be encouraged to take advantage of the resolution process when an opportunity is presented to improve regulations, forms, etc.

Our 2017 Zone D meeting was held in my home state the “Hospitality State” February 16 – 18, 2017 at the Holiday Inn Memphis in Southaven, Mississippi. The meeting was held in conjunction with NACS-RD, NASE, and NASP. A combined total of approximately 80 people were in attendance. Six of the Ten states in Zone D had representation—Alabama, Arkansas, Georgia, Louisiana, Mississippi, and Tennessee. We were pleased to welcome our national president John Gehrke and National Office Speakers J. Latrice Hill, DAFO; Jim Randintz, DAFLP; and via Teleconference NFAOC.

Farm Service Agency Farm Loan Programs is one of the best careers. Our involvement in NACS serves to keep issues faced by our Agency and Farm Loans relevant. Each one of us should encourage our fellow employees to join our Association, pointing out the great accomplishments we have achieved over the years that have resulted in the improvement of our positions.

Thanks to each and every member of NACS Dynamic Zone D for allowing me the opportunity to serve you! This year was great and looking forward for future Dynamic things to come from Zone D. Always remember, “Without Cooperation and Participation there is no Organization.”

Jamelda F. Fulton  
Zone D Representative  
NACS-FSA

# FARM LOAN PROGRAM COMMITTEE REPORT

## 2015-2016 Adopted Resolutions

### Resolution 1

**CONCERN:** When processing restructures using eDALR\$, a write-down option is given at 110% debt service margin. However new loans are approved with 100% debt service margin. Additional approval conditions times take longer and appraisals add cost and result in restructure delays to the borrower.

**PROPOSED SOLUTION:** Amend 5-FLP to require a 100% debt service margin for approval of loan servicing. Allow write-down to be an option only for plans needing to achieve 100% service margin. If eDALR\$ determines a write-down scenario, let the borrower choose that option before appraisals are ordered.

**NATIONAL OFFICE RESPONSE:** This resolution will not be implemented. The debt service margin and the method in which it is applied is specified in statute. All servicing options must be available up to a 110% debt service margin.

The requirement to give the borrower two restructuring options is not required by statute; however, the policy was put in place in response to the statutory limitation on one debt forgiveness. Presenting the borrower with two options allows the borrower to make an informed decision on the whether or not taking the debt forgiveness is in their best interest. Without a complete and accurate offer showing the amount of debt forgiveness (which requires an appraisal and SED approval) the borrower does not have the information needed and the offer cannot be made.

**COMMITTEE RESPONSE:** After a discussion among the committee members, the committee accepts the National Office response. If this resolution is resubmitted, it is recommended that it be separated into two resolutions; one for the debt service margin and one for the appraisal requirement.

### Resolution 2

**CONCERN:** Most FLP forms lack clear instructions for completion or the information needed to be entered into each fillable field. For example, the instructions for form FSA-2232 available at the following link: <http://fsaintranet.sc.egov.usda.gov/dam/ffasform1s/farms.html> The lack of instructions causes confusion for employees and users of the forms. The confusion can result in significant losses to the government because the forms were not completed with correct or accurate information.

**PROPOSED SOLUTION:** All new, revised, re-issued, or modified forms must have detailed instructions on what is to be entered into each field of the form. All existing forms should have revised instructions completed and issued to users within 24 months of the acceptance of the resolution by the DAFLP. Recommend a task force be established for each FL program area to review and develop instructions for each existing form. The task force shall be made up of NACS members well versed in the program area from differing geographical regions (zones) and encompass states with diversified agriculture and judicial requirements.

**NATIONAL OFFICE RESPONSE:** This resolution will not be implemented. FLP has and will continue to extensively utilize USDA Connect to involve field staff in the process of revising forms and their instructions. FLP believes that this is the best format to discuss forms, their instructions and edits with any Association member, and provides the most input from all stakeholders.



**COMMITTEE RESPONSE:** After discussion with personnel from National Office, it was requested that a public forum be created in USDA Connect specifically for forms and instructions. And that USDA Connect be better publicized to the field staff if that is to be the main channel through which these items will be discussed. Additionally, the committee requested an improvement of the instructions on forms that already exist. The National Office would like for us to follow up with some examples of forms that lack clear instructions. The committee will be compiling some examples and forwarding them to Connie in the N.O. The committee accepts this response.

### Resolution 3

**CONCERN:** FSA-2301, Request for Youth Loan, and FSA-2330, Request for Microloan Assistance, forms allow for minimal amounts of input information regarding the cash flow details and the balance sheet. The information provided by the applicant does not always provide adequate detail so a proper balance sheet and cash flow can be developed in Farm Business Plan.

**PROPOSED SOLUTION:** Amend FSA-2301 and FSA-2330 to provide the following:

- More room to include all sources of planned farm income
- More room to include all planned farm operating expenses
- Provide great description regarding the information that is to be provided by the applicant
- Provide a block to indicate the name and address for non-farm income
- Add a block to each form to indicate the number of years of farming experience since the answer to this question is not always provided by the applicant

**NATIONAL OFFICE RESPONSE:** This resolution will not be implemented. The Youth Loan and the Microloan Program are both specifically designed to require less documentation. FSA-2301 and FSA-2330 are abbreviated applications consistent with these reduced documentation requirements. We understand that there are instances when additional information may be necessary to make decisions, but those should be the exception rather than the rule. An application form is never intended to substitute for the applicant interview, during which additional information may be obtained, and documented in the Farm Business Plan.

**COMMITTEE RESPONSE:** The committee requested that National Office revisit this issue and look toward a compromise. It was proposed that the Farm Business Plan Credit Presentation be updated to reflect the lesser amount of information collected in a FSA-2330 – make it mirror that of the Credit Presentation for a Youth Loan, where a separate balance sheet and cash flow doesn't have to be completed. National Office staff indicated that it would require a change to FBP, which requires money and approval. Connie indicated she would run it past Pixie Greer and follow up with us. The committee accepted this response.

### Resolution 4

**CONCERN:** FSA-2313 includes a section pertaining to microloan interest rate. This is confusing to the borrowers who do not have a microloan as I have seen people check the box for the regular loans. The newly revised FSA-231 3 includes borrower training requirements. The letter gives an option of checking the box for training required or waived. After the waiver box, the information regarding appealing borrower training requirement and a place to provide SED and NAD addresses is provided. It is more beneficial to keep important, pertinent information about the loan in front of the borrower and not bog them down with a lot of non-applicable extras. There is also a new block for Documents Required for Loan Closing. The forms instruction gives not guidance on what goes in this block. Are these documents we are requiring the borrower to bring to closing or are we supposed to list promissory note, real estate mortgage, budget,

balance sheet, assessment, security agreement, assignment of insurance indemnity, etc.? The door is wide open for each loan official to include different information - some generic and some very specific - which will lack consistency.

**PROPOSED SOLUTION:** Create options within the FSA-2313 so that optional language could be selected for inclusion or deletion as necessary for each specific loan.

**NATIONAL OFFICE RESPONSE:** This resolution will not be implemented. Specifically the form, or for that matter any form with OM-B approval may not be modified or changed in any form, including the use of inclusion or deletion sections. We are responsible for creating forms that may be utilized in all 50 states, Puerto Rico and Western Pacific territories. We understand that the form includes information which may not be applicable in all situations; check boxes are provided to allow flexibility. As for the information regarding loan closing documents, our policy is that this section should include the statement; forms as required to properly close and secure the loan, not a laundry list of forms.

**COMMITTEE RESPONSE:** After a discussion was held with N.O. in regards to this resolution, it was decided that what was really needed was more clear instructions on how to properly complete this form. (See Resolution #2) It was indicated that further instructions would be forthcoming and that this could possibly be included in a future "Hot Topics" training. The committee accepts this response.

## Resolution 5

**CONCERN:** There is no method in DLS to determine if an EFT has been properly set up for a loan account. This can cause a paper check to be issued, creating a longer delay in getting loan funds and increased program costs for the issuance of the Treasury check.

**PROPOSED SOLUTION:** Create an immediate validation in DLS that stops you from processing a 1C check request. This would give a "warning" to stop and verify the EFT to be certain that the loan is properly linked to the bank account.

**NATIONAL OFFICE RESPONSE:** This resolution will not be implemented for the following reasons:

1. EFT is not set up in DLS, therefore no validation can be created per the proposed solution.
2. There is no way to do this through automation due to our systems (EFT and DLS or PLAS) not being connected. E.g., in order to validate a loan number through use of a web service there must be a connection made. Treasury and DLS do not have that capability.
3. Furthermore, part of the setup of an EFT account is to ensure that all data entered be verified as correct.

We are open to revisiting this issue in the future as system modernization occurs.

**COMMITTEE RESPONSE:** The committee accepts this response. After a discussion among the committee members, it was recommended that this be moved to the NACS IT Committee for further review and/or action.

## Resolution 6

**CONCERN:** When an entity applies for a loan, the individual members are required to fill out their individual information under part C of the FSA-2001. This section does not ask for the marital status of the individual. When you go to put the individual into MIDAS, marital status is a required field.

**PROPOSED SOLUTION:** Modify the FSA-2001 to include a marital status field.

**NATIONAL OFFICE RESPONSE:** We recognize that MIDAS requires FLP obtain personal information not required for an entity applicant, and understand that MIDAS will not accept inputs without fields being filled. With that said, however, FLP does not believe we should be increasing information obtained from applicants just to meet MIDAS requirements. Therefore, FLP will continue to work with FP to determine if changes can be made in the system as to how information is collected and entered.

**COMMITTEE RESPONSE:** After a discussion with the National Office staff, it was decided that the best course of action would be to open this for discussion in a USDA Connect forum (See Committee Response in Resolution #2). The committee accepts this response.

## **Resolution 7**

**CONCERN:** All Direct loan applications require the year the applicant started farming to be entered into the General Information section of DLS. However, FSA-2330, does not include a block for submission of this information.

**PROPOSED SOLUTION:** Modify FSA-2330, Item 5, on page 4 of 7, and FSA-2001, Item 9, page 5 of 8, to include a should have small box asking for number of years farming and year started farming. Adequate space is available in position for Item 5 for small box. This will save time and effort for FLP staff and provide information placed by the applicant to be utilized.

**NATIONAL OFFICE RESPONSE:** This resolution will not be implemented. We believe the FSA-2001 and FSA 2330 both provide a place for these answers as part of the narrative. Furthermore the FSA-2330 was created to meet those needs for the majority of applicants while being a reduced application format, which remains an important part of the programs requirements. FLP will however reconsider this response based on input from the field by use of USDA Connect forms forum in the future.

**COMMITTEE RESPONSE:** After a discussion with the National Office staff, it was decided that the best course of action would be to open this for discussion in a USDA Connect forum (See Committee Response in Resolution #2). The committee accepts this response.

## **Resolution 8**

**CONCERN:** FSA approves a consolidation of a guaranteed loan by executing a modification of the guarantee. There is no specific form reference to use for a modification of the guarantee.

**PROPOSED SOLUTION:** Amend Paragraph 286C to read:  
"The Agency approves the consolidation by executing FSA-2245. The modification....."

**NATIONAL OFFICE RESPONSE:** We agree with this resolution and will revise 2-FLP.

**COMMITTEE RESPONSE:** The committee accepts this response

## **Resolution 9**

**CONCERN:** FSA Handbook 3-FLP was recently revised with the issuance of Amendment 24 (5-23- 16) which changed paragraph 95-A by removing the following. A real estate appraisal is required when real estate is taken as basic security and the amount of the loan to be secured by the real estate exceeds \$50,000. For example, an applicant applies for an OL loan for refinancing. However, due to depressed market values for cattle and machinery, there is a collateral shortage of let's say \$30,000 or they do a smaller loan for a well and septic system for

\$20,000. Is it a prudent use of limited PLCE funds to pay up to \$2,500 for a real estate appraisal to support a relatively small amount? The requirement for the need of title clearance for loans over \$10,000 will still assure our required lien position. In addition this will cause additional delays in providing funds.

**PROPOSED SOLUTION:** Reinstating the language before Amendment 24. FSA Handbook 4-FLP Paragraph 119-A Appraisal Requirements for Subordinations should also revised to include similar language.

**NATIONAL OFFICE RESPONSE:** This resolution will not be implemented. The appraisal requirements were changed with Amendment 25, to allow all appraisals under \$50,000 to be done by evaluations, including those for subordinations and loans where the real estate security will be FSA's primary security. Therefore, this resolution has already been implemented for Loan Making. Evaluations are sufficient for subordinations as the subordination reduces FSA equity and substantially increase the risk to the Government. We believe the current guidance in 4-FLP is appropriate and required to mitigate this risk.

**COMMITTEE RESPONSE:** The committee accepts this response.

### **Resolution 10**

**CONCERN:** The Microloan and Streamline applications have the "Release of Information" built into the application. However, the section authorizing the release is on a different page than the applicant's signature. Additionally, the FSA-2001 does not contain this type of release information language.

**PROPOSED SOLUTION:** Format the Microloan and Streamline application to have the signature and the section authorize the release of information be on the same page. Insert the required legal language from FSA-2004 onto page 7 of FSA-2001. This will allow negate the necessity to obtain FSA-2004.

**NATIONAL OFFICE RESPONSE:** This resolution will not be implemented. The 2330 and 2314 were designed as standalone forms and for that reason the language was incorporated into them. That is not the case for the FSA-2001 and the use of the FSA-2004 is still required. The signature pages simply can't contain all the information, requirements and certifications the borrower is agreeing to upon signing. This is why the applications all contain places for the applicants to initial on each page, indicating their agreement with and certification of those sections.

**COMMITTEE RESPONSE:** After a discussion was held with National Office staff, the committee accepts their response. The N.O. indicated that they do not wish for these forms to be disseminated on a regular basis and that we should be looking for other ways to verify debts/income. The use of these forms for such things should be the "exception and not the rule." As such, they saw no value in reconfiguring the forms for this purpose.

### **Resolution 11**

**CONCERN:** If a producer's loan payment date falls differently than the closing date of the loan. There is not a reference in the DLS customer profile that states the payment date

**PROPOSED SOLUTION:** List the customer payment date in the DLS customer profile.

**NATIONAL OFFICE RESPONSE:** Payment due date information for a loan may be found under the Customer Status screen by clicking on the specific loan for more detailed information about

each loan. On the Customer Profile screen, adding a column to display the payment due date for each loan is a change that will be added to future DLS enhancement requests to be implemented as funds allow.

**COMMITTEE RESPONSE:** The committee accepts this response.

## **Resolution 12**

**CONCERN:** An increase in the number of FO loans being completed has created a need to complete more flood searches as per 1-EQ Par. 44 D. This subparagraph instructs FSA to consult FEMA's current flood insurance rate maps to determine if there is a floodplain.

**PROPOSED SOLUTION:** The FEMA website appears to provide all of the necessary information for FSA to make the flood plain determination. Additional training or a training guide be developed to assist FSA loan officials with completing the research on the FEMA site.

**NATIONAL OFFICE RESPONSE:** Additional training on how to use the FEMA flood rate maps is something that we can explore. We will look into whether this is best accomplished through a dedicated training session or if it would be more appropriate to include it as one part of a larger "Hot Topics" training session.

**COMMITTEE RESPONSE:** The committee accepts this response.

## **Resolution 13**

**CONCERN:** Currently we have no way of changing the borrower's payment due dates in the system without completing a full loan restructure using eDALR\$. For example, the borrower has a due date of October 1st annually; however, he markets grain in January due to better market pricing. This is an annually recurring event. We have no way of moving his payment from October 1st to January 1st to better suit the needs of his operation.

**PROPOSED SOLUTION:** Amend the regulations to add a servicing option to change payment due dates without a complete loan restructure. (i.e. revised note, allonge/modification, supplemental payment agreement, etc.).

**NATIONAL OFFICE RESPONSE:** When making or servicing loans, agency officials are encouraged to discuss a borrower's operation with them in order to determine when a borrower will typically receive income and plan payments accordingly. Additionally, when considering changes to the terms of a loan, these changes and their overall impact on the operation are generally handled better through eDALR\$ as it can then more thoroughly review any issues with years remaining on a loan, changes in payments and that impact on any cash flow, etc.

**COMMITTEE RESPONSE:** After discussion with the National Office staff, they agreed that this was something that should be on the "wish list" for revision in the next Farm Bill, as there are cases where this would prove extremely beneficial to both the FSA staff and the loan borrower. Mr. Radintz indicated that this is on their list and that they would do what they could to support the revision of statute in support of this concern. The committee accepted this response.

# **FARM PROGRAM COMMITTEE REPORT**

## **2015-2016 Adopted Resolutions**

### **Resolution 1**

**CONCERN:** Current FSFL regulations (Notice FSFL-135) does not include silo unloaders and feed grinder/mixers as eligible equipment for the FSFL program. Livestock producers depend upon this equipment to move the silage from the silo to the feed bunks, just as a grain farmer relies on an auger to move grain from a grain bin into a truck of which both are eligible equipment.

**PROPOSED SOLUTION:** Update 1-FSFL to include silo unloaders and feed grinder/mixers as eligible equipment for the FSFL program.

**NATIONAL OFFICE RESPONSE:** New regulatory provisions for the FSFL program were issued in Notice FSFL-135 on May 3, 2016. However, FSFL-135 was obsolete on August 1, 2016, with the issuance of FSFL-138. Permanently affixed or portable, new or used, unloaders for eligible commodities are considered eligible for FSFL financing. A feed grinder/mixer is not eligible for a FSFL. The FSFL program does not finance harvest, production or feed equipment.

**COMMITTEE RESPONSE:** Acceptable and no further discussion deemed necessary

### **Resolution 2**

**CONCERN:** Farms with less than 5 acres of vegetables, insurance is often unattainable since NAP insurance becomes more expensive based on income margin. It causes undue hardship on staff (FLP & FP) and producers, due to many newer fruit and vegetable microloan operators operating on a small scale basis, resulting in an uninsurable commodity, leaving loans barely secured.

**PROPOSED SOLUTION:** Create a micro-NAP pilot program to compensate for the growing number of fruit and vegetable farms operating on a small-scale basis. Create a simplified application, crop reporting system and process for these small scale producers. Program would benefit producer, time requirements of Farm Program office and often burdensome process for small scale producers. Program would expand participation and promote NAP program too many small scale fruit and vegetable operations.

**NATIONAL OFFICE RESPONSE:** NAP service fees and premiums are established by law, and FSA does not have the authority to waive or modify calculation of service fees and premiums except as authorized by Congress. Reporting crop acreage, acreage yields, and production for each crop is also required by statute. FSA recognizes that NAP requirements may be more burdensome for some small producers or for producers with many different crops. FSA is currently reviewing NAP provisions to determine what opportunities exist for simplifying the program for small-scale production.

**COMMITTEE RESPONSE:** We accept this response; however, after discussion with the National Office on December 22, 2016, we find that the NAP program fees are mandated and statutory and FSA cannot make any changes. We also understand that there is an evaluation of the crop definition and coverage, but this will be a 2-3 year process. Although this definition of crop may be worked on for the future, we will forward this resolution to the Legislation Committee for further review.

# INFORMATION TECHNOLOGY COMMITTEE REPORT

## 2015-2016 Adopted Resolutions

### Resolution 1

**CONCERN:** Events can only be entered in OTIS prior to the actual event for approval.

**PROPOSED SOLUTION:** Add a check box to mark event as unplanned which will allow user to input results for one approval.

**NATIONAL OFFICE RESPONSE:** DAFO appreciates the suggestion to enter unplanned events into the system without approval. That has been a discussion point for the past 3 years. However no further investments or enhancements will be made to the OTIS system. Development is underway to include outreach activity tracking into the Bridge. The Bridge will be implemented nationwide in early CY 17. Detailed information to the field along with training will be issued in the next 2 months. For any questions regarding OTIS, employees may contact us at [fsaoutreach@wdc.usda.gov](mailto:fsaoutreach@wdc.usda.gov). For general questions regarding Bridges to Opportunity, employees may contact us at [Bridges2Opportunity@fsa.usda.gov](mailto:Bridges2Opportunity@fsa.usda.gov).

**COMMITTEE RESPONSE:** We accept this response, and look forward to seeing these updates to the Bridge.

### Resolution 2

**CONCERN:** Dashboard items are not always able to be completed by designated times frames due to lack of resources, however the only options are to delete them or mark them complete.

**PROPOSED SOLUTION:** Add an option for multiple selection of items that have a lower priority (such as farm assessment, chattel inspections, analysis, classifications, etc.) to mark them “not complete”. Also for completed items, create a summary page where you can view all items that have workflow that needs to be completed and can all be updated from that main page. Similar to how we have our loan checklist in DLM. However, don't remove where we can go into them individually. Add an option for multiple “customer” selection of specific categories (such as farm assessment, chattel inspection, analysis, classifications) to mark as “not complete”.

**NATIONAL OFFICE RESPONSE:** We disagree with this resolution. Subparagraph 96, D, to FSA Handbook 4-FLP states: *“D Documenting Reviews Not Completed As Scheduled When the authorized agency official determines that a scheduled chattel inspection will not be completed as scheduled, the Farm Visit workflow in DLS shall be terminated. The terminated workflow must be documented as to why the workflow was not completed. A new Farm Visit workflow must be created and scheduled immediately as applicable.”*

These steps were put in place as part of a mitigation plan to address OIG audit findings. With regard to priority, it is important to remember that while these actions can and should be properly managed to match the available resources, they must be completed in accordance with the Handbook and any current Notices.

The existing DLS Borrower context dashboard provides a summary view of all reviews pending as well as other account information like flags or transaction discrepancy indicators.

**COMMITTEE RESPONSE:** For time management purposes we would still like to see something that would allow us to create and/or terminate workflows for multiple borrowers in one action. See response to Resolution 14 for further clarification.

### Resolution 3

**CONCERN:** After checks are processed in NRRS, there is too much time lapsing before checks are completely processed (sometimes as long as 60 days), and we are releasing security in accordance with procedure before we are realizing that checks have been dishonored.

**PROPOSED SOLUTION:** When checks are marked as final payment in NRRS, FLMS should receive notification within seven business days when a check has been honored or dishonored to prevent security from being released in accordance with procedure (30 days).

**NATIONAL OFFICE RESPONSE:** Per discussions held with NACS and NFAOC/FaSB team, the State/Field Offices are not being notified timely when a check is dishonored. There was an attempt to automate this process but there apparently are still issues and time delays. NFAOC/FaSB requested clarification on their responsibilities when the State/Field office is not notified of a dishonored check timely and the security is released. Through the dishonored check process, a 2C uncollectible hits ADPS for FaSB to work. Further instruction needs to be provided and, as such, NFAOC/FaSB is requesting the FSA IT staff and the Kansas City NRRS group to assist in researching and responding to this issue and provide further guidance.

**NFAOC RESPONSE:** Through the dishonored check process, a 2C uncollectible hits ADPS for NFAOC/FaSB to work. These 2C uncollectibles have to research before they can be processed. NFAOC will request the FSA IT staff and the Kansas City NRRS group to assist in researching and responding to this issue and provide further guidance as this is an OBF/KC (Office of Budget and Finance/Kansas City) issue that they will need to address. (FaSB)

**COMMITTEE RESPONSE:** Thank you for including NACS and the NACS IT committee in your efforts to resolve this issue.

### Resolution 4

**CONCERN:** DLS shows the incorrect number of years remaining for the term limits. This causes the field staff to manually calculate and update the field which adds time to loan processing.

**PROPOSED SOLUTION:** Fix DLS to show the correct number of years remaining for term limits as reflected in PLAS.

**NATIONAL OFFICE RESPONSE:** The National Office supports this resolution and is actively working to get the changes to DLS completed as proposed.

**COMMITTEE RESPONSE:** Thank you. We look forward to these improvements.

### Resolution 5

**CONCERN:** Inputting emails into the notes section of FBP is very time consuming.

**PROPOSED SOLUTION:** Allow us to attach/upload files to the FBP notes section.

**NATIONAL OFFICE RESPONSE:** Our license with Moody's does not include the attachment feature. We have explored the possibility of obtaining this feature in the past, but determined that attaching additional documents could cause performance issues within the FBP. Inputting emails into the notes section is currently the only current option; however, as new versions of FBP are released we will continue to explore the possibility of using other options for inputting the emails into FBP.



**COMMITTEE RESPONSE:** Thank you for keeping our concerns in mind with future versions and improvements to FBP.

## **Resolution 6**

**CONCERN:** FSFL are able to obtain real-time payoffs in DLM, but FLP aren't.

**PROPOSED SOLUTION:** Allow FLP to have the same functionality.

**NATIONAL OFFICE RESPONSE:** The DLS application currently provides this functionality. DLS Customer Management, TPOF function, can be used to calculate the Total Payoff amount of all a customer's direct loans, as of a specified accrual date. The information is then displayed showing a summary and detailed per loan view of the balances owed and then provides the total sum of all the selected loans as of the selected accrual date. Accrual Date may be back dated but not beyond the last cash payment or last non-cash payment date. DLS will calculate a payoff for any outstanding direct loan with the exception of a loan that is not fully disbursed or where an equity record or receivable exist. Also, due to the accounting procedures and systems in place, when using the TPOF function in DLS, consideration of the time delay on payments being applied to PLAS from NRRS must be taken into consideration by reviewing the date of last payment and selecting an accrual date accordingly.

**COMMITTEE RESPONSE:** The committee agrees with this response.

## **Resolution 7**

**CONCERN:** USDA provides online services to enable its customers access USDA Web applications using eAuthentication. When a customer registers and is upgraded to Level 2 they should have access to FSAfarms+, Financial Inquiries for FSA Producers, etc. The FSA provides access to these online programs to individuals but doesn't provides these services to entities or their representatives. Individual members of an entity can register and be upgraded to level 2 but this doesn't provide access to the entities customer records.

**PROPOSED SOLUTION:** USDA and FSA should update online access to customer records and link individual entity members, with level 2 clearance, to the entity's customer records similar to the access provided to individual producers.

**NATIONAL OFFICE RESPONSE:** We understand the need to securely extend data access in USDA/FSA public facing applications to all authorized members associated with an entity and designees/representatives of USDA customers. The level of effort required to develop this solution will be enterprise-wide and crosscutting as it will affect many applications. The National Office will evaluate this request and prioritize based on funding available.

**COMMITTEE RESPONSE:** Thank you for making our concern a priority. We appreciate your consideration and support.

## **Resolution 8**

**CONCERN:** Laptops we are provided are excessively heavy (especially considering the files we also must take with us) as well as slow and with poor screen quality.

**PROPOSED SOLUTION:** Since we always use them when connected to the internet, Surface Pro would be much cheaper and more mobile.

**NATIONAL OFFICE RESPONSE:** The National Office acknowledges the need for lighter weight devices for our increasingly mobile workplace. There is funding in the FY17 budget to begin a cyclical refresh of computers. Moving forward, the goal is to replace approximately 1/3 of agency computers each FY. We are currently evaluating all computer hardware options, including the Microsoft Surface Tablet, available through USDA-OCIO-CTS Blanket Purchase Agreements. We hope to provide a variety of computer configurations that address the mobility needs of employees while maximizing the use of funding available in the FY17 budget.

**COMMITTEE RESPONSE:** Thank you! We look forward to these new upgrades, and would like to propose that each employee be given the option to select which of the available devices they would prefer to use.

## **Resolution 9**

**CONCERN:** We are unable to pull a report with all loan officers by bank in GLS.

**PROPOSED SOLUTION:** Create a report that lists the bank and Loan Officer with contact info (email, address & phone number) within a servicing offices territory.

**NATIONAL OFFICE RESPONSE:** GLS does not capture the Servicing Office's territory and with all the other priorities for funding we have no plans to capture this information at this time. However, the existing Lender Representative List in MRE has been recently modified so that State Office and National Office employees can search by State, Lender ID and/or Branch number. Once the report is pulled it can be sorted by Lender ID and Branch number. MRE reports can only be used by National and State Office users.

**NFAOC RESPONSE:** GLS does not currently capture the Servicing Office's territory. However, the existing Lender Representative List in MRE has been recently modified so that SO and NO employees can search by State, Lender ID and/or Branch number. Once the report is pulled it can be sorted by Lender ID and Branch number. (MRE reports can only be used by National and State Office users.) (FCSB)

**COMMITTEE RESPONSE:** We accept this response and recognize the amount of time it would require to maintain this type of list.

## **Resolution 10**

**CONCERN:** Currently there is no place on the DLS Dashboard to record a chattel appraisal done by FSA or 3rd party other than the Loan Making Checklist Environmental area. Our appraiser each year asks us for a list of chattel appraisals completed.

**PROPOSED SOLUTION:** Under the DLS Farm Visit tab add a checkbox for chattel appraisal completed. Also provide an interface between FMMI & PLAS into DLS to show 3rd party appraisals have been completed.

**NATIONAL OFFICE RESPONSE:** The National Appraisal Tracking System (NATS), when implemented, will have the capability of tracking (1) chattel and real estate appraisals conducted by FSA or contracted; (2) chattel appraisal reviews; (3) technical reviews of real estate appraisals; and (4) 3rd party appraisals. Therefore, modifying DLS to track chattel appraisals before NATS is implemented may not be a prudent use of scarce resources.

**COMMITTEE RESPONSE:** We accept this response. We were unaware of that the NATS system would be available, and look forward to see what it has to offer.

## Resolution 11

**CONCERN:** Payment remainder letter does not address accrued interest. See attached letter.

**PROPOSED SOLUTION:** Add wording to address accrued interest for the design of the letter to look more like a payment statement.

**NATIONAL OFFICE RESPONSE:** We disagree with this resolution. We believe there would be limited value to the borrower in providing accrued interest information as part of the payment reminder letter. Borrowers receive detailed account information when appropriate and any information about accrued interest would be incorrect the day after the payment letter is sent. Additionally, borrowers are provided with an automated service line that can be used to obtain updated account information.

**NFAOC RESPONSE:** NFAOC agrees with National Office response. To change the purpose and intent of this letter, will require DAFLP (Deputy Administrator for Farm Loan Programs) approval.

**COMMITTEE RESPONSE:** The Committee accepts and agrees with the national office response, and appreciates the opportunity to work further with NFAOC on developing a resolution that further more specifically addresses the concern

## Resolution 12

**CONCERN:** Currently there is no way to keep track of PAD for customers.

**PROPOSED SOLUTION:** Designate on customer profile if customer has PAD; Implement report to track who has PAD payments; Designate PAD Payments in DLS or ADP history screens.

**NATIONAL OFFICE RESPONSE:** When the PAD information was sent to the State Offices there was a Tracking Spreadsheet that was included. We have been in contact with the CMCB Branch to discuss individual state reports. It is possible that we can be provided with individual state reports from them. FSA does not have access to the PAD system. At this time, we would suggest that the state's request their county offices use the tracking spreadsheet that was provided.

**NFAOC RESPONSE:** There is a report from the PAD system that is available by state that indicates by loan number the PAD status of a customer. This report can be provided to whomever you designate. The NFAOC supports the request to designate the customer PAD status in PLAS, but defers to IT. (CMCB)

**COMMITTEE RESPONSE:** We would like to keep this on our wish list going forward. Something like a checkbox on the process application screen that would flow over to the customer profile screen that designates which loans have PADs in place.

## Resolution 13

**CONCERN:** GLS prefills the guarantee fee on the conditional commitment when using the data filled forms option for loans being made in conjunction with a direct down payment loan with a non-beginning SDA applicant. A guarantee fee is not required

**PROPOSED SOLUTION:** Program GLS to have either a code or block to show that this is a non-beginning farmer SDA applicant for a loan being made in conjunction with a direct FLP down payment loan.

**NATIONAL OFFICE RESPONSE:** This issue was previously discussed and the solution at the time was to allow the Guarantee Fee field on the Conditional Commitment form to be an enterable field. The Fee Amount is still prefilled based on the information available in GLS, but if no fee is owed (because of the direct down payment program or other reasons not available in GLS) then the field may be updated to show \$0.00. (NOTE: The Loan Closing Transaction works the same way. The Guarantee Fee Amount is prefilled but if it should be zero, the Fee Purpose field can be changed from 3 (meaning that a fee is owed) to a 7 (indicating that no fee is due) and the Fee Amount field can be changed to \$0.)

**NFAOC RESPONSE:** This issue was previously discussed back around 2011 and the solution at that time was to allow the Guarantee Fee field on the Conditional Commitment form to be an enterable field. The Fee Amount is still prefilled based on the information available in GLS, but if no fee is owed (because of the direct down payment program or other reasons not available in GLS) then the field may be updated to show \$0.00. (NOTE: The Loan Closing Transaction works the same way. The Guarantee Fee Amount is prefilled but if it should be zero the Fee Purpose field can be changed from 3 (meaning that a fee is owed) to a 7 (indicating that no fee is due) and the Fee Amount field can be changed to \$0.) If this solution on the Conditional Commitment form is no longer satisfactory, please let us know and we can discuss other options. (FCSB)

**COMMITTEE RESPONSE:** The committee accepts this response.

#### **Resolution 14**

**CONCERN:** It takes a lot of time to go through the DLS dashboard and select each item, update, save, then select the next item.

**PROPOSED SOLUTION:** Create a summary page for individual borrowers where you can view all items that have workflow that needs to be completed and can all be updated from that main page. Similar to how we have our loan checklist in DLM. However don't remove where we can go into them individually.

**NATIONAL OFFICE RESPONSE:** We disagree with this resolution. Existing DLS functionality provides a summary view of pending servicing workflows, on a per customer basis. Access to each review item is accomplished from this summary view. Based on the tracking needs of the various workflows, we will not be able to provide a "Checklist" type of interface as that would defeat the purpose of being able to schedule individual reviews ahead of time then be able to track progress and record accomplishment of related actions, e.g., like sending requests for additional information for graduation, etc., on a per workflow basis. This tracking and monitoring capability was a requirements request from all levels of management and end users and allows for better oversight and portfolio management.

**COMMITTEE RESPONSE:** In order to efficiently comply with procedure, specifically 4-FLP Subparagraph 96, C & D, we would like the option to select multiple borrowers to enter the statement regarding lack of completion due to lack of time, personnel and other resources. It is the committee's belief that workflows are not being created for each borrower, because field staff realizes that not all are going to get completed. So rather than entering in a workflow for a farm visit, classification, graduation review, etc. for each borrower, field staff only enters the workflow when the task has been completed, and therefore, the uncompleted tasks are not being properly entered and documented due to the amount of time it takes to enter these tasks for each individual borrower. If there were a way to enter these types of regular servicing tasks for multiple borrowers at one time, it would save a significant amount

of time. Then when the tasks do get completed, they can be entered in for each individual borrower as completed. But also, at the end of the year it would be significantly simpler to select multiple borrowers to terminate the transactions and document why they were not completed, and then turn around and set up the same workflow task for the next year for that same group of borrowers. At this time the committee does not know of any other method of tracking work that is not getting completed, and is concerned that there may be offices across the country that are not properly entering the workflows due to the amount of time it takes. The committee will continue to work on clarification of our concern.

# MANAGEMENT/PERSONNEL COMMITTEE REPORT

## 2015-2016 Adopted Resolutions

### Resolution 1

**CONCERN:** Applicants are applying for positions with little or no knowledge of our internal hiring policies. They apply for a job that is posted as a GS 5/7/9. By virtue of their lack of understanding of our grade designation they select incorrectly. This seemingly innocent mistake has far reaching implications. The applicant when selected is now offered a position below their education/qualification level. They are typically onboard when they learn of this issue and become displeased.

**PROPOSED SOLUTION:** Allow the Agency to determine the grade level based upon the supported qualifications. Make sure the instructions on USA Jobs are clear, so that applicants understand that they can apply for all grade levels. Ensure customer support is fully versed and available to answer questions from applicants.

**NATIONAL OFFICE RESPONSE:** When applicants apply for any position(s) in USA Jobs, it clearly states that **the applicant** must identify **each grade level** that he or she is applying for in the vacancy announcement. This is the applicant's sole responsibility. Secondly, the vacancy announcement always identifies a point of contact to call on the last page of the vacancy announcement if an applicant has a question. Based on current USDA and OPM requirements and staffing software applications the proposed solution cannot be implemented, applicants must continue to indicate the grade level(s) at which they wish to be considered.

**COMMITTEE RESPONSE:** Accepted response without comment

### Resolution 2

**CONCERN:** Currently states are participating in National Pathways events that are intended to cover a region of several states. Nevertheless, the impact this program has been positive, the non-hosting states are being limited of qualified talent from their states due to logistic issues that potential applicants may face.

**PROPOSED SOLUTION:** Delegate authority to states to regulate and host their own state Pathways program.

**NATIONAL OFFICE RESPONSE:** All states offices are allowed to make requests to host a Pathways On-site event at local colleges and universities with prior HRD approval. The current approval process is based on the number of positions advertised and the type of school requested – the focus is on Land-Grant Universities and Minority Serving Institutions. There are two types of onsite events available:

1. Application Acceptance – HR officials accept resumes for designated advertised positions onsite on behalf of the Agency. This event requires a minimum of five positions be advertised
2. Direct Hire – HR representatives accept applications and provide tentative offers; and hiring managers conduct onsite interviews. This event requires a minimum of ten positions be advertised

Due to these requirements and to ensure the Agency receives a return on investment, there has been a need to solicit participation nationwide or with neighboring states to host these events. Without the minimum required positions, HRD is unable to approve and support the event.

The proposed solution does not meet OPM's requirement that Human Resources Division personnel must be in attendance to host these events and that HR personnel are the only employees who may official collect resumes on behalf of the Agency at these events.

**COMMITTEE RESPONSE:** Committee commented that the pathways option has gained targeted candidates and we would like to see it continue or expand.

### **Resolution 3**

**CONCERN:** Currently new FLM's don't receive any administrative training other than limited AgLearn trainings.

**PROPOSED SOLUTION:** Provide FLM's administrative training (13a's, personnel . . . etc.)

**NATIONAL OFFICE RESPONSE:** USDA supervisory training requirements are established in Departmental regulation (DR) 4040-412-002, Training and Development for Supervisors (<https://www.ocio.usda.gov/document/departmental-regulation-4040-412-002>). Additional FSA guidance for new supervisory training requirements was addressed in PM-2941, and as provided in subparagraph 2 E, required courses are added to the employee's AgLearn "to do list" by HRD's Leadership and Employee Development Branch (LEDB). While use of AgLearn does allow FSA to provide cost-effective training, we do recognize the limitations associated with computer-based training. Therefore, new FLM's are also scheduled to participate in FSA's National Leadership Training titled "Influencing Excellence: Effective Leadership at FSA". FSA's National Leadership Training is a four-day session, attended in person, held at multiple locations across the nation throughout the year. Since its inception, 313 FLM's have attended the National Leadership Training, with an addition 13 FLM's scheduled to attend sessions planned for March and April of 2017. The training covers a variety of topics and provides both new and experienced FLM's the opportunity to network with FLM's from other states, as well as with CED's and DD's. DAFLP, along with DAFO and LEDB, continues to explore the development of additional training opportunities for FSA supervisors and managers.

**COMMITTEE RESPONSE:** Training for new, supervisors continues to be an issue that requires attention, AgLearn training is understood to be cost effective. However it is the "least best" option. The personal interaction of in person training is far more beneficial.

### **Resolution 4**

**CONCERN:** 118-FI & other applicable travel regulations still refer to completing an AD 202 for authorizing travel while reserving funds is no longer required. A BU Notice was issued stating that offices only need complete AD 616 for local travel which is paid through Web TA. Also, the OF 108 is still required in addition to the AD 616.

**PROPOSED SOLUTION:** Update the applicable handbook regulations to eliminate the need for the completion of the AD 202 & OF 108 in this regard.

**NATIONAL OFFICE RESPONSE:** We will accept the proposed solution, update handbook 118-FI, accordingly, and release an amendment to the field within the next 60-90 days

**COMMITTEE RESPONSE:** This has not been implemented yet (5/19/2017)

### **Resolution 5**

**CONCERN:** Recently 55 partners were selected to enter into a cooperative agreement with FSA and others are slated to be selected. Multiple recipients were selected as USDA FSA partners

through cooperative agreement, but what specific areas will these recipients be working in and what services will each provide to aid FSA and provide service to farmers and ranchers

**PROPOSED SOLUTION:** Provide a matrix of these providers that shows what they will be providing and where with appropriate contact information.

**NATIONAL OFFICE RESPONSE:** POINT OF CONTACT: OBPI COOPERATIVE AGREEMENT PROGRAM – Robert Stephenson/Michael Kresin, Spreadsheet attached, along with state points of contact for additional information.

**COMMITTEE RESPONSE:** We were provided matrix as requested as shown below.



FSA Number	Non-Federal Entity	Purpose	FSA Technical Rep (Contact)
FA-DAFO-7-001	Renewing The Countryside II	Regional Coordinators will help women farmers access FSA programs.	Shayla Watson
FA-NC-7-002	North Carolina Rural Economic Development Center	Collaborate with FSA to provide train the trainer to educate Community Colleges about FSA Loan programs.	Nimasheena Burns
FA-GA-7-003	Athens Land Trust, Inc.	Financial Management and strategies for creating viable and stable Ag Enterprises.	Neal Leonard
FA-OH-7-004	A&L Afterschool Literacyplus Institute	Loan program training, lectures and workshops in Franklin County, OH.	Christina Reed
FA-DAFO-7-005	Hmong National Development, Inc.	Capacity Building for Hmong Farmers emphasizing FSA resources.	Shayla Watson
FA-AL-7-006	Farmscape Solutions	Develop e-curriculum and workshops on recordkeeping.	Cassandra Searight
FA-FL-7-007	North South Institute, Inc.	Focus on underserved producers through three clusters.	Janet Wright
FA-IL-7-008	Food Works	Technical assistance and financial education through Southern Illinois Farm Beginnings mentorship program.	Jean French
FA-OH-7-009	Central State University	Encourage and assist farmers to own and operate farms through outreach and technical assistance.	Christina Reed
FA-LA-7-010	Recirculating Farms Coalition Inc.	Outreach and training activities to existing and potential producers in New Orleans.	Ervin Norwood
FA-CA-7-011	Kitchen Food Ventures, Inc.	Deliver business/financial development services, technical assistance and computer training.	Brooke Raffaele
FA-DAFO-7-012	Wealth Watchers, Inc.	Increase awareness and participation in FSA programs through workshops and training.	Shayla Watson
FA-HI-7-013	The Kohala Center	Expand current rural and cooperative business development service and provide financial education.	Steve Peterson, Steve Bazzell
FA-ME-7-014	Northern Maine Development Commission, Inc.	Provide knowledge on the regional ag value and supply chain through meetings and workshops.	Sherry Hamel, MaryAnne Coffin
FA-MO-7-015	University of Missouri System	Develop financial and technical skills of Latino farmers.	Alan Ball
FA-MT-7-016	Montana State University, Inc.	Increase education on FSFL, record keeping and best production practices.	Jennifer Cole
FA-ME-7-017	Cultivating Community	Growing Pathways project to ease learning curve of accessing FSA programs.	Sherry Hamel, MaryAnne Coffin
FA-NC-7-018	Appalachian Sustainable Agriculture Project, Inc.	Provide financial and business management training and technical support.	Nimasheena Burns
FA-DAFO-7-019	Farmer's Legal Action Group, Inc.	Training on the FSFL program	Shayla Watson
FA-MN-7-020	Asain Economic Development Association	Outreach to local Asain farmers in the Twin Cities.	Lindsay Mutegei
FA-CA-7-021	Cal Poly Corporation (University)	FEED - Farmer Experiential Education and Development Program - training to educate new farmers.	Brooke Raffaele
FA-MS-7-022	Winston County Self Help Cooperative	Improve technical assistance and financial education to underserved producers.	Aaron Robinson
FA-NM-7-023	New Mexico State University	Increase number of eligible farmers to participate in FSA programs.	New Mexico State Office
FA-DAFO-7-024	Holistic Management International	Showcasing the diversity of HMI's education programs in three states.	Shayla Watson
FA-KS-7-025	Kansas State University	Identify farmers struggling and provide financial and borrower technical assistance.	Kitra Cooper
CCC-DAFP-7-026	Pheasants Forever, Inc.	Outreach to educate female landowners.	Kathie Moh
FA-CA-7-027	Building Youth Tomorrow Today	Educational Outreach apprenticeship project for at risk kids.	Brooke Raffaele
FA-NM-7-028	Center for Southwest Culture, Inc.	Outreach to Hispanic and Indigenous farmers and ranchers.	New Mexico State Office
FA-AR-7-029	East Arkansas Enterprise Community	Outreach and education to groups who grow fruits and vegetables in an effort to raise awareness and participation in FSA programs.	Rhonda Oguinn
FA-DAFLP-7-030	University of Vermont & State Agricultural College	Develop online record keeping tool.	Pixie Greer
FA-AZ-7-031	Cochise County Community College District	Education and outreach support to farmers and ranchers in Arizona.	Santa Murillo/Carol Case
FA-MI-7-032	Michigan Integrated Food & Farming Systems	Educators to work one on one with SDAs to create outreach mechanisms and reporting templates designed to increase reporting of cropping history, yields, direct market pricing info to FSA.	Savannah Halleaux
FA-VA-7-033	Virginia State University	Provide tools and skills to help increase participation in FSA programs and services. Will outreach on all programs but this proposal focus is for training and technical assistance on OLS and FOs.	Virginia State Office
FA-ME-7-034	University of Maine System	Hired project manager to work directly with farmers one on one and through trainings to improve their abilities to keep electronics, explain the records required for FSA programs, and provide different approaches for efficient record keeping for both financial and production related data.	MaryAnne Coffin/Sherry Hamel
FA-AL-7-035	Cottage House Inc.	Promotional and technical assistance campaign to recruit more under-served farmers to access FSA programs.	Cassandra Searight
FA-AL-7-036	Vivian B. Adams School Board	The Skills, Education and Entrepreneurship Development (SEED) Project will be designed to offer all participants a distinct opportunity to (a) improve and increase marketable fruit. Using our high tunnel facility, market managers and vendors, local chefs and restaurant managers, the general public and the 144 individuals with intellectual disabilities served by the school in best practices, common challenges and solutions, stewardship of natural resources, and local networking opportunities in the selection, growth, production, marketing and sales, preparation, and nutritional value of fruits, vegetables and specialty crops	Cassandra Searight
FA-AL-7-037	Dubois Institute for Entrepreneurship, Inc.	The project will use the facilities of Alabama State University & Dothan Library to train 80 ethnic minority farmers, veterans, who grow greens, tomatoes, watermelons, grapes. Alabama has military installations, and have high concentrations of veterans. 1. FSA-Programs - Farm Ownership & Farm Operating Loans, Livestock Indemnity Programs, Livestock Forage Programs, 2. Livestock Contracts, 4. Agri-Economics using Excel Software, 5. Excel Training, 6. Quick Books Training, 7. Credit Technical Assistance, 8. Business Plan Writing, 9. Veteran's Programs, 10. FSA Programs - NAP Insurance, Crop Insurance, 11. Marketing Products, 12. GAP/GHP Cert	Cassandra Searight
FA-TN-7-038	University of Tennessee	Provide producer/agri-industry personnel education on NAP, WFRP & Other USDA programs. 4 producer meeting/written & web resources for producers. Educate on maintaining proper records and improve participation.	
FA-WI-7-039	University of Wisconsin System	Direct marketing education for livestock producers.	Kim Iczkowski
FA-ME-7-040	Sunrise County Economic Council	Washington County ME. Workshops and individual counseling to educate diversified fruit/vegetable producers about FSA programs and financial training for loans.	MaryAnne Coffin/Sherry Hamel
FA-CA-7-041	Organic Farming Research Foundation	Develop guidebook for organic farmers. Conduct meetings, mailings, news releases on ofrr.org site. Focus on conservation buffer zones, disaster losses, interim financing after harvest, FSFL.	Brooke Raffaele
FA-MS-7-042	Mississippi State University	Focuses on increasing access to African Americans, women and BFRs in conservation programs. Will integrate face to face education, smart phone applications and online decision making tools /targeted marketing to key stakeholder groups.	Aaron Robinson
FA-OK-7-043	Oklahoma Association of Conservation Districts, Inc.	Partnering with tribal members to participate in Farm bill programs. Provide info to member of the Muskogee Creek Nation. Educate on FSA common provisions.	Janlyn Hannah
FA-GA-7-044	Fort Valley State University	Train 60 minority farmers and vegetable producers growing greens, tomatoes, watermelons & grapes. 4 days of training in 3 cities: Ft. Valley, Columbus, Albany. High concentration of vets due to military installation.	Neal Leonard
FA-WA-7-045	Washington State University	Increase financial literacy, strengthen business operations and present FSA programs in the West Puget Sound region of WA. In class and on-farm workshops. (Kitsap County)	Chris Bieker
FA-CA-7-046	Siskiyou Joint Community College District	Educate farmers/ranchers in county on basic accounting skills. (Balance sheets/income statements)	Brooke Raffaele

## LEGISLATIVE ISSUES COMMITTEE REPORT

The NACS-FSA Legislative Committee members this year were Bardell Faux, ID - Zone A, Ben Herink, NE - Zone B (Chair), Greg Koerner, OH - Zone C, Brandon Waldron, VA - Zone C, Bob Parris, SC - Zone D, Dave Bonnett, NC - Zone D (Vice-Chair) and alternate member was Heather Cox, TX - Zone B.

All members fully participated in the committee and all but one of the Zone meetings were attended by a committee member. Thanks to John Gehrke for covering the legislative material at Zone A this year. The committee was able to make a full spring trip to Washington, D.C. (DC) in early May. The committee make-up did not change from the previous year and we have had overall consistency in our membership for a number of years now. This aids greatly in building relationships and understanding the nuances of work in DC. I am proud of the work our committee does and the way we do it. Thank you for your time, effort, and dedication to NACS and this committee.

Over this past year, farm loan funding continued to be one of our most important priorities as our demand has greatly increased in light of the continued struggling farm economy. NACS continues to strengthen its relationship with other Ag credit and farm related groups. This group has become known as the Ag Lending Coalition, which NACS was instrumental in bringing together in the fall of 2015. This group started a push in the late winter of 2016 to raise awareness of the struggling farm economy and need for additional FSA loan funds. The efforts of NACS and the Ag Lending Coalition groups paid off as USDA reprogrammed \$185 million in early September 2016 and made these funds available for backlogged direct and guaranteed OL's. The groups thanked the appropriators in a letter in mid-September, but also began to lay the ground work for the effects that a long-term CR would have on FSA's loan programs and the need for more funds as the 2016 OL backlog was not fully taken care of.

The key request in this September letter, beyond the need for additional loan funds, was the request for FSA farm loan funds for 2017 to be included in the anomalies package for any long-term CR. This request was not traditional for FSA loan funding under a CR and was not included in the original CR that ran through December 9, 2016.

NACS and the Ag Lending Coalition groups remained dogged though and again reached out to the Appropriations Committees with a letter of support on December 2, 2016. This support letter did receive a fair bit of press. Later that day NACS was made aware that our push to be included in the anomalies package was successful. This was an ENORMOUS win for NACS. This anomaly ensured that OL funds were available in March and April, our peak lending months, and that we didn't have a prolonged stopgap in funds until the current CR expired in late April.

The Legislative Committee and McAllister and Quinn continued their efforts to push for an increase in loan funds in the final FY 2017 appropriations bill. As noted throughout this and previous annual reports, the committee has spent considerable time building our rapport with other ag credit partners across the country in the hopes of increasing collaboration and strengthening our bargaining power. This collaboration really took hold with the Ag Lending Forum held in September 2015. With the continued support of these partners over the past two years, Congress recognized the importance of FSA farm loans by increasing the total appropriations by \$1.6 billion in the passage of the final 2017 Omnibus package. FSA's total appropriations limit now stands just north of \$8 billion annually. NACS has been at the forefront of this push for Congress to recognize the need for timely and adequate loan funding during these difficult economic times in agriculture.

Two visits to DC were made since last convention. John Gehrke and I made a targeted visit to Capitol Hill on February 1<sup>st</sup> and 2<sup>nd</sup> to 10 Congressional offices to specifically address the issues a prolonged hiring freeze would have on the delivery of Farm Loan Programs. NACS was joined in these visits by Jerry Spruill, the FSA Committee Chair for the National Rural Lenders Association. Jerry's presence on his own dime and time speaks to the true support these partners provide to NACS and our relationship that has been built. Issues of loan limits, funding, and future staffing levels for FLP were also key items of discussion. We were also able to meet with Jim Radintz during this time.

In early May the Legislative Committee traveled to DC. M&Q scheduled meetings that focused on key House and Senate Ag Committee members, as well as Appropriations Committee members. The hill meetings focused primarily on the need for adequate FLP staffing. We continue to promote the need for increased loan limits and additional funding as we head into FY18. We thanked the Appropriations staff for the additional loan funds for the remainder of this year and the inclusion of farm loan funding in the anomalies package last fall. The success of Farm Loan Programs and efficiency in which we are able to convert congressional funds into a large economic impact in rural America carries much weight. Our committee is quick to point out to congressional members that any potential increases in loan limits must be supported with an increase in appropriations so that we are not decreasing the number of farmers and ranchers who may need our credit. In all, meetings were held with 37 Congressional offices. In addition, Andy Quinn, Dave Bonnett and I were able to meet with ABA, the American Farm Bureau Federation, and the National Sustainable Ag Coalition to further discuss the importance of FLP staffing and loan funding.

The real work of this committee over this past year and really the decade prior, is starting to pay huge dividends for NACS when we need it the most. I can't tell you enough how strong NACS' and FSA Farm Loan Programs' name is on Capitol Hill and with our ag partners. Examples of this recognition are continually showing up. In early April during the House Ag Committee hearings on credit, multiple private organizations spoke of the importance of FSA Farm Loans, the efficiency of our work, the need for adequate funding, increased loan limits, and proper staffing levels. During the federal register comment period for the proposed USDA reorganization, ABA spoke at length about the need for additional FLP staffing and technology.

The President's FY 2018 budget proposal and ongoing USDA reorganization have been areas of focus most recently. In addition, discussions on the next Farm Bill have already begun. The train that is the Legislative Committee never stops. I would like to thank McAllister & Quinn for their innovative new ideas and valuable guidance, information, and contacts. Andy and his staff, most notably Kelsea Guckin, have developed relationships with key staffers and Ag partners and conveyed our message before, during, and after our trips. Andy has met with multiple Congressional offices throughout the year on NACS' behalf. He also spoke on NACS' behalf at the NRLA National Convention last October. The weekly and sometimes daily briefings assisted us to develop targeted action plans and implement those plans. Their follow up visits remain a vital part of our legislative effort.

NACS and Farm Loan Programs have a tremendous story to tell as our President always says. I again thank all those who contributed to our legislative efforts this past year. Please continue to make your legislative concerns known to the NACS Board. They set the priorities for the Committee and our legislative consultant.

Ben J. Herink, Chairperson  
NACS Legislative Issues Committee

## MEMBERSHIP COMMITTEE REPORT

I would first like to take this opportunity to thank the Membership Committee Members and their Alternates:

Members:

Zone A: Jeff Larsen, ID

Zone B: Rebekah Martin, NE

Zone C: Carol Nagel, WI

Zone D: James Jackson, GA

Alternates:

Kim Adams, MT

Brian Wheeler, MO

Juanita Ballman, KY

Mike Sullivan, LA

It has been an exciting year for Membership Committee. At the 2016 Convention, the committee was tasked to outreach and recruit for NACS in the upcoming year, in a way geared towards re-establishing lost connections. The intent was to establish the membership committee to actively assist the states in recruiting and outreach efforts.

We continued the monthly conference calls, as established in the past, to coordinate our efforts. Our first step was to re-establish membership coordinators in each state. Working with Zone representatives, we contacted each state President and requested a membership coordinator to be identified and assigned. These membership coordinators are meant to be the first line of contact to potential new members. With an established line of communication between the membership committee and the coordinators, the committee can provide access to information and assistance to for these coordinators as they continue to inform new hires and potential members of the opportunities NACS provides.

The second step was to assist coordinators in contacting and fellowshipping potential members. Once the committee had a list of coordinators, we requested information from them of potential members who may benefit from contact from a national NACS representation. The committee utilized both members and alternate committee members, to reach out to those identified as potential members via contact methods given to us by the state coordinators.

Thank you again to the Membership Committee members/alternates. The time commitment to serve in this capacity was above and beyond what you may have expected, and I hope you all feel our efforts were worthwhile. As our progression as a committee and association move forward, it is our hope that our efforts will be rewarding.

Please continue to take the time to introduce NACS to new-hires in your state, get to know your membership committee representation, and check out the membership information available on the NACS website. Any input or suggestions on ways this committee can help with recruitment is appreciated.

It has been a pleasure and honor serving as the Membership Committee Chairperson. Thank you to the NACS Board for allowing me this opportunity.

Jeff Larsen, Chairperson  
NACS Membership Committee

## **NACS-FSA Member Appointments to Taskforce and Working Groups Report**

NACS-FSA has had the opportunity to recommend members to serve on various taskforce and working groups in the past several years. Theresa Windham developed a Taskforce Survey that was distributed during the Zone meetings. The intent was to gauge individual member's interest in specific areas and their willingness to represent NACS when opportunities are presented. The organization is best served by members with varying degrees of experience and different geographic areas. History tells us that if you are not sure that you have enough "experience" or maybe do not have the right qualifications to represent NACS, you probably are ready!

Below is a summary of the NACS representation:

- **Personnel Management**
  - Human Capital - Joseph Grier, TX
  - New Employee Taskforce – April Bryngelson, ID
  - PT Reclassification – Larry Pate, MS
  - FLOT Hiring process – Maureen Mausbach, NE
  - Train the Trainer – Maureen Mausbach, NE
- **Employee Development**
  - Aspiring Leader Program – Lori Fink, IL
  - Employee Viewpoint Survey (Workforce Engagement) – Theresa Windham, GA
- **Operations**
  - Managerial Cost Accounting Group– Lisa Liska, NE
  - IT Steering Committee – Kimberly Eilerman, IL
  - File Maintenance & Management Directive (32-AS) – Theresa Windham, GA
- **Program Delivery**
  - Payment Process – Ryan Lukassen, CO; Heather Cox, TX; LeAnn Gibbs, NM
  - New & Beginning Farmer Taskforce
  - FBP Development – old standing group since roll out of FBP, no new members have been added since it was started
  - FBP Training – Tanya Dostal, WA
  - GLS – LeAnn Gibbs, NM – Currently serving on the Guaranteed Loan System Configuration Control Board (GLS CCB)

## FINAL 2015-16 BOARD MEETING JULY 10, 2016

The NACS Board met July 10, 2016 at Patriot Plaza II in Washington, DC with Lisa Liska calling the meeting to order at 3:12 EST. Members in attendance were Lisa Liska, John Gehrke, Theresa Windham, Ryan Lukassen, Tanya Dostal, Clifford Russell, Joseph Grier, Jeremy Burner and Cheryl Brooks.

### Minutes

Theresa Windham Secretary presented the minutes from previous meeting, June 23, 2016 as provided in the annual report pages 138-140.

**Ryan Lukassen moved to accept the minutes as presented, John Gehrke seconded the motion. Motion passed.**

### Treasurer Report

The treasurer's report was presented as shown in the annual report, page 20. The balances as of were as follows:

Checking	\$43,204.94
Savings	\$85,633.97
Fairness Fund	\$ 3,960.00
Wunder Fund	<u>\$ 7,459.98</u>
	\$140,258.89

These balances reflect the \$2200 having been transferred from the Wunder Fund account to checking for first time attendee stipends. It was noted that there were 17 first time attendees registered which would result in a disbursement of \$117 and registration was \$120.

**Cheryl Brooks moved to increase the amount allotted toward first time attendee stipends by \$40; thereby increasing the amount to be awarded per person to \$120 for the 2016 National Convention; Seconded by John Gehrke.**

**Motion Passed**

**John Gehrke moved to increase the amount budgeted for awards by an additional \$131.82 to cover all shipping costs; Seconded by Joseph Grier.**

**Motion Passed**

### Other

The convention agenda was reviewed

There being no further business the meeting was adjourned at 4:50 EST

Theresa L Windham  
NACS Secretary  
2015-16

## GENERAL ASSEMBLY JULY 11, 2016

The NACS/NASE joint session opened at 8:00 a.m. After the Invocation by a NACS member and Pledge of Allegiance by a NASE member; the assembly was led by Cheryl Brooks, AR, in the National Anthem. Those in attendance that served in the military and those that have family that have served were recognized. The tribute and recognition was led by Rhonda Huffman, NASE. Maureen Mausbach, Convention Chairman provided some convention announcements and introduced guest speaker, Greg Diephouse, DAFO.

Greg Diephouse, DAFO, provided welcome remarks for the convention to Washington DC: *Tone can be set by Agency, you are the leaders – think of a blueprint of how this Agency can work.*

Jim Radnitz, DAFLP, provided welcome remarks from National Office. *Association is very important to FSA and we hope that this is the first of many conventions.*

Lisa Liska, President introduced the National Associations Presidents and thanked them for attending. NAFCO staff members that were present were welcomed and everyone was invited to visit the sponsor booths.

Donald Dunn, NADD President, provided remarks on behalf of the National Association of District Directors who were also having their convention in conjunction with NACS this year, as they do so every other year. *It's great that we can all come together with our common purpose to serve our customers. District Directors try to influence others, sometimes they cannot fix problems but they can listen.*

Wes Daniels, NASCOE President, spoke to the group about the success of the joint meeting that was involved all the associations held in DC during the Spring, *the more we can do together the better we will be in achieving our common interests.*

John Oosterman, Vice-President of the FLC Association addressed the group and thanked everyone for attending and organizing the convention.

Tony Vergnetti of FEDS provided an overview of the benefits for personal liability insurance.

Bob McGrath, Catherine Kuhlmeier and Rada Sekar, CFO, provided an overview of the Managerial Cost Accounting Board purpose and process. ARS with metrics help explain the importance of the work being completed and the costs. Do we have enough resources to meet program requirements? NAPA study has been completed and results will be shared with the SEDs shortly and National Office is working on a new model to be piloted by end of year.

NACS members had the pleasure to hear from multiple staff members of DAFLP during a discussion panel.

The joint meeting was recessed at 11:13 a.m.

At 11:13 am, Lisa Liska, President convened the 44<sup>th</sup> Annual NACS-FSA Meeting and introduced the 2015-2016 NACS Board: John Gehrke, VP; Theresa Windham, Secretary; Ryan Lukassen, Treasurer; Tanya Dostal, Past President; Clifford Russell, Zone A Rep; Joseph Grier, Zone B Rep; Jeremy Burner, Zone C Rep; Cheryl Brooks, Zone D Rep.

Ryan Lukassen, Treasurer and Theresa Windham, Secretary presented the Credentials Report. Kaiti Steckman, TX moved to accept the Credentials Report as presented. Bob Parris, SC seconded the motion.

**Motion Passed**

Lisa Liska, President appointed Jason Issac, KY as Parliamentarian who then reviewed the Roberts Rules of Order.

John Gehrke, Vice President presented the Convention Rules and moved that they be adopted as presented. Kim Eilerman, IL seconded the motion.

**Motion Passed.**

John Gehrke, Vice President introduced the 2015-2016 Committee members and alternates as shown in the Annual Report.

Darren Metzger, OH moved to adopt the 44<sup>th</sup> Annual Convention Agenda; the motion was seconded by Chantal Haun, CA.

**Motion Passed**

The Audit Committee was appointed by President Lisa Liska as follows:

Zone A – John Oosterman, CA	Zone B – Dean Bahr, SD
Zone C – Darren Metzger, OH; Chair	Zone D – Mora O'Banion, AL

Lisa Liska, President then appointed the Election Committee as follows:

Zone A – April Bryngelson, ID	Zone B – Butch Lerma, TX
Zone C – Jeff Koch, IL; Chair	Zone D – Dana Baucom, TN

First time attendees to National Convention were recognized with 17 being present.

Lisa Liska, President encouraged members to 'feed the pig' with donations for the Wunder Fund to help assist with first time attendees travel costs to National Convention.

Lisa Liska, President opened the floor for NACS Board Candidate Announcements and speeches by candidates:

President Candidate:	John Gehrke, IL
Vice President Candidate:	Theresa Windham, GA
Secretary Candidate:	Ray Bartholomew, KS
Treasurer Candidate:	Ryan Lukassen, NM

Lisa Liska, President called for any announcements for Zone Representatives:

Zone A – Casey Toney, CO	Zone B – Joseph Grier, TX
Zone C – Jeremy Burner, VA	Zone D – Jamelda Fulton, MS

Ty Christenson with JM Marketing provided updates on programs and presented a check for \$1000 to NACS.

Maureen Mausbach, Chair of the Convention Committee presented the Convention Report and introduced the committee members Chantal Haun, CA; Darren Metzger, OH and Charlene Smith, AR. Maureen provided an update on the plans for the 2017 National Convention process and sites being explored.

Lisa Liska, President recessed the 44<sup>th</sup> Annual NACS-FSA Meeting at 12:18 p.m. for the lunch and learn break being sponsored by the National Rural Lenders Association. A presentation entitled "Strengthening Our Public/Private Partnership" was provided by Alan Hoskins, NRLA member and CEO of American Farm Mortgage

Lisa Liska, President, reconvened the 44<sup>th</sup> Annual Convention at 1:35 and introduced Jill Colgan with McAllister & Quinn who updated membership regarding the plans to rebrand NACS-FSA and also completed the drawing for the early bird prizes, four at \$500 each: Brandon Waldron, VA; Joseph Grier, TX; Lyndi Apolius, NE; and, Cheryl Brooks, AR. Several names were drawn with the recipients asking for other names to be drawn in their stead.

Lisa Liska, President reviewed room assignments for committee breakout sessions and encouraged members to move between sessions and to participate in committee discussion. All committees are to remain in session until they have no further business. The meeting was recessed at 1:52 pm.



## GENERAL ASSEMBLY JULY 12, 2016

The NACS/NASE/NADD joint session opened at 8:10 a.m. After the Invocation provided by Bob Parris, SC the members were led in the Pledge of Allegiance by Mark Moser, NE.

Val Dolcini, ADM welcomed everyone to DC and addressed the group. *Local office and employees are the bases for what you see – it's not the grand marble structures but the FSA offices back home; problem solvers, dream builders and some days a shoulder to cry on. It's just as important for me to visit you as it is for you to visit here – we need to be in the trenches with you.*

Tony Bainbridge director of the National Finance & Accounting Operations Center (NFAOC) provided a presentation and had members present for the Q & A panel: Mark McKinley, Sharon Sachs, Cindy Hass and Edwin Henry.

Chris Beyerhelm, Associate Administrator for Operations & Management provided an update on the status of the handbook overhaul and fellowship program; updates to record retention; all SEDs have received workforce profile.

Lisa Liska, President, announced a short break from 10:28 to 10:38, National Office presentations continued when the meeting resumed.

Jim Radnitz, DAFLP, addressed the membership regarding the four major areas: Resources, Succession Planning, Training and IT.

Greg Diephouse, DAFO, addressed the membership regarding the five goals he provided to the SEDs; limited English proficiency plans; workforce engagement; IT challenges; Succession planning and budgets.

Lisa Liska, President, recessed the meeting at 12pm for the lunch and learn session sponsored by FarmerMac with Jackson Takach, Farmer MAC Economist "The Ag Economy & Farm Lending: Where do we go from here?"

The meeting was reconvened at 1:27 with the National Office Panel discussion. Speakers from that morning were joined by additional members: Mike Schmidt, Associate Administrator for Policy & Programs; Darren Ash – CIO; Radha Sekar, CFO; Mark Rucker, DAM; Tom Mulhern, HR Director; Brad Pfaff – DAFP.

Following the national office discussion panel, the meeting was recessed at 2:00 pm for the NACS Zone meetings to continue.

## NACS ANNUAL MEETING JULY 13, 2016

The NACS assembly met for a Legislative Briefing provided by Ben Herink, Legislative Chair and Andy Quinn, Legislative consultant of McAllister and Quinn. A discussion on the potential legislative priorities and the success for this year's activities were discussed. M&Q provided an additional \$1000 toward the prizes for attendance of the national convention.

A presentation for Bridges to Opportunity was provided by the National Office. Bridges will allow a record of service to be started for all customers and Receipt For Service will be built into the program as well.

A brief presentation was provided regarding benefits from Blue Cross/Blue Shield.

Lisa Liska, President reconvened the 44<sup>th</sup> NACS Annual Meeting at 11:05 with the innovation being provided by Jason McMillin, TX and the assembly being led in the Pledge of Allegiance by Charlene Smith, AR.

Roll call of delegates by State was completed by Theresa Windham, Secretary and Ryan Lukassen, Treasurer. There were 62 delegates present and 9 alternates.

Board reports were presented as by the President, Lisa Liska and Vice President, John Gehrke as referenced in the 2015-16 annual report.

The Secretary's report was presented by Theresa Windham, as referenced in the 2015-16 annual report. It was moved by Dana Baucom, TN and seconded by Jeff Larsen, ID to dispense with the reading of the minutes and accept the minutes as presented in the 2015-16 annual report on pages 50-59 which is available on the NACS-FSA website.

**Motion Passed**

The Audit Committee report was presented by Darren Metzger, no major discrepancies were found and the committee made several suggestions. It was moved by Darren Metzger, OH and seconded by John Oosterman, CA to accept the report as presented.

**Motion Passed**

The Treasurer's report was presented by Ryan Lukassen, as referenced on pages 12-20 in the 2015-16 annual report with a correction being noted for page 13 "2016 Membership Summary" with Zone C, West Virginia being corrected to 6 and the total for Zone C to 195. It was moved by Jessica Davis, ID and seconded by Brandon Waldron, VA to accept the Treasurer's report as amended.

**Motion Passed**

Board reports were presented as by the Past President, Tanya Dostal, WA; Zone A Representative, Clifford Russell, UT; Zone B Representative, Joseph Grier, TX; Zone C Representative, Jeremy Burner, VA; and Zone D Representative, Cheryl Brooks, AR as referenced in the 2015-16 annual report.

Past Presidents of NACS-FSA were recognized with six being present: Eric Guenther, 1995 & 1999; Millie Turner, 1997; Darren Metzger, 2006; Maureen Mausbach, 2012-13; Allen Hall 2014; Tanya Dostal, 2015..

All attendees were asked to stand for the convention attendance roll call with the convention locations being named from 2016 to 1973. The last member standing was Jeff Koch, IL who attended his first convention in Nashville, TN 1981.

Lisa Liska, President recessed the meeting at 11:52 am for lunch and reconvened at 1:08 pm at which time the President called for the committee reports following the historian report.

The Historians report was provided by Joseph Grier, TX asking for any old photographs and other historical documents to be provided in the future.

### MEMBERSHIP COMMITTEE REPORT

Kaiti Steckman, NE, presented the Membership Committee Report as shown on page 48 of the Annual Report and thanked all the committee members and alternates. Goals for the committee this coming year will be to update the list of membership coordinators; develop a list of new employees to which a letter will be provided with a follow-up by the committee.

Kaiti Steckman, NE, moved to accept the Membership Committee Report as presented. Joseph Grier, TX, seconded the motion.  
**Motion passed**

## **FARM PROGRAM COMMITTEE REPORT**

The Farm Program Committee Report was presented by Tiffany Grody, OH, who then moved to accept the Farm Program Committee Report. Charlene Smith, AR, seconded the motion.

Justin Weigand, NE, moved to amend the report by moving Resolution 2 from adopt to non-adopt. Lyndi Apolius, NE, seconded the motion.  
**Motion passed**

With no further discussion, Lisa Liska, President, called for a vote to adopt the report as amended.  
**Motion passed**

## **INFORMATION TECHNOLOGY COMMITTEE REPORT**

The Information Technology Committee Report was presented by Becky Minter, VA, who then moved to accept the Information Technology Committee Report. Leann Gibbs, NM, seconded the motion.

Cheryl Brooks, AR, moved to add a resolution to report. Jamelda Fulton, MS, seconded the motion.  
**Motion passed**

Nathan Adams, IN, moved to amend the report by making a language change to Resolution 3. Kim Eilerman, IL, seconded the motion.  
**Motion failed**

*Division of the house was called – motion failed.*

Angela Wasierski, MI, moved to amend the report by making a language change to Resolution 2. Tiffany Grody, OH, seconded the motion.  
**Motion passed**

Cheryl Brooks, AR, moved to amend the report by adding a resolution to the report. Jamelda Fulton, MS, seconded the motion.  
**Motion passed**

Nathan Adams, IN, moved to amend the report by moving Resolution 9 from adopt to non-adopt. Will Loxterkamp, VA, seconded the motion.  
**Motion passed**

Angela Wasierski, MI, moved to amend the report by moving Resolution 15 from non-adopt to adopt. Tiffany Grody, OH, seconded the motion.  
**Motion passed**

Angela Wasierski, MI, moved to amend the report by making a language change on Resolution 15. Tiffany Grody, OH, seconded the motion.  
**Motion passed**

Nathan Adams, IN, moved to amend the report by moving Resolution 18 from non-adopt to adopt. Kim Eilerman, IL, seconded the motion.  
**Motion failed**

Kim Eilerman, IL, moved to amend the report by adding a resolution. Lora Morris, VA, seconded the motion.  
**Motion passed**

With no further discussion, Lisa Liska, President, called for a vote to adopt the report as amended.  
**Motion passed**

## **LEGISLATIVE ISSUES REPORT**

The Legislative Committee Report was presented by Chairperson Ben Herink, who thanked all committee members and alternates.

Leann Gibbs, NM, moved to add a resolution a resolution. April Bryngelson, ID, seconded the motion. Jason Issac, KY, moved to amend the motion. John Gehrke, IL, seconded the amendment to the motion.

**Motion to amend passed**  
**Motion as amended passed**

Jason Issac, KY, moved to accept the Legislative Issues Committee Report. John Gehrke, IL, seconded the motion.

With no further discussion, Lisa Liska, President, called for a vote to adopt the report as amended.

**Motion Passed**

## **MANGEMENT PERSONNEL COMMITTEE REPORT**

The Management Personnel Committee Report was presented by Chairperson Jason McMillin, TX, who then moved to accept the Management Personnel Report as presented; Cheryl Brooks, AR, seconded the motion.

April Bryngelson, ID, moved to amend the report to make a language change to Resolution 3. Tanya Dostal, WA, seconded the motion.

**Motion passed**

Mark Moser, NE, moved to amend the report to make a language change to Resolution 5. Bryce Havlovic, NE, seconded the motion. Nathan Adams, IN, moved to amend the motion. Lora Morris, VA, seconded the motion.

**Motion to amend the motion passed**

**Motion as amended passed**

With no further discussion, Lisa Liska, President, called for a vote to adopt the report as amended.

**Motion passed**

## **FARM LOAN PROGRAMS COMMITTEE REPORT**

The Farm Loan Programs Committee Report was presented by Denise Lickteig, NE, who then moved to accept the Farm Loan Programs Committee Report. Matthew Christian, TN, seconded the motion.

Cheryl Brooks, AR, moved to amend the report to move Resolution 3 from adopt to non-adopt. Charlean Smith, AR, seconded the motion.

**Motion passed**

Ryan Lukassen, NM, moved to amend the report to move Resolution 11 from adopt to non-adopt. Leann Gibbs, NM, seconded the motion.

**Motion failed**

*Division of the house was called – motion failed.*

Jessica Davis, ID, moved to move resolution 17 from adopt to non-adopt. Chantal Haun, CA, seconded the motion.

**Motion failed**

Cheryl Brooks, AR, moved to amend the report to add a resolution. Matthew Christian, TN, seconded the motion.

**Motion passed**

Kim Eilerman, IL, moved to amend the report to move Resolution 13 from non-adopt to adopt. Angela Wasierski, MI, seconded the motion.

**Motion failed**

***Division of the house was called – Motion passed.***

Jessica Davis, ID, moved to amend the report to add a resolution to the report. Leann Gibbs, NM, seconded the motion.

**Motion passed**

With no further discussion, Lisa Liska, President, called for a vote to adopt the report as amended.

**Motion passed**

Lisa Liska, President recessed the meeting for a brief break at 2:36 pm and reconvened at 2:54pm. There being no old business, the following announcements were made.

The convention committee will send a survey to members regarding this years convention and some items for next years convention.

Darren Metzger, OH, provided information regarding the tour of the South Building.

Ben Herink, NE, provided information regarding the Day on the Hill.

Lisa Liska, President, reminded everyone to submit their committee surveys and travel vouchers.

## NEW BUSINESS

Announcements were made regarding tentative dates and locations for 2017 Zone meetings as follows:

Zone A	Seattle, WA	March 3-4
Zone B	Sioux Falls, ID	Feb 2-4
Zone C	Pennsylvania	March
Zone D	Southaven, MS	Feb 10-11

Jason Issac, KY, moved to amend the Constitution and By-laws, (Article IV, Par D. Item 2) as follows:  
*"Allow any NACS member, present at the National Convention, to enter into discussion only on any item of business before the convention body."*

The motion was seconded by Brandon Waldron, VA. A vote of  $\frac{3}{4}$  of delegates (62) and a vote of  $\frac{3}{4}$  all attendees (73) was required to pass. The final vote was unanimous.

**Motion Passed**

Jason Issac, KY, moved to amend the Constitution and By-laws, (Article IV, Par A) as follows:  
*Change the term of the elected NACS officers to 2 years with staggered elections of President, and Vice-President; Secretary and Treasurer.*

The motion was seconded by Brandon Waldron, VA. A vote of  $\frac{3}{4}$  of delegates (62) and a vote of  $\frac{3}{4}$  all attendees (72) was required to pass.

**Motion Failed**

## ELECTION OF OFFICERS

Eric Guenther, KS, moved to eliminate all candidate seconding and nominating speeches which was seconded by Bob Parris, SC.

**Motion Passed**

Cheryl Brooks, AR, moved to nominate John Gehrke, IL, for NACS President; LeAnn Gibbs, NX, seconded the motion.

John Gehrke, IL was elected President

Carol Nagel, WI, moved to nominate Theresa Windham, GA, as Vice President; Charlene Smith, AR, seconded the motion.

Theresa Windham, GA was elected Vice President

Eric Guenther, KS, moved to nominate Ray Bartholomew, KS, as Secretary; Bob Parris, SC, seconded the motion.

Ray Bartholomew, KS was elected Secretary

Kaiti Steckman, TX, moved to nominate Ryan Lukassen, NM, as Treasurer; Brandon Waldron, VA, seconded the motion.

Ryan Lukassen, NM was elected Treasurer

Announcement of the elected Zone Representatives and alternates were as follows:

Zone A Casey Toney, CO - Representative	Jessica Davis, ID - Alternate
Zone B Joseph Grier, TX - Representative	Kris Bargaen, NE - Alternate
Zone C Jeremey Burner, VA – Representative	Kim Eilerman, IL - Alternate
Zone D Jamelda Fulton, MS– Representative	Cheryl Brooks, AR - Alternate

The drawing for the first time attendee, new member drawing was held with Justin Wiegand, NE as the winner.

A general discussion was held regarding the potential for realignment of zones to align the states in the same manner as the national office regions are configured.

Following this discussion, Past President Lisa Liska, NE, transferred the gavel to the newly elected President, John Gehrke, IL.

Cheryl Brooks, AR moved to adjourn; Clifford Russel, UT seconded the motion.

There being no further discussion, John Gehrke, President, adjourned the meeting at 4:25 pm.

Respectfully submitted,

Theresa L Windham  
NACS Secretary  
2015-16

## Audit Committee Report - July 11, 2016

The Audit Committee met with NACS-FSA National Treasurer, Ryan Lukassen, on July 11, 2016, at Patriots Plaza III in Washington, D.C. The committee reviewed all account balances as of May 31, 2016.

Account Balances were as follows:

WF Checking	\$13,874.08
WF Fairness Fund	\$ 3,959.94
WF Savings	\$85,631.86
WF Wunder Fund	\$ 9,865.74

The Treasurer has done a good job trying to pick up the pieces after the resignation of previously elected treasurer, Tom Shelton. The committee questioned Ryan about the transition and specifically about the fraud incident during the transfer of the checkbook, which he explained in the annual report. Ryan worked closely with Wells Fargo to resolve this issue and Wells Fargo has reimbursed NACS for the full amount of the fraudulent transactions. Ryan also worked with local police, but they were not able to track down who made the fraudulent transactions. Ryan explained the old Wells Fargo checking account has been closed and a new one has been opened. He noted there were 2 outstanding uncashed checks from the old account that were issued to Florida and Colorado for meeting membership goals last year. These checks are no longer valid. He continued to use the same Quicken register for continuity. The committee is satisfied with these results and want to emphasize Ryan was not responsible for this problem.

The committee reviewed the Quicken itemized income and expense transactions for the past FY balance sheet, checkbook register and bank statements. All transactions appear to be in order. The travel reimbursements appear to be supported with appropriate supporting documents. We also noted the accounts payable on the May 31, 2016 balance sheet in the amount of \$13,699 has since been collected. There is still 4 checks issued in March from the new checking account that have not been cashed.

Ryan noted he has been unable to eliminate a \$172 discrepancy when reconciling bank statements, since he took over the books in February 2016. The committee noted he has been reconciling manually rather than using the Quicken software reconciliation feature. He will attempt to use the Quicken feature to resolve the discrepancy.

We discussed the concerns about the transition and storage of Treasurer's records going forward. Ryan also mentioned the aging Quicken software and age of the NACS laptop used by the Treasurer. Currently the Wells Fargo bank statements are being sent to McAllister & Quinn and then forwarded to the NACS Treasurer. Apparently they are providing NACS with a repository for our records. Ryan was not sure why it is done that way, but this is the process when he took over. Ryan also brought up the need to get back to timely quarterly billing of dues to all states. Another area of concern is the possible expiration of the NACS tax exempt status and filing of IRS 990 forms.

### Committee Suggestions:

1. Work with the board to evaluate the potential for electronic storage of treasurer records on Google Drive. Setup electronic receipt of bank statements to be received by President, Treasurer and Secretary.
2. Continue to emphasize transfer of all treasurer records at convention. If this is not possible, use FEDEX with appropriate tracking rather than US mail to transfer documents etc.
3. Use the Quicken software reconciliation feature to resolve the current \$172 discrepancy,
4. Update to the newest version of Quicken and update the NACS computer or move to QuickBooks software with cloud storage and eliminate the use of the NACS owned computer.
5. Immediately determine the status of NACS non-profit status, renew if expired and file the 2014 & 2015 tax returns. Resolve by February 1, 2017.
6. Void the 2 outstanding checks from the old checking account in Quicken. NACS board to decide whether to reissue those checks.
7. Follow up on the 4 uncashed checks from March. Use duplicate checks in the future for better record supporting documentation.

8. Immediately start the quarterly billing of dues again.
9. Use subcategories to track the periodic miscellaneous charges from McCallister and Quinn that are in addition to the base consulting fee of \$5,000/month.
10. Recommend the board review the treasurer's duties in the operating manual for clarification of what spreadsheets the treasurer is to maintain.

Respectfully submitted,

John Oosterman, CA, Zone A

Darren Metzger, OH, Zone C, Chairperson

Dean Bahr, SD, Zone B

Mora O'Banion, AL, Zone D



# NATIONAL CREDENTIALS REPORT 2016 ANNUAL CONVENTION

Washington, DC – July 10-13, 2016

Zone A	# Delegates	# Alternates
California / Arizona / Nevada	2	0
Colorado	1	0
Hawaii	0	0
Idaho	3	0
Montana / Wyoming	0	0
New Mexico	3	0
Utah	1	0
Washington	1	0
Zone A Total	11	0

Zone B	# Delegates	# Alternates
Iowa	0	0
Kansas	2	0
Minnesota	0	0
Missouri	0	0
Nebraska	5	5
North Dakota	1	0
Oklahoma	0	0
South Dakota	1	0
Texas	4	1
Zone B Total	13	6

<b>Zone C</b>	<b># Delegates</b>	<b># Alternates</b>
Illinois	4	1
Indiana	1	0
Kentucky	4	0
Maine	0	0
Mass. / Conn / R.I.	0	0
Michigan	1	0
New York	0	0
Ohio	2	0
Pennsylvania	1	0
Virginia	3	3
West Virginia	0	0
Wisconsin	1	0
<b>Zone C Total</b>	<b>17</b>	<b>4</b>

<b>Zone D</b>	<b># Delegates</b>	<b># Alternates</b>
Alabama	3	0
Arkansas	2	0
Florida	1	0
Georgia	1	0
Louisiana	0	0
Mississippi	1	0
North Carolina	1	0
Puerto Rico	0	0
Tennessee	2	0
South Carolina	1	0
<b>Zone D Total</b>	<b>12</b>	<b>0</b>

<b>Convention Total</b>	<b>63</b>	<b>10</b>
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Respectfully Submitted,

Ryan Lukassen, Treasurer

Theresa Windham, Secretary

# FARM LOAN PROGRAM COMMITTEE REPORT

**THE FARM LOAN PROGRAM COMMITTEE MET AT THE PATRIOT PLAZA III IN WASHINGTON, D.C., ON JULY 11-13, 2016, TO REVIEW RESOLUTIONS SUBMITTED BY THE MEMBERSHIP.**

**THE FOLLOWING RESOLUTIONS ARE RECOMMENDED FOR ADOPTION:**

## **Resolution 1**

**CONCERN:** When processing restructures using eDALR\$, a write-down option is given at 110% debt service margin. However new loans are approved with 100% debt service margin. Additional approval conditions times take longer and appraisals add cost and result in restructure delays to the borrower.

**PROPOSED SOLUTION:** Amend 5-FLP to require a 100% debt service margin for approval of loan servicing. Allow write-down to be an option only for plans needing to achieve 100% service margin. If eDALR\$ determines a write-down scenario, let the borrower choose that option before appraisals are ordered.

## **Resolution 2**

**CONCERN:** Most FLP forms lack clear instructions for completion or the information needed to be entered into each fillable field. For example, the instructions for form FSA-2232 available at the following link: <http://fsaintranet.sc.egov.usda.gov/dam/ffasform1s/farms.html>

The lack of instructions causes confusion for employees and users of the forms. The confusion can result in significant losses to the government because the forms were not completed with correct or accurate information.

**PROPOSED SOLUTION:** All new, revised, re-issued, or modified forms must have detailed instructions on what is to be entered into each field of the form. All existing forms should have revised instructions completed and issued to users within 24 months of the acceptance of the resolution by the DAFLP. Recommend a task force be established for each FL program area to review and develop instructions for each existing form. The task force shall be made up of NACS members well versed in the program area from differing geographical regions (zones) and encompass states with diversified agriculture and judicial requirements.

## **Resolution 3**

**CONCERN:** FSA-2301, Request for Youth Loan, and FSA-2330, Request for Microloan Assistance, forms allow for minimal amounts of input information regarding the cash flow details and the balance sheet. The information provided by the applicant does not always provide adequate detail so a proper balance sheet and cash flow can be developed in Farm Business Plan.

**PROPOSED SOLUTION:** Amend FSA-2301 and FSA-2330 to provide the following:

- More room to include all sources of planned farm income
- More room to include all planned farm operating expenses
- Provide great description regarding the information that is to be provided by the applicant

- Provide a block to indicate the name and address for non-farm income
- Add a block to each form to indicate the number of years of farming experience since the answer to this question is not always provided by the applicant

#### **Resolution 4**

**CONCERN:** FSA-2313 includes a section pertaining to microloan interest rate. This is confusing to the borrowers who do not have a microloan as I have seen people check the box for the regular loans. The newly revised FSA-231 3 includes borrower training requirements. The letter gives an option of checking the box for training required or waived. After the waiver box, the information regarding appealing borrower training requirement and a place to provide SED and NAD addresses is provided. It is more beneficial to keep important, pertinent information about the loan in front of the borrower and not bog them down with a lot of non-applicable extras. There is also a new block for Documents Required for Loan Closing. The forms instruction gives not guidance on what goes in this block. Are these documents we are requiring the borrower to bring to closing or are we supposed to list promissory note, real estate mortgage, budget, balance sheet, assessment, security agreement, assignment of insurance indemnity, etc.? The door is wide open for each loan official to include different information - some generic and some very specific - which will lack consistency.

**PROPOSED SOLUTION:** Create options within the FSA-2313 so that optional language could be selected for inclusion or deletion as necessary for each specific loan.

#### **Resolution 5**

**CONCERN:** There is no method in DLS to determine if an EFT has been properly set up for a loan account. This can cause a paper check to be issued, creating a longer delay in getting loan funds and increased program costs for the issuance of the Treasury check.

**PROPOSED SOLUTION:** Create an immediate validation in DLS that stops you from processing a 1C check request. This would give a "warning" to stop and verify the EFT to be certain that the loan is properly linked to the bank account.

#### **Resolution 6**

**CONCERN:** When an entity applies for a loan, the individual members are required to fill out their individual information under part C of the FSA-2001. This section does not ask for the marital status of the individual. When you go to put the individual into MIDAS, marital status is a required field.

**PROPOSED SOLUTION:** Modify the FSA-2001 to include a marital status field.

#### **Resolution 7**

**CONCERN:** All Direct loan applications require the year the applicant started farming to be entered into the General Information section of DLS. However, FSA-2330, does not include a block for submission of this information.

**PROPOSED SOLUTION:** Modify FSA-2330, Item 5, on page 4 of 7, and FSA-2001, Item 9, page 5 of 8, to include a should have small box asking for number of years farming and year

started farming. Adequate space is available in position for Item 5 for small box. This will save time and effort for FLP staff and provide information placed by the applicant to be utilized.

#### **Resolution 8**

**CONCERN:** FSA approves a consolidation of a guaranteed loan by executing a modification of the guarantee. There is no specific form reference to use for a modification of the guarantee.

**PROPOSED SOLUTION:** Amend Paragraph 286C to read:

"The Agency approves the consolidation by executing FSA-2245. The modification....."

#### **Resolution 9**

**CONCERN:** FSA Handbook 3-FLP was recently revised with the issuance of Amendment 24 (5-23-16) which changed paragraph 95-A by removing the following. A real estate appraisal is required when real estate is taken as basic security and the amount of the loan to be secured by the real estate exceeds \$50,000. For example, an applicant applies for an OL loan for refinancing. However, due to depressed market values for cattle and machinery, there is a collateral shortage of let's say \$30,000 or they do a smaller loan for a well and septic system for \$20,000. Is it a prudent use of limited PLCE funds to pay up to \$2,500 for a real estate appraisal to support a relatively small amount? The requirement for the need of title clearance for loans over \$10,000 will still assure our required lien position. In addition this will cause additional delays in providing funds.

**PROPOSED SOLUTION:** Reinstating the language before Amendment 24. FSA Handbook 4-FLP Paragraph 119-A Appraisal Requirements for Subordinations should also be revised to include similar language.

#### **Resolution 10**

**CONCERN:** The Microloan and Streamline applications have the "Release of Information" built into the application. However, the section authorizing the release is on a different page than the applicant's signature. Additionally, the FSA-2001 does not contain this type of release information language.

**PROPOSED SOLUTION:** Format the Microloan and Streamline application to have the signature and the section authorize the release of information be on the same page. Insert the required legal language from FSA-2004 onto page 7 of FSA-2001. This will allow negate the necessity to obtain FSA-2004.

#### **Resolution 11**

**CONCERN:** If a producer's loan payment date falls differently than the closing date of the loan. There is not a reference in the DLS customer profile that states the payment date

**PROPOSED SOLUTION:** List the customer payment date in the DLS customer profile.

#### **Resolution 12**

**CONCERN:** An increase in the number of FO loans being completed has created a need to complete more flood searches as per 1-EQ Par. 44 D. This subparagraph instructs FSA to consult FEMA's current flood insurance rate maps to determine if there is a floodplain.

**PROPOSED SOLUTION:** The FEMA website appears to provide all of the necessary information for FSA to make the flood plain determination. Additional training or a training guide be developed to assist FSA loan officials with completing the research on the FEMA site.

### **Resolution 13**

**CONCERN:** Currently we have no way of changing the borrower's payment due dates in the system without completing a full loan restructure using eDALR\$. For example, the borrower has a due date of October 1st annually; however, he markets grain in January due to better market pricing. This is an annually recurring event. We have no way of moving his payment from October 1st to January 1st to better suit the needs of his operation.

**PROPOSED SOLUTION:** Amend the regulations to add a servicing option to change payment due dates without a complete loan restructure. (i.e. revised note, allonge/modification, supplemental payment agreement, etc.).

### **THE FOLLOWING RESOLUTIONS ARE RECOMMENDED FOR NON-ADOPTION:**

#### **Resolution 14**

**CONCERN:** FSA loan applicants and borrowers are charged fees for loan making activities (credit report fees, lien search fees, lien filing, etc.) and loan servicing activities (continuation filing fees, lien search fees, etc.). The calculation of the exact cost of the fees and the collection of subsequent fees can be time consuming and administratively costly.

**PROPOSED SOLUTION:** Charge loan applicants a non-refundable application fee of \$100. This fee will generally be sufficient to cover all fees for the life of the loan. This will allow for timely filing and loan servicing and loan making. The applicant/borrower would remain personally responsible for the payment of fees for goods or services that are provided or performed by an outside vendor, such as real estate appraisals, title work, etc.

**REASON FOR NON-ADOPT:** The market we traditionally serve would not benefit from this \$100 fee. This puts an undue stress on an already underserved or stressed market.

#### **Resolution 15**

**CONCERN:** FSA is lagging behind the commercial lending system in its treatment of delinquent accounts. Many customers need some additional financial incentive to make their payments.

**PROPOSED SOLUTION:** Impose a \$25 late fee when loan payments are received past the due date.

**REASON FOR NON-ADOPT:** While this fee could provide incentive to make the payment, it could be detrimental to accounts who are late for a variety of reasons.

## **Resolution 16**

**CONCERN:** The FMI for Form FSA-2313 states "If a loan applicant's loan package contains multiple loan requests, OMB and OGC requires a separate FSA-2313 for each loan request in a package."

As most loans are contingent upon one another, contain the same borrower responsibilities, closing conditions, and forms to be signed, the need to send multiple 5 page letters seems to be duplicative. This adds excess paperwork to the file and increases postage costs by sending 4-6 letters (2-3 originals and 2-3 borrower copies).

3-FLP does not include the requirement to send a letter for each loan.

**PROPOSED SOLUTION:** Revise Form FSA-2313 to allow multiple loan requests to be included in Part B (as a variable paragraph so it can be deleted if there is only one loan).

**REASON FOR NON-ADOPT:** A unique FSA-2313 is necessary for each loan as each one could have separate requirements for approval.

## **Resolution 17**

**CONCERN:** When growing crops are the primary collateral for an annual operating loan, there is no reference to required crop insurance coverage level in the handbook. A producer can obtain for example an annual operating loan in the amount of \$100,000 and have that loan completely secured by crops only with FSA listed as loss payee. If the producer then elects the lowest possible coverage level and they end up having a poor crop FSA is under-secured and the producer is left having to come up with the difference.

**PROPOSED SOLUTION:** If FSA requires an assignment of indemnity on crop insurance as primary collateral, FSA should determine the coverage level of the insurance and then determine the amount of true security that will be able to be used.

**REASON FOR NON-ADOPT:** FSA should be providing supervised credit to our customers and not managing their operations. Additionally, circumstances could dictate the level of crop insurance coverage available for each operation.

## **Resolution 18**

**CONCERN:** An increase in the number of FO loans being completed has created a need to complete more flood searches as per 1-EQ Par. 44 D. This subparagraph instructs FSA to consult FEMA's current flood insurance rate maps to determine if there is a floodplain. With newer technology, FEMA has placed the flood maps on its website. Unfortunately, the website is not user friendly, hard to read, difficult to locate subject property on, and make an accurate determination. The process of determining if there is a flood plain is a time consuming process for Farm Loan Program personnel. The banking industry also uses these services.

**PROPOSED SOLUTION:** Utilize a service or company to complete flood searches for the Agency, similar to the service used by Rural Development. The cost is around \$18.00 and can be passed onto the borrower similar to the way credit report fees are passed on.

**REASON FOR NON-ADOPT:** The FEMA website appears to provide all of the necessary information for FSA to make the flood plain determination. In lieu of expending customers funds for payment of the service or Type 60 money to pay for the service, additional training or a training guide be developed to assist FSA loan officials with completing the research on the FEMA site.

#### **Resolution 19**

**CONCERN:** The customer profile is not showing previous debt forgiveness- guaranteed on GL borrowers who have had a loss to the government. Per 2-FLP Par 108(C). This information must be verified in order to determine eligibility. If there is question of a loss claim, the loan staff has to go into GLS and research this information. This requires looking at each loan and seeing if an amount is in the Total loss amount box because the loan list does not show an accurate description. This is time consuming.

**PROPOSED SOLUTION:** Modify the customer profile in DLS to include all information regarding losses to the government from all Agencies.

**REASON FOR NON-ADOPT:** GLS is intended to be the primary source for information related to guaranteed loans. Guaranteed losses, depending upon the loss type, were not intended to flow directly to the customer profile in DLS since the loss amount shown might not be a final amount.

#### **Resolution 20**

**CONCERN:** More and more customers are requesting loan withdrawals via e-mail. As employees we are not allowed to manipulate FSA forms or letters.

**PROPOSED SOLUTION:** Modify FSA-2306 to include e-mail with the telephone call portion or a make the response for request by electronic notification.

**REASON FOR NON-ADOPT:** Email is written correspondence and can be used as a basis for the selection on the FSA-2306.

#### **Resolution 21**

**CONCERN:** Although a definition for non-eligible enterprises is listed in 3-FLP, many applicants will use its vagueness to their advantage and argue/appeal when told about it.

**PROPOSED SOLUTION:** Provide a list of common non-eligible enterprises such as alpacas, llamas, miniature cows, pot belly pigs, etc. to provide to borrowers as a definitive "no".



**REASON FOR NON-ADOPT:** It is intended for the list to not be fully inclusive as eligible and non-eligible enterprises can vary from state to state and this will allow FSA the flexibility to make determinations specific to their area.

## **Resolution 22**

**CONCERN:** Handbook states we cannot consolidate loans secured by real estate. While this makes sense for FOs due to maturity/inability to reschedule, this should be an option for OLs as long as the consolidated loan is mortgaged by that real estate.

**PROPOSED SOLUTION:** Allow consolidation of real estate secured OLs by adding language to the instruction that differentiates between FOs and OLs.

**REASON FOR NON-ADOPT:** OGC has determined that this is not possible based upon the ability to foreclose with mortgages or deeds of trust.

## **Resolution 23**

**CONCERN:** The existing farm assessment is very good, but does not adequately address risk management.

**PROPOSED SOLUTION:** Update 1-FLP to encourage and promote risk management tools such as: Buy/Sell agreements for entities; Insurance for life/health/liability/business interruption (for livestock); Crop insurance specifics (which most include somewhere); Fixed rate financing vs. variable; Lease terms (crop & livestock) written vs. verbal, length etc. (again many document this somewhere) The list is not intended to all inclusive.

**REASON FOR NON-ADOPT:** These items can be addressed with the customers through other, possibly more effective, means of supervised credit or in another section of the farm assessment without adding another box in the form.

## **Resolution 24**

**CONCERN:** County offices continue to struggle with proper staffing and having the time as well as travel funds to research and obtain information held at the Register of Deeds. In many counties, this information is available online however access/membership fees apply.

**PROPOSED SOLUTION:** State offices negotiate and arrange a contract with Register of Deeds for statewide access to the online services. This will aid the workforce to be more efficient and effective with the information already available via the internet.

**REASON FOR NON-ADOPT:** This appears to be a state specific concern as these services or similar services are available in some states already.

## **Resolution 25**

**CONCERN:** On Form FSA-2242, Assignment of Guarantee, Item 11B does not have enough space for lenders to adequately describe the servicing fee as a percentage when there is a variable rate involved. An example of this is 1.31% until 1/1/2031 then reset to 1.14%. The

lender is only able to insert 1.31% until and the box will not expand. This either forces the lender to have to type the form on a typewriter or will force FSA to spend valuable time preparing a letter, per the buyer of the note's request, stating what the correct servicing fees are at each point in time.

**PROPOSED SOLUTION:** Expanding the length of field for item 11b would solve this problem and conserve valuable time on behalf of Lenders and FSA staff by not having to issue corrective letters in reference to these variable note servicing fee percentages.

**REASON FOR NON-ADOPT:** This concern has already been resolved by National Office staff via the USDA Connect Technical Review Forum.

## **Resolution 26**

**CONCERN:** Often loans that mature with a balloon payment that producers cannot pay in a lump sum. Many of these balloon payments in Wisconsin are due to setting up a D-OL on an amortization that's longer than 7 years. A. Amortizations longer than 7 years are commonly used in Wisconsin on direct operating loans (D-OL) to help the cash flow of SDA and beginning farmers. Starting their cash crop or dairy ventures often requires large capital purchases in the first few years of business. B. Many dairy producers pay faithfully via dairy assignment each month and would continue to pay the same amount on the loan that matures with a balloon, but they go through a lengthy servicing application process. C. Many hours are spent to get a complete servicing application, run eDALR, and type a new credit presentation.

**PROPOSED SOLUTION:** Add streamlined servicing requests as another Primary Loan Servicing Program under Part 4 of 5-FLP. A. Requirements 1. Would need to meet all requirements outlined in 5-FLP paragraph 102 excluding item 102D 2. Borrower must be current on all payments to all creditors, including the Farm Service Agency 3. Has not experienced any significant changes to their operation since the closing of the original note 4. Presents an updated, positive cash flow plan reflecting the ability for repayment to FSA and all creditors 5. Did not receive primary loan servicing in the previous year 6. Meets all other requirements and eligibility criteria for loan rescheduling as outlined in 5-FLP Part 4 7. There have been no major changes to the original loan security, nor are there any pending security issues 8. A note addendum will be completed that will continue the loan at the existing rate and payment schedule until paid in full according to the original amortization. Addendum will be attached to the original note. B. Application 1. Completed application form 2. Environmental information 3. Farm Operating Plan for the next 12 months 4. Current balance sheet 5. Prior 3 years of financial and production records C. Underwritten similar to streamlined OL's with pertinent information from the original note's credit presentation being carried forward, changes to cash flow and farm assessment will be updated, and the loan official will note that it is a streamlined servicing request. D. Benefits 1. Save on personnel time with a simplified process a) Not necessary to do all of the verifications b) Not necessary to run eDALR c) Expedited underwriting 2. Reward customers for timely making payments with an easier application process (because we know how much farmers love paperwork) 3. FSA's debt will be paid off at an accelerated rate because the debt will not be extended past the original amortization. This reduces losses

to the government and opens up more opportunity for graduation. E. Negatives to this proposition: NONE

Note: If mortgages were taken as additional security and the maturity date was noted on the mortgage, states will have to work with their local attorneys on how to handle the mortgage.

**REASON FOR NON-ADOPT:** It is a statutory requirement that primary loan servicing must be performed through the procedures of 5-FLP and using eDALR\$.

## **Resolution 27**

**CONCERN:** In accordance with Paragraph 352B of 3-FLP, it states that a loan can be approved subject to an acceptable appraisal to be received by the agency prior to loan closing showing adequate security is available for the loan to be issued. These conditions should be listed on the FSA-2313. Paragraph 352E goes on to say that if the conditions cannot be met that are listed on the FSA-2313 then the application is withdrawn and the applicant is sent the non-appealable letter in accordance with 1-APP.

If however, the appraisal is obtained before the loan decision is made and the appraisal shows that there is inadequate security for the proposed loan the loan will be denied and the applicant is given review rights in accordance with Paragraph 144B, 144C & 144E of 1-FLP which states that the applicant has the right to request an independent technical review to ensure the appraisal is USPAP compliant. This is also further clarified in Paragraph 42D of 1-FLP stating specific language that should be included in your denial letter if you deny the loan based off of inadequate security. In addition to that, this is addressed in 1-APP Paragraph 9A stating that a decision made based on appraised security has appeal rights.

**PROPOSED SOLUTION:** Amend Paragraph 352E stating that if the applicant is unable to obtain an acceptable appraisal after the loan is approved subject to an acceptable appraisal the loan is denied and the applicant is provided its review rights as discussed in Paragraph 144B, 144C & 144E of 1-FLP. Along with the further clarification in Paragraph 42D of 1-FLP and Paragraph 9A of 1-APP.

**REASON FOR NON-ADOPT:** The applicant still has the right to submit a new application and address the reasons why the loan could not be closed as approved.

Respectfully submitted by the 2015/2016 Farm Loan Program Committee.

Chantal Haun, Zone A

Denise Lickteig, Zone B Chairperson

Kimberly A. Eilerman, Zone C

Matthew Christian, Zone D

## **FARM PROGRAM COMMITTEE REPORT**

**THE FARM PROGRAM COMMITTEE MET AT THE PATRIOTS PLAZA III, IN WASHINGTON, D.C. ON JULY 11 – JULY 13, 2016 TO REVIEW RESOLUTIONS SUBMITTED BY THE MEMBERSHIP.**

**THE FOLLOWING RESOLUTIONS ARE RECOMMENDED FOR ADOPTION:**

### **Resolution 1**

**CONCERN:** Current FSFL regulations (Notice FSFL-135) does not include silo unloaders and feed grinder/mixers as eligible equipment for the FSFL program. Livestock producers depend upon this equipment to move the silage from the silo to the feed bunks, just as a grain farmer relies on an auger to move grain from a grain bin into a truck of which both are eligible equipment.

**PROPOSED SOLUTION:** Update 1-FSFL to include silo unloaders and feed grinder/mixers as eligible equipment for the FSFL program.

### **Resolution 2**

**CONCERN:** Farms with less than 5 acres of vegetables, insurance is often unattainable since NAP insurance becomes more expensive based on income margin. It causes undue hardship on staff (FLP & FP) and producers, due to many newer fruit and vegetable microloan operators operating on a small scale basis, resulting in an uninsurable commodity, leaving loans barely secured.

**PROPOSED SOLUTION:** Create a micro-NAP pilot program to compensate for the growing number of fruit and vegetable farms operating on a small-scale basis. Create a simplified application, crop reporting system and process for these small scale producers. Program would benefit producer, time requirements of Farm Program office and often burdensome process for small scale producers. Program would expand participation and promote NAP program too many small scale fruit and vegetable operations.

**THE FOLLOWING RESOLUTIONS ARE RECOMMENDED FOR NON-ADOPTION:**

### **Resolution 3**

**CONCERN:** The State Office in my state has established a FLP-only listserv to cut down on unnecessary emails to Farm Programs, however they have not done the same. It takes up time and server space to send out all these emails when they only apply to part of the agency.

**PROPOSED SOLUTION:** Direct Farm Programs to set up a separate listserv in each state.

**EXPLANATION FOR NON-ADOPTION BY THE COMMITTEE:** The committee believes this is a state issue and not a policy issue.

### **Resolution 4**

**CONCERN:** In the case of an entity, when an entity applies for a loan the individual members are required to fill out their individual information under part C. This section does not ask for the marital status of the individual. When you go to put the individual into MIDAS, marital status is a required field.

**PROPOSED SOLUTION:** Either put marital status on the FSA-2001 or make it not a required field in MIDAS.

**EXPLANATION FOR NON-ADOPTION BY THE COMMITTEE:** The committee recommends submitting this to the Technical Forum on USDA Connect which was established to address these types of resolutions.

## **Resolution 5**

**CONCERN:** 3-FLP provides guidance to process applications based on complete application date. There is no guidance for FLP processing of FSFL loan requests when there are existing Direct FLP applications on hand. There are states that are requiring FSFL requests to be moved to the front of the line even though there may be a backlog of direct FLP requests.

**PROPOSED SOLUTION:** Update handbook to show that FSFL applications will be processed by complete application date the same as FLP direct loan requests and that neither one will get a priority to be processed in front of another.

Respectfully submitted by the 2015/2016, Farm Program Committee.

Jessica Davis, Zone A

Rebekah Martin, Zone B

Tiffany Grody, Zone C, Chairperson

Charlean Smith, Zone D

# INFORMATION TECHNOLOGY COMMITTEE REPORT

THE INFORMATION TECHNOLOGY COMMITTEE MET AT PATRIOTS PLAZA III, IN WASHINGTON, D.C. ON JULY 11 – JULY 13, 2016, TO REVIEW RESOLUTIONS SUBMITTED BY THE MEMBERSHIP.

THE FOLLOWING RESOLUTIONS ARE RECOMMENDED FOR ADOPTION:

## Resolution 1

**CONCERN:** Events can only be entered in OTIS prior to the actual event for approval.

**PROPOSED SOLUTION:** Add a check box to mark event as unplanned which will allow user to input results for one approval.

## Resolution 2

**CONCERN:** Dashboard items are not always able to be completed by designated times frames due to lack of resources, however the only options are to delete them or mark them complete.

**PROPOSED SOLUTION:** Add an option for multiple selection of items that have a lower priority (such as farm assessment, chattel inspections, analysis, classifications, etc.) to mark them “not complete”. Also for completed items, create a summary page where you can view all items that have workflow that needs to be completed and can all be updated from that main page. Similar to how we have our loan checklist in DLM. However, don't remove where we can go into them individually. Add an option for multiple “customer” selection of specific categories (such as farm assessment, chattel inspection, analysis, classifications) to mark as “not complete”.

## Resolution 3

**CONCERN:** After checks are processed in NRRS, there is too much time lapsing before checks are completely processed (sometimes as long as 60 days), and we are releasing security in accordance with procedure before we are realizing that checks have been dishonored.

**PROPOSED SOLUTION:** When checks are marked as final payment in NRRS, FLMs should receive notification within seven business days when a check has been honored or dishonored to prevent security from being released in accordance with procedure (30 days).

## Resolution 4

**CONCERN:** DLS shows the incorrect number of years remaining for the term limits. This causes the field staff to manually calculate and update the field which adds time to loan processing.

**PROPOSED SOLUTION:** Fix DLS to show the correct number of years remaining for term limits as reflected in PLAS.

## Resolution 5

**CONCERN:** Inputting emails into the notes section of FBP is very time consuming.

**PROPOSED SOLUTION:** Allow us to attach/upload files to the FBP notes section.

#### **Resolution 6**

**CONCERN:** FSFL are able to obtain real-time payoffs in DLM, but FLP aren't.

**PROPOSED SOLUTION:** Allow FLP to have the same functionality.

#### **Resolution 7**

**CONCERN:** USDA provides online services to enable its customers access USDA Web applications using eAuthentication. When a customer registers and is upgraded to Level 2 they should have access to FSAfarms+, Financial Inquiries for FSA Producers, etc. The FSA provides access to these online programs to individuals but doesn't provide these services to entities or their representatives. Individual members of an entity can register and be upgraded to level 2 but this doesn't provide access to the entities customer records.

**PROPOSED SOLUTION:** USDA and FSA should update online access to customer records and link individual entity members, with level 2 clearance, to the entity's customer records similar to the access provided to individual producers.

#### **Resolution 8**

**CONCERN:** Laptops we are provided are excessively heavy (especially considering the files we also must take with us) as well as slow and with poor screen quality.

**PROPOSED SOLUTION:** Since we always use them when connected to the internet, Surface Pro would be much cheaper and more mobile.

#### **Resolution 9**

**CONCERN:** We are unable to pull a report with all loan officers by bank in GLS.

**PROPOSED SOLUTION:** Create a report that lists the bank and Loan Officer with contact info (email, address & phone number) within a servicing offices territory.

#### **Resolution 10**

**CONCERN:** Currently there is no place on the DLS Dashboard to record a chattel appraisal done by FSA or 3rd party other than the Loan Making Checklist Environmental area. Our appraiser each year asks us for a list of chattel appraisals completed.

**PROPOSED SOLUTION:** Under the DLS Farm Visit tab add a checkbox for chattel appraisal completed. Also provide an interface between FMMI & PLAS into DLS to show 3rd party appraisals have been completed.

#### **Resolution 11**

**CONCERN:** Payment remainder letter does not address accrued interest. See attached letter.

**PROPOSED SOLUTION:** Add wording to address accrued interest for the design of the letter to look more like a payment statement.

#### **Resolution 12**

**CONCERN:** Currently there is no way to keep track of PAD for customers.

**PROPOSED SOLUTION:** Designate on customer profile if customer has PAD; Implement report to track who has PAD payments; Designate PAD Payments in DLS or ADP history screens.

#### **Resolution 13**

**CONCERN:** GLS prefills the guarantee fee on the conditional commitment when using the data filled forms option for loans being made in conjunction with a direct down payment loan with a non-beginning SDA applicant. A guarantee fee is not required

**PROPOSED SOLUTION:** Program GLS to have either a code or block to show that this is a non-beginning farmer SDA applicant for a loan being made in conjunction with a direct FLP down payment loan.

#### **Resolution 14**

**CONCERN:** It takes a lot of time to go through the DLS dashboard and select each item, update, save, then select the next item.

**PROPOSED SOLUTION:** Create a summary page for individual borrowers where you can view all items that have workflow that needs to be completed and can all be updated from that main page. Similar to how we have our loan checklist in DLM. However don't remove where we can go into them individually.

#### **THE FOLLOWING RESOLUTIONS ARE RECOMMENDED FOR NON-ADOPTION:**

#### **Resolution 15**

**CONCERN:** Enterprise Analyses must be preloaded into Farm Business Plan for each individual borrower.

**PROPOSED SOLUTION:** It would be a significant time savings to have the Enterprise Analysis feature of Farm Business Plan preloaded for all borrowers.

**EXPLANATION FOR NON-ADOPTION BY THE COMMITTEE:** This capability is already available at the state level.

#### **Resolution 16**

**CONCERN:** All FSFL and FLP reminders show up on the dashboard. In states where FSFL is not administered by FLP, it is difficult to manage only FLP customers as FSFL customers are also included in the reminders lists.

**PROPOSED SOLUTION:** Create a tab for FLP and a tab for FSFL, so that FLP reminders can easily be sorted from FSFL reminders.



**EXPLANATION FOR NON-ADOPTION BY THE COMMITTEE:** This issue has already been resolved.

#### **Resolution 17**

**CONCERN:** On the FBP Assessment Term Limits section for FO under 2a it states "Have until the following date to apply for another FO (Subject to a limit of 10 outstanding years of total FO eligibility)."

**PROPOSED SOLUTION:** Change it to read "Have until the following date to close another FO (Subject to a limit of 10 outstanding years of total FO eligibility)."

**EXPLANATION FOR NON-ADOPTION BY THE COMMITTEE:** This issue has already been resolved.

#### **Resolution 18**

**CONCERN:** Corrections to collateral codes are needed to ensure that they properly describe the actual security taken for the loan(s). In addition to the code corrections, collateral information should flow to the 540 report or other report.

**PROPOSED SOLUTION:** Develop an easily accessible report that reflects the actual security associated with each individual loan.

**EXPLANATION FOR NON-ADOPTION BY THE COMMITTEE:** We are able to pull collateral code report from Data Mart.

#### **Resolution 19**

**CONCERN:** DLM does not notate an individual's account being linked to a specific entity account if they are a member of an entity.

**PROPOSED SOLUTION:** Add to customer profile of DLM the name of the entity that an individual is linked to.

**EXPLANATION FOR NON-ADOPTION BY THE COMMITTEE:** If entity relationships are entered correctly into Business Partner the active entity loans will show up on the individual's customer profile.

#### **Resolution 20**

**CONCERN:** When using the fillable forms out of GLS, the forms only populate with one name and not all the related entity names. This causes problems as the county office has only two choices: 1. Type the other names on the forms with a typewriter or 2. Use the regular form off the forms website. Each of these options take valuable time away from employees, when the form should populate with the needed information in the first place.

**PROPOSED SOLUTION:** A linkage needs to be established to pull all applicants and related entity names on to all fillable forms produced from GLS.

**EXPLANATION FOR NON-ADOPTION BY THE COMMITTEE:** The Conditional Commitment states that each individual entity member should sign, therefore only the entity name needs to be on these forms.

#### **Resolution 21**

**CONCERN:** The state office in my state has established a FLP only listserv to cut down on unnecessary emails to Farm Programs, however they have not done the same. It takes up time and server space to send out all these emails when they only apply to part of the agency.

**PROPOSED SOLUTION:** Direct Farm Programs to set up a listserv in each state.

**EXPLANATION FOR NON-ADOPTION BY THE COMMITTEE:** This will not fit with goals set by "One USDA" and Bridges to Opportunity.

#### **Resolution 22**

**CONCERN:** There are multiple printers in the office that are unusable, take up space, and are still being paid for.

**PROPOSED SOLUTION:** Identify unused and nonworking printers to be removed from the office inventory to lower costs.

**EXPLANATION FOR NON-ADOPTION BY THE COMMITTEE:** State offices are already receiving quarterly or monthly inventory reports. Additionally, the manager of an office can notify ITS to remove any access equipment.

Respectfully submitted by the 2015/2016 Information Technology Committee.

LeAnn Gibbs, Zone A

Kris Bargaen, Zone B

Becky Minter, Zone C - Chairperson

Patricia Sorensen, Zone D

## **MANAGEMENT/PERSONNEL COMMITTEE REPORT**

**THE MANAGEMENT PERSONNEL COMMITTEE MET AT THE PATRIOT PLAZA III IN WASHINGTON, D.C., ON JULY 11-13, 2016, TO REVIEW RESOLUTIONS SUBMITTED BY THE MEMBERSHIP.**

**THE FOLLOWING RESOLUTIONS ARE RECOMMENDED FOR ADOPTION:**

### **Resolution 1**

**CONCERN:** Applicants are applying for positions with little or no knowledge of our internal hiring policies. They apply for a job that is posted as a GS 5/7/9. By virtue of their lack of understanding of our grade designation they select incorrectly. This seemingly innocent mistake has far reaching implications. The applicant when selected is now offered a position below their education/qualification level. They are typically onboard when they learn of this issue and become displeased.

**PROPOSED SOLUTION:** Allow the Agency to determine the grade level based upon the supported qualifications. Make sure the instructions on USA Jobs are clear, so that applicants understand that they can apply for all grade levels. Ensure customer support is fully versed and available to answer questions from applicants.

### **Resolution 2**

**CONCERN:** Currently states are participating in National Pathways events that are intended to cover a region of several states. Nevertheless, the impact this program has been positive, the non-hosting states are being limited of qualified talent from their states due to logistic issues that potential applicants may face.

**PROPOSED SOLUTION:** Delegate authority to states to regulate and host their own state Pathways program.

### **Resolution 3**

**CONCERN:** Currently new FLM's don't receive any administrative training other than limited AgLearn trainings.

**PROPOSED SOLUTION:** Provide FLM's administrative training (13a's, personnel . . . etc.)

### **Resolution 4**

**CONCERN:** 118-FI & other applicable travel regulations still refer to completing an AD 202 for authorizing travel while reserving funds is no longer required. A BU Notice was issued stating that offices only need complete AD 616 for local travel which is paid through Web TA. Also, the OF 108 is still required in addition to the AD 616.

**PROPOSED SOLUTION:** Update the applicable handbook regulations to eliminate the need for the completion of the AD 202 & OF 108 in this regard.

### **Resolution 5**

**CONCERN:** Recently 55 partners were selected to enter into a cooperative agreement with FSA and others are slated to be selected. Multiple recipients were selected as USDA FSA partners through cooperative agreement, but what specific areas will these recipients be working in and what services will each provide to aid FSA and provide service to farmers and ranchers

**PROPOSED SOLUTION:** Provide a matrix of these providers that shows what they will be providing and where with appropriate contact information.

## **THE FOLLOWING RESOLUTIONS ARE RECOMMENDED FOR NONADOPTION:**

### **Resolution 6**

**CONCERN:** Under the referenced paragraph, in order to qualify as a Type 1 Office, the office must provide full service for all FP and FLP. As a clarifying "note", it states that "CEDs, FLMS, and SFLOs will be headquartered at Type 1 offices with fully trained staffs." In the case of a Shared Management CED covering two offices, one with FLP staff and the other without FLP staff, DAFO has interpreted this "note" to mean that the CED must maintain their ODS at the FLP site. In at least one case that I am aware of, this has created major problems in terms of paying for POV travel to and from the two offices. The Type 3 office has plenty of FLP activity and three full-time FLP staff, but hardly any FP activity. The CED's other office, a Type 3 office, has heavy FP workload, so that is where they live and work 4 days out of 5. With the requirement that the ODS be in the Type 1 office, we cannot reimburse the CED for travel from their primary office (Type 3) to their ODS (Type 1). They are forced to travel on their own dime to do their job. It should also be noted that the Type 1 office does have a full-time dedicated Farm Program PT, meaning that FP service is available even without the CED's presence.

**PROPOSED SOLUTION:** The intent of a Type 1 office is to provide full service across both FP and FLP programs. The "note" in 16-AO, para. 286 B should be amended to state that in order to qualify as a Type 1 office, "A CED or other full-time Farm Program staff, FLMS, and SFLOs will be headquartered at Type 1 offices with fully trained staffs." This change will remove the travel problems in cases like the one that I have described, and allow the agency to designate a CED's or FLM's ODS in the site that makes the most sense, without requiring that they travel on their own dime to conduct official business.

**EXPLANATION FOR NON-ADOPT** – not an FLP issue

### **Resolution 7**

**CONCERN:** FLP personnel are being made responsible for Farm Storage Facility Loan processing up to the point of recommendation to the committee. There is no written delegation of authority for these actions.

**PROPOSED SOLUTION:** The delegation should be in writing.

**EXPLANATION FOR NON-ADOPT** – No delegation of authority is required to make a recommendation to the COC.

### **Resolution 8**

**CONCERN:** When a supervisor is to be out of the office they name an "Acting" FLM. This person does not receive the authority to approve any Web TA transactions.

**PROPOSED SOLUTION:** Allow authorities to flow to the named "Acting"

**EXPLANATION FOR NON-ADOPT** – Non supervisory non admin employees do not need access to WebTA records for coworkers.

#### **Resolution 9**

**CONCERN:** Some States continue to require the FSA 958 for employees in addition to the the Web TA which is an exact duplication of the data. this is an inefficient use of time. Some also utilize alternate systems for approving leave in addition to the Web TA.

**PROPOSED SOLUTION:** The National Office should issue guidance that clarifies the official system and employees should not be required to duplicate work.

**EXPLANATION FOR NON-ADOPT** – This is already policy and a State issue

#### **Resolution 10**

**CONCERN:** Currently, there are GS-11 Loan Officers who are independently managing caseloads at an SFLO level. It appears the SFLO job position has been used more in cases where people do not meet the supervisory requirements [at least 3 people] for an FLM, rather than promoting and rewarding employees who are performing above their duties.

**PROPOSED SOLUTION:** Encourage and emphasize to states they should determine the work level for a SFLO and use the SFLO job position as a promotion/management tool for current, independent FLOs who are working at the established SFLO work level.

**EXPLANATION FOR NON-ADOPT** – it appears that concern is actually, one of the main reasons that NACS promoted the development of the position. Committee feels like each state should set their own policy regarding use of the SFLO

#### **Resolution 11**

**CONCERN:** Recently HR implemented a new system that was to reduce the time it took to fill a position with a goal of 80 days. What actually happened is the system shifted a lot more of the work to the states. In addition, HR now has to ALLOW YOU to submit an SF-52. Until they allow the SF-52 to come into the office, their processing time does not start. They delay accepting SF-52s for months or lose them entirely. As a result they brag on how many actions are completed in 80 day goal.

**PROPOSED SOLUTION:** HR should be held to the same standard as our loan officers. FLP has to accept incomplete applications regardless of current workload. It is then our job to get them complete and all these days count against our processing goals. NACS should demand that this disparate and discriminatory treatment be stopped immediately. Or better yet, we should only be measured from completion date as those days are the only ones within our control.

**EXPLANATION FOR NON-ADOPT** – Concern needs to be rewritten for clarification. Solution is inappropriate.

## **Resolution 12**

**CONCERN:** The ability to utilize the Senior Farm Loan Officer Position is hard determine what criteria is needed to justify the positions.

**PROPOSED SOLUTION:** Place the criteria & justification needed to qualify or a Senior Farm Loan Office in Procedure and the steps needed to fill the position.

**EXPLANATION FOR NON-ADOPT** – Committee feels like each state should set their own policy regarding use of the SFLO

Respectfully submitted by the 2015/2016 Management Personnel Committee.

April Bryngelson, Zone A

Jason McMillin, Zone B, Chairperson

Jason Issac, Zone C

Jamelda Fulton, Zone D

## July 14, 2016 Old/New Board Meeting

The Old and New NACS Boards meeting was called to order by John Gehrke at 2:25 pm EST on July 14, 2016 at the Patriots Plaza in Washington, DC. Members in attendance were John Gehrke, Tanya Dostal, Lisa Liska, Theresa Windham, Ryan Lukassen, Jeremy Burner, Clifford Russell, Cheryl Brooks, Jamelda Fulton, Joseph Grier, Casey Toyne, and Ray Bartholomew. Note: Allen Hall, Ben Herink, & Maureen Mausbach were present for parts of the meeting to give reports.

### Old Business

- I. Report from Allan Hall
  - A. Update on steps taken and needed to correct the tax exempt status of NACS-FSA
    - 1. Tax Filing status:
      - a. FY 15 tax returns were filed, however we do not have a copy.
      - b. FY16 tax returns need to be filed by 10-15-2016.
    - 2. Action Items:
      - a. Allan recommends in the future that the current Treasurer file the returns soon after the close of the FY (May 31<sup>st</sup>) and prior to the annual convention. This will have the person doing the filing be the same person that was responsible for keeping the records.
      - b. Allan to email completed IRS forms 1024 and 8718 to John Gehrke.
      - c. Names and addresses of executive board members were obtained as, while not originally required, they are now because of the defaulted filing status of our tax returns.
- II. Reports from Old Board
  - A. President's Report – Lisa Liska:
    - 1. Convention Issues
      - a. Things ran very smoothly.
      - b. Invites for national office guests/speakers will be different next year based on location
      - c. Make sure agenda is completed early for the invited guests.
        - i. The agenda is the basis for DAFO to approve administrative leave.
        - ii. Same advice for Zones on timeliness of agenda.
        - iii. Use templates as times & subject matter are what is important and names can be filled in later.
        - iv. Typically 6 hours for NTO speaker and ½ hour for benefits training.
    - 2. FY 2016 Goals
      - a. Goals were met with the exception of the following:
        - i. Membership Goal was 840 we are at 712.
        - ii. Committee call goals not met, however they were not merited and committees functioned appropriately.
        - iii. Convention attendance goal of 90 was not met – attendance was
        - iv. Zone newsletter goals were not met. With Zones B & C on newsletter after Zone meeting.
    - 3. Other
      - a. Will have suggestions under new business later on tweaking the method and timing of communications with members.
  - B. Vice President – John Gehrke:
    - 1. Suggestions for 2015/2016 Committee Resolution Process.
      - a. Work on follow ups sooner so that the time crunch before zone meeting is mitigated.
      - b. Work personal contacts as needed.
      - c. Good experience with committee chairs negating the need to sit in on all conference calls. Sat in on those deemed necessary.

- C. Secretary – Theresa Windham:
  - 1. Annual Reports – Recommendations
    - a. Start now building the report now.
    - b. All documents on flash drive & computer.
    - c. Electronic version does not have dividers like the printed copies.
  - 2. Newsletters – 4 pages – out in one week, not one month as information becomes dated.
  - 3. State Presidents Guide was updated and should be close to good for current year. - Included only those sections of the Operating Manual that the states need.
  - 4. Rules are published on the web.
  - 5. Board meetings – president sends agenda – take notes and email draft of minutes to board in 5 days.
- D. Treasurer – Ryan Lukassen:
  - 1. Convention Bills to be Paid
  - 2. Plans to invoicing back up and running for dues
  - 3. Approximately \$500 was collected for the Wunder Fund.
  - 4. Move record keeping to the cloud – possibly with Quicken – recommendation will be under new business.
- E. Past President – Tanya Dostal:
  - 1. Status of Job Descriptions/Duties
  - 2. Budget for awards was short – shipping added to the cost.
  - 3. Contacts for BS&T award is done by Hasty in Kansas as they have the setup – see the billing for contact information
  - 4. The committee gift bags were ordered from 4 Imprint in Nebraska and Tanya did the certificates herself with stock from Office Depot. 4 Imprint would have the templates/setup – see billing for contact information
  - 5. Reminder that we are acting on behalf of our members desires.
  - 6. Suggest consider utilizing past presidents on task force opportunities where their contacts could be advantageous.
- F. Zone Representatives
  - 1. Need to make more contacts/calls with state presidents.
  - 2. Creating new working group to assist with Zone Meeting when with new host state.
  - 3. Membership committee to assist with guide on how to start as state association.
  - 4. Note that Delaware now has one member.
  - 5. Commit to adopting a state to assist them in becoming more active.

#### Old Business

- I. Dues – No changes were voted on for dues, thus dues remain as follows:
  - A. National NACS Dues are \$144 per year
  - B. Associate National Dues are \$20 per year
  - C. National Lifetime Membership is \$100 – paid one time
  - D. National NACS Dues are \$52 for any first time member who joins between Jun 1<sup>st</sup> and May 31<sup>st</sup>.
- II. Legislative Priorities:
  - A. Increase Guaranteed & Direct Loan limits
  - B. Remove Direct loan Term Limits
  - C. Integrity of the program – more funding for staffing as more funding is given for loans.
  - D. Ben Herink reported to the joint board that the day on the Hill had been very successful. He noted that it made “Politico”. The talking points document provided by the Legislative committee and used during the Hill visit is included as attachment A of the minutes.
- III. Directory Update
  - A. Review Operating Manual and enhance as a step-by-step guide
- IV. Confidentiality of Board Member Correspondence



- A. John Gehrke emphasized that we as a board need to be discerning in our communication keeping in the mind the confidentiality of emails, correspondence, and phone conversations. No government email or phones are to be used. It was noted that new phone system can send the voice message to your email in what would appear to be stored indefinitely as part of the governments system of records.
- V. Job Duties for New Board members:
  - A. President
    - i. Letters to SED's for Newly Elected Board
  - B. Vice President
    - i. Committees
    - ii. Letter's to SED's for New Committee Members and Alternates
    - iii. Federal Register Monitoring
    - iv. USDA Connect – monitoring technical change forum
    - v. If new resolution(s) submitted is a technical change only submit through USDA Connect.
  - C. Secretary
    - i. Newsletters
    - ii. Minutes
    - iii. State Presidents Guide
    - iv. Annual Report
  - D. Treasurer
    - i. Monthly Account Balance Updates
    - ii. Monthly Budget Updates
    - iii. File Tax Returns by Certified Mail
    - iv. Debit Cards/Bank Accounts – Authorized Access (Secretary send card to the bank)
  - E. Past President
    - i. Letter to SED for newly elected president
    - ii. Operating Manual
- VI. Committee Assignments – President collected committee surveys and verbal input was provided by Zone Reps in support of key candidates.
- VII. NACS Zone Meetings – Dates and Places
  - A. Zone A – Seattle, WA – March 2-4, 2017
  - B. Zone B – Sioux Falls, SD – February 2-4, 2017
  - C. Zone C – Pennsylvania – March 9-11, 2017
  - D. Zone D – South Haven, MS (Memphis, TN) – February 9-11, 2017
- VIII. Audit Committee Report/Recommendations
  - A. Based on recommendations from the audit committee, Ryan Lukassen moved that the board authorize him to seek other financial record keeping methods to do cloud storage and enter into a monthly fee (agreement) of up to \$15. Jeremy Burner seconded the motion. It was discussed that he might try the Quicken Book 30 day free trial to see how well it might work for our records. Motion passed.
- IX. Goals for the Coming Year
  - 1. Membership – 735 members
  - 2. Convention Attendance – 80 members in attendance
  - 3. Zone Meeting Attendance – at least one member from each State Association attend their Zone Meeting
  - 4. Monthly conference calls conducted by NACS Board (Zone Rep Alternate to attend if Zone Rep cannot)
  - 5. Semi-annual conference calls conducted with the State Presidents & State Treasurer
  - 6. Conduct one conference call with each Committee after National Office responses are received and one prior to National Convention
  - 7. Tow Newsletters prepared by the Secretary and emailed to the membership per year (One after National Convention and one after the NACS Board Meeting with the National Office Leadership)
  - 8. 12 Presidential Updates one year

9. One Zone communication prepared by the Zone Representative and Secretary and emailed to the Zone members within one week of the end of the Zone meeting
10. One communication prepared by the Zone Representative and emailed to Zone members per year.
11. 12 posts on social media websites (Facebook) per year
- X. Relations with Other Employee Organizations
  - A. FSA Association Quarterly calls.
  - B. John Gehrke plans to attend the NASCOE Convention in Cedar Rapids, IA - August 3-6, 2016.
- XI. Review 2016/2017 budget
  - A. Ryan Lukassen presented the previously approved budget for inclusion in the 2016 annual report as it was inadvertently left out. It will be shown as an attachment after page 135.
  - B. Ryan Lukassen moved to combine the "WDC Board Meeting" with the "NASCOE Conv. Pres Travel" and rename the category "General Board Travel" moving both budgeted amounts into the new category for a total of \$4,000. Lisa Liska seconded the motion. There was no additional discussion. Motion passed.
  - C. Ryan Lukassen moved that we approve the \$15.06 overage on the cost of the awards. Jeremy Burner seconded. Motion passed.
- XII. Corporate Sponsors
  - A. John Gehrke commented that Andy Quinn had made the contacts on NACS-FSA's behalf and is continuing to do so. John noted that we would stay out of those discussions as much as possible.
  - B. Suggested uses for those type of funds included:
    - i. Percentage of funds received back to McAllister & Quinn
    - ii. Replace funds taken out of the Fairness Fund as part of those funds were used to pay the attorney that rendered the opinion that it is okay to solicit corporate sponsors.
- XIII. Convention Committee Status
  - A. Maureen Mausbach reported that while the final numbers for revenue and expenses have not been tallied all bill will be able to be covered by revenue taken in.
  - B. IT fees for the convention had been budgeted based on paying IT as they are separate entity from FSA. The actual bill came in less that was budgeted.
  - C. John will look at the makeup of the standing committee and will consider some changes if merited.
  - D. It was noted that NASCOE is already working on their location for their 2019 convention.
  - E. It was recommended that we again seek an outside speaker as was done this year.
- XIV. Membership Campaign.
  - A. Consistency on this standing committee seems to be helpful.
  - B. Possibility of three year terms.
  - C. Looking to reinstate state coordinators. Plan is to contact State Presidents.
- XV. Communications Committee – website editor, other duties
  - A. Need replacement for Becky Miter on this standing committee.
- XVI. Newsletter – Discussion focused on how to do communication more effectively and the following bullets were not fully discussed.
  - A. Assign Articles
  - B. Due date for National Convention Newsletter – need to be shorter to get information out timely
- XVII. Presidential Appointments
  - A. Convention Committee Members
  - B. Communication Committee Members
  - C. Historian
- XVIII. ABA Conference: Indianapolis, IN -- November 14-16, 2016
  - A. It was discussed that this has been considered official time in the past for a NACS representative to attend. John Gehrke plans to attend. Ben Herick would be a second possibility as Legislative committee representative to the meeting.

XIX. Where do we go from here? – The following were provided by John Gehrke as discussion items with no specific action taken at this time.

- A. Committee make up/structure
- B. Resolution Process
- C. Zone Structure
- D. Business manager/Treasurer
- E. Joint Convention
- F. New Administration

Joseph Grier moved we adjourn and Ryan Lukassen seconded – motion carried – meeting adjourned  
6:00 PM

Ray Bartholomew  
NACS Secretary  
2016-2017

## **August 2, 2016 Board Conference Call**

The NACS Board met August 2, 2016 via teleconference with John Gehrke calling the meeting to order at 1:32 PM CST. Members in attendance were, Casey Toyne, Kim Eilerman, Lisa Liska, John Gehrke, Theresa Windham, Ryan Lukassen, Joseph Grier, and Ray Bartholomew.

### **Minutes**

The Old / New board minutes July 2, 2016 minutes were presented by Secretary, Ray Bartholomew with corrections noted.

~~It was moved by Ryan and seconded by Joseph to approve the minutes as amended.  
Motion passed~~

### **Treasurer Report**

No formal report was requested or provided to the board; however, it was noted that there had been no expenditures since convention but a deposit of \$4762 had been made with \$330.92 to be transferred to the Wunder Fund.

### **Board Reports: President John Gehrke**

- Plans to attend the NASCOE Convention August 4<sup>th</sup> & 5<sup>th</sup>
- The IRS documents have been completed by Allen hall and sent to the IRS
- Esther (Nicole) Cleggs-Burns was appointed to the PT Working
- Rural Lenders Association meeting in WDC in October. It was decided that Andy Quinn would represent us since Ben Herink is unavailable. Their annual meeting will then switch to a Spring format to be held – April 17<sup>th</sup>, 2017. Ben will plan to attend that to represent NACS.
- Nov 13-16 – ABA Conference in Indianapolis. NACS will be asking the Agency to provide a slot for NACS.
- Farmer Mac is hosting a stakeholders meeting on the Sunday evening prior to the ABA Conference.
- Ben – reimbursement for professional liability insurance through Feds - \$10 NACS discount code – FSA pays 50% and association has agreed to pay 50% - John to follow up with Ben.
- The site of the 2017 NACS Convention was discussed. NASCOE offered to have NACS/NASE/NADD join them in St. Charles, MO. The convention committee sent out bid sheets to Embassy Suites in St. Charles; the same that was sent to the other sites. Convention surveys require some follow up by Zone reps & other board members.

### **Vice President – Theresa Windham**

Resolutions will be ready to send once she gets the National Office contacts  
Already signed up for the Federal Register Alerts  
USDA Connect – Anne Steppe. NACS has provided the names of the new Board members to Ann Steppe and will be providing the names of committee chairs.

### **Secretary – Ray**

### **Treasurer – Ryan**

Invoices to go out to the States by Sunday  
New checks have been ordered

Books have been updated  
Looking at an on line record keeping system as a cost effective alternative to a new lap top

**Past President – Lisa Liska**

Operating Manual – looking at revamping – will initiate the task

**Zone Representatives**

**A – Casey Toyne**

Has list of state presidents

**B – Joseph Grier**

Looking to get state membership coordinators contact from each state

**C – Kim Eilerman representing Jeremey Burner**

Zone C meeting to be held in Pittsburgh March 9-11

**D – No Report. Zone representative was not available**

**Old Business**

**Corporate sponsors**

Andy Quinn – no follow up done at this time – still on the radar.

**New Business**

**Membership Committee**

Get more than just the committee involved – state coordinators. Possible tie membership Chair into the technical committee  
Pertinent notes from past committee that Lisa can provide as well as video footage from convention

**Communication:**

Becky may still be interested in taking the social media (Facebook) lead  
Tech team – needs help on where we go  
Monthly calls to stay in contact  
Mark D, Joseph-web page, Becky-Facebook  
Chantel – might be able to get some feedback from her husband (Chris).

**Schedule**

Next board call will be September 7<sup>th</sup> or 8<sup>th</sup> time to be determined.

Lisa moved we adjourn, Ryan seconded. Motion carried.

The meeting was adjourned at 2:28 CST.

Ray Bartholomew  
NACS Secretary  
2016-2017

## September 8, 2016 Board Conference Call

The NACS Board met September 8, 2016 via teleconference with John Gehrke calling the meeting to order at 12:00 PM.

ROLL CALL –John Gehrke, Lisa Liska, Theresa Windham, Ryan Lukassen, Jeremy Burner, Jamelda Fulton, Joseph Grier, Casey Toyne, Jamelda Fulton, Ray Bartholomew, Ben Herink for the legislative report

Legislative Report: Ben Herink reported the following items:

- Ben met with Jim Radintz Tuesday about budget & backlog & they discussed NACS drafting a news release highlighting the use of funds and the back log noting the recent transfer of funds of \$97.7 Mil for G-OL & \$87.6 Mil for D-OL with additional projected shortage of \$70 to \$80 Mil on D-OL and \$100 to \$120 Mil for G-OL.
- \$150 Mil for D-OL and \$200-250 Mil for G-OL would be projected short falls to use in the proposed media release for FY17 based on the probability of a continuing resolution for budget.
- Jim said they are looking at using a budgeting tool called anomaly &/or advance appropriation to have access to 40 or 50 % instead of the standard 25% CR apportionment for the 1<sup>st</sup> quarter of the FY
- Jim is projecting usage at 66.5 % normal and with back log 75%. By Feb 10, 2017 we would be projected to be out of money.
- Length of CR unknown
- Current polling would indicate the democrats may control senate. This would place Debbie Stabenow, MI most likely to be chair of the Senate Ag committee. This would bring the urban Ag bill she is proposing to the forefront and in so doing open the CONACT. With the CONACT opened up it allows for possible changes and would most likely set tone for next farm bill
- The National Ag Lenders fall conference is 27-28 Oct. Ben has arranged for Andy Quinn to attend for NACS as we only have 15 minutes on agenda.
- Ben plans to attend the April National Rural Lenders conference
- John is still working with Jim Radintz to secure a NACS spot at the ABA & stake holders meeting. Jim not aware of the date but would be back in touch about getting NACS a slot
- Ben still needs to sign up liability insurance. Once he has he will submit for reimbursement as was previously approved.

### SECRETARY'S REPORT

- Review Minutes from 8-02-16 Board Meeting
- Lisa moved we approve the New/Old Board minutes. Ryan seconded and the motion passed.
- Lisa moved that we approved the 8-03-2016 minutes after striking the paragraph regarding approval of the Old/New board minutes. Casey seconded and motion passed.

### OTHER BOARD MEMBER REPORTS

#### PRESIDENT'S REPORT

- NASCOE Convention Report – John attended representing NACS
- Presidents Update is in draft and being reviewed with plans to send out later today
- 2016-2017 Committee Appointments – still finalizing before next board call. A proposed revision from Steve Ford on 2-FLP was received and sent out to committee for review. Committee assignments has been delayed primarily in trying to identify alternates.
- Convention Committee Update – survey went out – very slow coming in – results not compiled yet – 2017 bids higher than expected – meeting in 2 weeks with report for next week's call.

#### VICE PRESIDENT'S REPORT

- Committee Reports were sent to national office with a deadline of October 15<sup>th</sup>, 2016 for their response.

#### TREASURER'S REPORT

- Invoicing has been done as follows for the past quarter: Zone A & B - 100%, Zone C – 50%, and none on Zone D. The 30 day trail of Quick Books on line was acquired. After the 30 days it will be \$15/month. It has option for ACH service @ 50 cents per transition which could be an option for the states in paying the quarterly dues. We will need to get someone to be backup for Quick Books/backup treasurer. Since venders have to be added it will/has taken some time to get it functional, but should save time in the long run and provide remote access as well as sustainability. This also takes the place of needing a laptop for the treasurer.
- Discussion was held on convention funds and appropriate accountability as well as possible options for the backup for treasurer.

#### PAST PRESIDENT'S REPORT

- Reported that priority is to work on updating the operating manual. Once posted/made available all to review and email comments to Lisa

#### ZONE REP REPORTS

Zone A – Casey – Email was sent to state presidents asking for state membership contact people  
Zone B – Joseph – Letter was sent to NASE Zone rep in KS – Dean  
Zone C – Jeremy – Pittsburg, Pennsylvania working on hotels #'s etc. – on track  
Zone D – Jamelda – Letters to state presidents. They are teaming with RD for Zone meeting @ South Haven, MS. The draft agenda is being reviewed.

#### OLD BUSINESS

- M&Q and Sponsors – The possible sponsor's need our non-profit EIN which is not available do to the lapse. We are waiting on IRS to review which is a 90 day window
- Membership Committee – need to do conference call – They are looking to use parts of the video from convention to use for promotional items
- Communications/Tech Team – Update on Social media & Web Site – Facebook - need new lead – profile pick changed
- Website – need updates members & contact information – primary & backup
- Tech team – lost people - Joseph & Ryan left. Link not active – expired
- Want ad via email for interested individuals – members that might otherwise not be active, plus personal contacts.
- Google drive – discussion password protection at folder level
- Upload pics & video & docs

#### NEW BUSINESS

- Convention newsletter – Ray to load convention pictures from disk to google drive for assistance in selecting pictures for the newsletter. Lisa will contact a first time attendee to get paragraph. Ray will contact Tanya on BS&T write up.

#### SCHEDULE NEXT BOARD CONFERENCE CALL

Thursday, October 6<sup>th</sup>

#### ADJOURNED @ 1:20 CDT

Ray Bartholomew  
NACS Secretary  
2016-2017

## **October 6, 2016 Board Conference Call**

The NACS Board met October 6, 2016 via teleconference with John Gehrke calling the meeting to order at 12:00 PM.

ROLL CALL –John Gehrke, Lisa Liska, Theresa Windham, Ryan Lukassen, Kim Eilerman for Jeremy Burner, Jamelda Fulton, Joseph Grier, Casey Toyne, Ray Bartholomew. (Jeremy signed on as we were ready to adjourn)

### **SECRETARY'S REPORT**

- Review Minutes from 8-8-16 Board Meeting
- Ryan Lukassen moved we approve the 9-8-16 minutes as amended. Jamelda Fulton seconded. Motion passed.
- Review of "FINAL 2015-16 BOARD MEETING" minutes
- Jamelda Fulton moved we approve the "FINAL 2015-16 BOARD MEETING" minutes, Kim Eilerman seconded. Motion passed.

### **OTHER BOARD MEMBER REPORTS**

#### **PRESIDENT'S REPORT - John**

- ABA Conference – Jim Radintz take on it is that stakeholder meeting may not be as valuable. John has approval from SED to go to the ABA meeting. NO is not going to provide \$'s for a NACS representative to attend ABA meeting. Stakeholders Meeting is on Sunday – this year 2 hours only - last year it was all day meeting. Farm Credit does not plan to take part in the meeting. Either way at least John will be in attendance.
- Second president's update did not get put together yet. Work in progress
- Committee appointments – deferred to Theresa's report
- Convention committee updates – no progress since the last conversations, their calls keep getting postponed. Suggestion is that we include the Convention Committee members on the Appointed Committee Members list –Document will be updated by John. Might look at sending out something about a state considering hosting National Convention.
- Task Force Recommendation (Replacement) – PT Classification Working Group – need to name a replacement as Nicole is being deployed. Rick Pinkston needs a name soon. DAFO looking at overall classification of PT's positions.
- Guaranteed GLS LINC Task Force - LeAnn, NM, Chief on group and balance are primarily KCMO folks – but field representation is minimal. How important is it that we ask for representation – spent \$ at the end of the year so might be too late – but John will still follow up.
- Week after thanksgiving – FLP policy meeting and NACS will have a slot.

#### **VICE PRESIDENT'S REPORT - Theresa**

- Committee Reports were sent to national office with a deadline of October 15<sup>th</sup>, 2016 for their response.
- Committee appointments – email was sent with general job descriptions, copies of their respective committee reports
- Management /Personnel has response back already
- Letter to SED's are in process of being sent.
- Website to be updated with new members.

#### **TREASURER'S REPORT- Ryan**

- Quickbooks is up to date with the exception of the one accounts payable to Joseph Grier.
- Quickbooks subscription done with an annual billing providing additional savings over monthly billing.
- Invoices to the states are all set up for the remainder of the year. The invoice has the list of the States members and separated by regular member, new member, and associate members.



- IRS update – additional information has been provided – filing deadline will be following up tomorrow
- States can pay through Quickbooks. —50 cents per transaction. John authorized Ryan to try the option of paying through Quickbooks. Need to touch base with someone in Oklahoma. Maybe their admin department could be contacted. States do get a report as to members paying dues through automatic withholding.

Jamelda Fulton moved that we accept the treasures report as presented. Casey Toyne seconded. Motion carried.

#### PAST PRESIDENT'S REPORT - Lisa

- Tech team had conference call. Cleaning up names and updating from convention.
- Need to change the profile information in the online access accounts
- Mark Drewitz is willing to help set up online registration for any of the Zone Meetings
- Heather Cox, Texas, has been added to the team to assist with Facebook.
- Google doc's file structure discussed

#### ZONE REP REPORTS

Zone A – Casey Toyne – In touch with Tanya on Zone meeting – working on sponsor – NACS & NASE without RD

Zone B – Joseph Grier – Sioux Falls at Holiday Inn City Center – not much from the state presidents – ECOA – no formal training – just a glean – policy meeting last fall it apparently was left up to each state to go back and get their people up to speed

Zone C – Kim Eilerman – no report, Jeremy noted earlier he was following up with the Pittsburg, Pennsylvania working on hotels #'s etc. – on track

Zone D – Jamelda Fulton – sent out email which the Board was cc'd on. Everything on track so far.

#### OLD BUSINESS

- M&Q and Sponsors – on hold till NACS non-profit tax issue settled.
- Joseph - The tech team also discussed posting the M&Q Washington Report updates again and any other pertinent articles NACS is a part of on the website.
- Ryan Lukassen had sent out email on recently posted part time positions - no additional information has been gleaned. Maybe this is for re-employed annuitants/

#### NEW BUSINESS

- National Academy of Public Administration – Published Report – be aware that it is out there. Lisa was interviewed back in April or May with regard to the report. How the agency works. They really liked the bridges to opportunity program and the report has that focus and is supportive of that program. Still looking for its relevancy after election.
- Managerial Cost Account (MCA) Group conference call – template for interpreting staffing is being developed. webT&A – group is trying to adjust the codes – bugs were found that postponed the rollout
- IT steering group – Kim Eilerman NACS rep – still meeting – 1<sup>st</sup> or 2<sup>nd</sup> week of Dec

#### SCHEDULE NEXT BOARD CONFERENCE CALL

Wednesday, November 9<sup>th</sup>

Jeremy Burner moved we adjourn and Joseph Grier seconded. Motion carried. ADJOURNED @ 1:16 CDT

Ray Bartholomew  
NACS Secretary  
2016-2017

## **November 3, 2016 Board Conference Call**

The NACS Board met November 3, 2016 via teleconference with John Gehrke calling the meeting to order a 12:00 PM.

ROLL CALL –John Gehrke, Lisa Liska, Ryan Lukassen, Kim Eilerman for Jeremy Burner, Jamelda Fulton, Joseph Grier, Casey Toyne, Ray Bartholomew.

### **SECRETARY'S REPORT**

- Review Minutes from 10-6-16 Board Meeting
- Ryan Lukassen moved we approve the 10-6-16 minutes. Kim Eilerman seconded. Motion passed.

### **OTHER BOARD MEMBER REPORTS**

#### **PRESIDENT'S REPORT - John**

- ABA Conference – next weekend in Indianapolis – There is a Farmer Mac sponsored Stakeholder meeting on Sunday morning. John plans to stay for the whole conference.
- Second president's update – was sent out last week. John thanked Lisa for her assistance.
- National FLP Policy Meeting week after Thanksgiving in San Diego. Each association was only given one slot. John asked for those attending to let him know as well as other NACS members they are aware of the will be attending.
- Convention committee updates: The field is narrowing somewhat - Indianapolis, KCMO, Charlotte options. – suggesting that we get started on 2018 location once this 2017 is firmed up.

#### **VICE PRESIDENT'S REPORT – given by John as Theresa was unable to make the call.**

- Committee Reports were sent to national office with a deadline extended to November 15<sup>th</sup>, 2016 for their response. All committees and National office contacts have been communicated with.
- IT Steering Committee postponed – Kim Eilerman noted this was due to budget issue and CR expiring – Most likely it will be in January.

#### **TREASURER'S REPORT- Ryan**

- IRS update – Received an approval of our non-profit status and taxes were filed timely for this past year.
- FY 2017 dues corrected and today's updated balances
- Annual report – showed the treasure's computer removed from inventory as noted by the audit committee.
- Ryan Lukassen moved that we zero out the line items for inventory of the two laptops – (treasury's & secretaries) & taking them off the balance sheet. - Lisa Liska seconded the motion. Motion passed. It was noted in the discussion that we would not be replacing either computer; Ryan & Ray would have them wiped and disposed of.

Lisa Liska moved that we accept as amended the treasures report & the current treasures report as presented. Casey Toyne seconded. Motion carried.

#### **PAST PRESIDENT'S REPORT - Lisa**

- Communications/Tech Team – Update on social media and web site. Updates out via social media such as face book. There is a standing offer to assist in Zones using online registrations for Zone meetings. Mark should be emailed if zones are interested.
- Membership Committee – work in progress – communicating with tech team for resources

### **ZONE REP REPORTS**

John asked that all zone reps contact their state presidents and get name, address, personal email, and phone number to forward to Ryan for QuickBooks.

Zone A – Casey Toyne – Zone meeting hotel is chosen – working on sponsors.

Zone B – Joseph Grier – Meeting next week to get thing lined out with the other associations.

Zone C – Kim Eilerman – Working on the getting contract in place for Zone meeting. Hotel has been chosen.

Zone D – Jamelda Fulton – Still working on setting fee and considering the online registration option.

#### OLD BUSINESS

- PT Classification Working Group – Larry Pate, FLM, Kosciusko, MS – Face to face in WDC is being planned.
- Individual State Contacts – Encouraged to reach out to states in your area.

#### NEW BUSINESS

- Spring Board Meeting – Dates – discussed options

#### SCHEDULE NEXT BOARD CONFERENCE CALL

Sometime in December 2016 to be determined later.

Kim Eilerman moved we adjourn and Casey Toyne seconded. Motion carried. ADJOURNED @ 12:56 pm CDT

Ray Bartholomew  
NACS Secretary  
2016-2017

## December 6, 2016 Board Conference Call

The NACS Board met December 6, 2016 via teleconference with John Gehrke calling the meeting to order at 1:00 PM.

ROLL CALL –John Gehrke, Lisa Liska, Theresa Windham, Ryan Lukassen, Jeremy Burner, Joseph Grier, Casey Toyne, & Ray Bartholomew.

Ben Herrick – Legislative update:

- Reported on initiative to request an anomaly and advance apportionment funding to cover back log issue & timing of availability of funds under a continuing resolution (CR).
- The same 15 groups signed off on letter to support the request.
- Politico picked it up today.
- John was sent copy and it will be posted to the website (copy of article and letter). Looking to drawing attention to the need.
- Advance apportionment is very likely – possible CR through March or April. The longer the next CR the more important the anomaly option becomes.
- Full legislative committee needs to be in DC this spring – 2-3 day period
- Ben - To put together legislative report by Friday

Maureen – Convention Report:

- New bids were received for 2017 convention were received and have contacts for 2018 options.
- The finances for convention in WDC turned out better than budgeted. The net will be turned back into the treasure and then an advance issued for 2017 up front expenses for proper accounting of the funds.
- Goal is to have potential convention site visits done by early January
- Zone B meeting would be goal to have registration out and available
- Overview of the survey results on convention were provided.
- The next committee call is Thursday at 2:00 PM
- The week for convention has not been picked

### SECRETARY'S REPORT

- Reviewed minutes from 11-3-16 Board Meeting
- Joseph Grier moved we approve the 11-3-16 minutes. Ryan Lukassen seconded. Motion passed.

### OTHER BOARD MEMBER REPORTS

#### PRESIDENT'S REPORT - John

- ABA Conference – John was able to attend the stakeholders meeting - 8:00 AM Sunday morning with great contacts made – very worthwhile time. Very little on Agency inconsistencies. Bankers seemed happy – Environmental regulations are biggest concerns as a number of state had not been doing any reviews – particularly with CAFO's. John participated in an interview with US Farm Report – sent out previously. American Farm Mortgage and Farmer Mac helpful in getting us on the program.
- National FLP Policy Meeting – Transition planning – Ag economy issues – Casey & John there as well as other members. Panel discussions with questions asked on NACS's benefits –
- Convention committee updates – Discussion on the selection process for site location for National Convention.
- NADD – Julie Himmelberger, Dayton, WA is the new president (she replaced Michael). John was able to meet her at the FLP policy meeting.

#### VICE PRESIDENT'S REPORT – Theresa

- FP resolutions back and sent to the committee
  - IT resolutions are back and to be sent to committee - quarterly calls instituted Jeremy, Ryan & Ray were on the call as well as – whole board does not need to be on call. To include

NASE on calls moving forward. Tom Bainbridge approached John about NACS participation on policy meeting they have in St. Louis.

- Will follow back up on the balance of the committee resolutions with National Office
- GoDaddy updates with Joseph Grier

#### TREASURER'S REPORT- Ryan

- Ryan accepted a district director position in Colorado. The treasurer's report should be available next week. Working on getting names and addresses of State presidents.
- Still working with what options will work with quick books.

#### PAST PRESIDENT'S REPORT - Lisa

- Communications/Tech Team – Update on social media and web site. John noted he was appreciative of changes and update to the website. Zone meeting updates being posted to Facebook and website. Joseph to update committees on website.
- Membership Committee – met last Wednesday - Jeff Larson new chair – looking at doing more outreach. Trying to reestablish the state level membership coordinator. Would be their contact within the state for the committee to call and email. Putting together footage on video.

#### ZONE REP REPORTS

Zone A – Casey Toyne – Has worked on contacts for State Presidents information; only three responded. Information is to be sent to Ryan as they are received. They are working on sponsorship for Zone meeting as they would need a \$125 registration fee right now. Can send out through constant contact to members in the zone.

Zone B – Joseph Grier –South Dakota folks have stepped up and done a lot of the ground work. Speakers are being lined up by John. Membership coordinators old list will be forwarded to Zone reps.

Zone C – Jeremey Burner – Kevin having planning meeting Thursday to finalize registration fees with sponsors a possibility.

Zone D – John reported for the Zone – the registration is set and published and ready to go.

#### OLD BUSINESS

- PT Classification Working Group – Larry Pate, FLM, Kosciusko, MS

#### NEW BUSINESS

- After a lengthy discussion, the board concluded that we should recommend the Kansas City site to the convention committee. We then will urge them to begin working on the 2018 site.
- Spring Board Meeting – dates not set yet

#### OTHER DISCUSSION:

- Discrepancies between questionnaire answers and resume/job history in hiring was discussed
- Status of resolution submissions was discussed.

#### SCHEDULE NEXT BOARD CONFERENCE CALL

January 10, 11, 12 - ???.

Ryan Lukassen moved we adjourn and Jeremey Burner seconded. Motion carried. Meeting adjourned at pm CDT

Ray Bartholomew  
NACS Secretary  
2016-2017

## **January 11, 2017 Board Conference Call**

The NACS Board met January 11, 2017 via teleconference with John Gehrke calling the meeting to order a 12:02 PM.

ROLL CALL –John Gehrke, Lisa Liska, Theresa Windham, Jeremy Burner, Jamelda Fulton, Joseph Grier, Casey Toyne, & Ray Bartholomew were present.

### **ZONE REP REPORTS**

Zone B - Joseph – Reported on the progress and status of Zone B Meeting preparations and registrations.

Zone D – Jamelda – Reported on Zone D Meeting preparations and what equipment is needed for speakers.

Zone A – Casey – Reported on Zone A Meeting preparations. He noted that they were able to get a sponsor to help with reducing cost of registration. Meeting agenda & speakers were discussed.

Zone C – Jeremy – Reported on Zone C Meeting preparations. Discussion about inviting speakers and doing VTC opportunities were discussed as well as protocol for inviting speakers.

John & Lisa noted that administrative leave is authorized as set agreement in the 3-PM Exhibit 35 – One day for one National Officer to attend and one day for one State representative. DAFO may grant up to 6 hour of admin leave/or official time for speakers. State SED can grant additional time, but up to each state.

VICE PRESIDENT'S REPORT – Theresa reported on the status of the committee report and pulling resolutions. Ray to update State Presidents Guide prior to Zone B Meeting.

### **SECRETARY'S REPORT**

- The minutes from 12-06-16 Board Meeting were reviewed.
- Lisa Liska moved we approve the 12-06-2016 minutes as amended. Joseph Grier seconded. Motion passed.

### **OTHER BOARD MEMBER REPORTS**

#### **PRESIDENT'S REPORT - John**

Pre-Zone newsletter – Lisa has offered to update in word format to send out through constant contacts

32-AS Task Force – Theresa has offered to be on the task force and will be our representative.

#### **TREASURER'S REPORT – John on behalf of Ryan (sent via email prior to call)**

Ryan submitted the treasurer's report via email prior to the meeting as he was unable to be on the call. Casey moved we accept the treasurer's report. Joseph seconded the motion and the motion carried.

#### **PAST PRESIDENT'S REPORT - Lisa**

Membership Committee – has reached out to Zone reps to reestablish state coordinator for membership to make contacts with potential members. Juanita Ballman from Kentucky is to be the liaison with the Communication/Tech Team.

Jeremy put together a message to send out via email to members to get an additional push on Zone meeting attendance. This has/will be used as modified to go out to the zone members in the other zones.

Communications/Tech Team – Update on Social media & Web Site - follow up on where things are prior to Zone meetings. John encouraged the team to get the Presidents Update current on the website.

Lisa encouraged the zone reps to make sure they designate at least an hour during the schedule to write new resolutions during the meeting.

#### OLD BUSINESS

None

#### NEW BUSINESS:

Lisa moved that we authorize John Gehrke and Ben Herink to travel to WDC January 31 through February 2<sup>nd</sup>, 2017 for legislative activities. Jeremy seconded the motion and it passed.

#### SCHEDULE NEXT BOARD CONFERENCE CALL

February 8<sup>th</sup>, 2017 12:00 PM.

#### ADJOURN

Jeremy moved we adjourn and Joseph seconded. Motion carried. Adjourned @ 12:57 pm CDT.

Ray Bartholomew  
NACS Secretary  
2016-2017

## **February 9, 2017 Board Conference Call**

The NACS Board met February 9, 2017 via teleconference with John Gehrke calling the meeting to order a 12:01 PM.

ROLL CALL –John Gehrke, Lisa Liska, Theresa Windham, Ryan Lukassen, Jeremy Burner, Jamelda Fulton, Joseph Grier, & Ray Bartholomew were present.

### **SECRETARY'S REPORT**

The minutes from 1-11-17 Board Meeting were reviewed.

Jeremy Burner moved we approve the 1-11-2017 minutes. Ryan Lukassen seconded. Motion passed.

### **ZONE REP REPORTS**

Zone D – Jamelda – Reported on Zone D Meeting. Discussion focused on enhancing attendance and preparations.

Zone C – Jeremy – Reported on Zone C Meeting preparations. Discussion was held about speakers and sponsorship.

Zone A – John noted dates and that he plans to be in attendance as Casey was unable to be on the call.

Zone B - Joseph – Reported on the successful Zone B Meeting. Good discussion and enthusiasm built up.

### **OTHER BOARD MEMBER REPORTS**

#### **PRESIDENT'S REPORT - John**

New contact with DAFO has been very responsive.

Sponsorships for the Zone Meetings was discussed noting limitations.

Reported that the spring board meeting will not be in Washington, DC as the new administrator will most likely not be appointed until summer or fall. Discussion about where to meet and when with possible location as Denver in consideration from a cost effective standpoint. It was noted that many of the board would be able to drive to Denver.

#### **VICE PRESIDENT'S REPORT – Theresa**

Reported on the status of the committee reports noting that the only reports not back was the Management & Personnel and one question to still be answered by FLP.

IT call is set up as quarterly call 2-22-17. Ray mentioned that his contact for the profile for 13-A by position had not provided the information.

Theresa is working on updating the list of task forces and representative by NACS.

Ryan noted that the payment process task force was not active.

Joseph noted that a number of the responses to resolutions effectively deferred them to the USDA Connect process & Anne Steppe when the resolution involved forms. John will talk with Anne about this and determine if we need to post those type of resolutions this year to USDA Connect while still moving them forward as resolutions.

Theresa noted that neither the member nor the alternate for the management/personnel committee will be at Zone C Meeting, thus information to review will be sent to Jeremy.

Theresa pointed out that Kim is show as alternate on both Membership & Management/Personnel. However it was noted that as long as there was not a conflict schedule wise then it should work.

#### **TREASURER'S REPORT – Ryan**

Ryan provided the treasurer's report via email with verbal corrections to account for adjustments to accounts payable. It was noted that assistance to the states for reimbursement for representation at zone meeting is contingent on dues being current. In Zone B of those with members in attendance Kansas is not current on dues.



Lisa Liska moved we accept the treasurer's report as amended and Joseph Grier seconded the motion. Motion passed.

Casey moved we accept the treasurer's report. Joseph seconded the motion and the motion carried.

#### PAST PRESIDENT'S REPORT - Lisa

Membership Committee – had conference call this week. Encouraged committee member for each zone to reach out to be involved with the presidents meeting during zone meetings.

Communications/Tech Team – Priority is to get and keep website current.

#### OLD BUSINESS

None

#### NEW BUSINESS:

Dillard proposal was discussed but no action taken.

John provided verbal report on the trip to WDC for the Legislative Committee that he and Ben did. He noted that there was positive feedback about our loan portfolio and what we do in FLP. Letters were sent to the separate ag committee folks with regard to staffing and the hiring freeze.

#### SCHEDULE NEXT BOARD CONFERENCE CALL

March 8<sup>th</sup>, 2017 12:00 PM.

#### ADJOURN

Ryan Lukassen moved we adjourn and Lisa Liska seconded. Motion carried. Adjourned @ 1:05 pm CDT.

Ray Bartholomew  
NACS Secretary  
2016-2017

## **March 8, 2017 Board Conference Call**

The NACS Board met March 8, 2017 via teleconference with John Gehrke calling the meeting to order at 12:01 PM.

ROLL CALL –John Gehrke, Lisa Liska, Theresa Windham, Ryan Lukassen, Jeremy Burner, Kris Bargaen, Jamelda Fulton, & Ray Bartholomew were present.

### **SECRETARY'S REPORT**

The minutes from 2-9-17 Board Meeting were reviewed. Ryan Lukassen moved we approve the 2-9-2017 minutes as amended. Jeremy Burner seconded. Motion passed.

### **ZONE REP REPORTS**

Zone C – Jeremy – Reported on Zone C Meeting plans and that things were shaping up well. Jeremy noted in the state presidents reports that NY reported on the pilot environment field technicians. There was discussion about how this might impact things.

Zone D – Jamelda – Reported on Zone D Meeting. Completed meeting and that everything worked out fine. John noted that it was nicely done.

Zone A – John noted dates and that he plans to be in attendance as Casey was unable to be on the call.

Zone B – Kris Bargaen for Joseph that all went well and good attendance. Kris reported that she is not sure if Joseph's notes were sent out to state presidents

John asked about Zone Meeting reports .Jamelda working on theirs.

### **OTHER BOARD MEMBER REPORTS**

#### **PRESIDENT'S REPORT - John**

Spring board meeting in Denver April 3<sup>rd</sup> – need to book travel and will be reimbursed – rooms will be paid via NACS credit card. John noted that all had reported they should be able to attend. Encouraged board to think about our slate of officers for next year.

#### **VICE PRESIDENT'S REPORT – Theresa**

Committee reports now all have responses from National Offices. IT had their individual call. The 15<sup>th</sup> is the scheduled call for FLP. Theresa will talk to Jason about Management/Personnel. Items have been sent for Zone C – there are additional resolutions. All committees will be represented at Zone C meeting.

#### **TREASURER'S REPORT – Ryan**

Ryan will be over budget on IT expense – one is two year extension – will have a report for spring board meeting.

#### **PAST PRESIDENT'S REPORT - Lisa**

No updates for this month

### **OLD BUSINESS**

None

### **NEW BUSINESS:**

None

### **SCHEDULE NEXT BOARD CONFERENCE CALL**

No plans for call in April because of Spring Board Meeting. May 2017 1:05 PM.

### **ADJOURN**

Lisa Liska moved we adjourn and Ryan Lukassen seconded. Motion carried. Adjourned @ 12:27 pm CDT.

Ray Bartholomew  
NACS Secretary  
2016-2017

## **April 3, 2017 - SPRING BOARD MEETING**

The NACS Board met at Embassy Suites, 7001 Yampa Street, Denver, CO with John Gehrke calling the meeting to order at 8:30 AM MDT. Members in attendance were John Gehrke, Theresa Windham, Ryan Lukassen, Lisa Liska, Casey Toyne, Joseph Grier, Jeremy Burner, & Ray Bartholomew

SECRETARY'S REPORT – Review Minutes from 3-8-17 Board Call. Lisa moved to accept the report and Casey seconded. Motion carried.

TREASURER'S REPORT – Ryan provided the treasure's report with financial position and a budget comparison of the accounts receivable & dues reports. The reports were reviewed and discussed. Progress has been on more timely payment of dues from the states in part as a result of the invoicing through the Quick Books. There was discussion of invoicing and how corrections are done. Ryan noted that tracking new members could be enhanced.

The association account balances as of 4-2-2017 were as follows:

• Checking	\$28,040.15
• Savings	\$8,984.93
• Savings	\$3,960.74
• Savings	\$85,651.07
TOTAL Accounts	\$126,636.89

Lisa moved to approve the \$340.76 for budget overage on IT expenses & Ryan seconded. Motion carried.

Tax returns will be prepared to provide to the audit committee and can be sent at convention. This would be consistent with our FY. Ryan reported that we are current with IRS and our non-profit status is current.

Casey moved we accept the treasures report and Joseph seconded. Motion carried.

There was discussion of proposed budget and possible changes needed. It was noted that revenue projection has been based on membership numbers.

### **BOARD MEMBER REPORTS**

#### **PRESIDENT'S REPORT – John**

Ben Herink has proposed that the entire Legislative Committee go to WDC in May. Discussion on succession planning for the committee.

Overall the visits that John had on the hill were productive. The hearing for the Sonny Purdue went so smoothly that the questions provided by NACS were not asked.

Convention Planning – Draft agendas have been provided. The board discussed finalizing plans for convention and the directives/responsibilities of the convention committee. Setting up guidelines and operating procedures for the committee was also discussed.

The method of viewing resolutions during the resolutions at convention was discussed. Email was used at the last convention to provide electronic copies from & to committee. Plan is still to use projectors but not to print hard copies.

Additional discussion on possible guest speakers, other marketing and interviewing opportunities were suggested.

John provided and asked for updates on status of existing Task Force participation as well as the survey results from zone meetings. Objective is to have a larger list of interested members available when the call comes for participation in a task force. The operating manual already directs us to maintain a data base of names. John will do a Presidents update on Task Force participation.

#### **VICE PRESIDENT'S REPORT – Theresa**

Status of Committee Reports and resolutions were provided.

Future development of the committees might be enhanced if we are able to use share point website as depository for the resolutions. Current resolution format is word and PDF documents.

#### SECRETARY'S REPORT – Ray

NACS Newsletter was discussed. Timeliness of information being provided to the membership is the primary objective. Duties/responsibilities were reviewed for providing timely information back to membership. Those with responsibilities are President, Zone Reps/Alternates, and State Presidents. John noted that the people got the information directly by being there. Suggestion is to capture the essence of the meeting. Zone Rep's responsibility – but can go to the person that can get it done (delegate) – to provide or obtain. Each zone then sending it out through constant contacts to the members.

#### TREASURER'S REPORT – Ryan

Reported that electronic payment did not work as they wanted an individual associated with the account even though it is an entity. There has not been a ground swell of demand for this service from the states. Outgoing and incoming treasurers need to spend time after convention to go over the steps. Operating manual will be updated to. The board discussed at length how the convention finances are managed.

#### PAST PRESIDENT'S REPORT - Lisa

Goal is to have Operating Manual updated. Suggestion is to have draft for convention to review and then publish after convention.

#### ZONE REPRESENTATIVE REPORTS –

John commended Zone reps for the work they put in for Zone Meeting and a job well done.

Zone A – Casey – 2018 zone meeting planned to be in Montana planned for 2018.

(Meeting attendance was 32 & 12 guest)

Zone B – Joseph – 2018 zone meeting planned to be in Texas

(Meeting attendance was 58)

Zone C – Jeremy – 2018 zone meeting planned to be in Illinois selected for 2018.

(Meeting attendance was 35)

Zone D – Theresa for Jamelda – no site selected for 2018 at this time

(Meeting attendance was 14)

#### OLD BUSINESS

2016-17 Goals were reviewed with suggestions on possible changes for 2017-18.

Corporate Sponsorships were discussed at length with John to move forward with negotiations and discussion with Andy on where he is with that area.

The board discussed the McAllister & Quinn fees

#### Legislative Committee - Ben

Ben Herink joined via phone to provide a Legislative Issues Committee Report. The planned visit to WDC for the committee is for May 9<sup>th</sup> & 10<sup>th</sup>. He went over plans for the visit as well as possible other trips later in the year to be able to make the most impact. QFR – Questions for the record were submitted and since the Secretary's confirmation hearing went smoothly they were not asked, but will be answered in the next 60 days as part of the process.

#### Membership Committee – Lisa

There are no planned additional incentives for Annual Meeting. The state marketing coordinators concept was discussed.

#### Convention Committee – Maureen

Maureen joined via phone to provide updates on the convention plans and target date for getting registration out.

#### NEW BUSINESS

Ryan moved to approve the legislative trip for the 9-11 of May, 2017 and Theresa seconded. Motion carried.

#### Changes to Committee Structure –

The board discussed the issue at length. Joseph moved to eliminate the Farm Program Committee and reallocate the dollars for convention attendance incentive for FY 2018. Ryan seconded the motion. The motion passed.

#### Financial Business –

##### Budget for 2017-18 –

The proposed budget revenue is based on 735 members. Adjustments to the FY17 budget are changing Other Income to \$2000, Marketing Incentive to \$1000, and IT to \$1000. Ryan moved we accept the proposed FY18 budget. Lisa seconded the motion. Motion passed

##### 2017-18 Dues –

Lisa moved that the 2017-18 Dues be as follows: Regular \$144, Associate \$30, Lifetime \$100, 1<sup>st</sup> Time Member \$52. Theresa seconded and the motion passed.

National Convention Awards were reviewed and discussed.

Review 2017 National Convention Agenda was discussed and reviewed.

Deadlines for submission of report for the 2016-17 Annual Report were set as follows:

Officer Reports – May 15<sup>th</sup>

Treasurer's report – June 7<sup>th</sup>

Email through constant contacts

Printed bound copies – need 10

Courtesy copy for National Office Speakers & Joseph to post to website

Newsletter is not in posted document but included in the printed document.

#### Candidates for Officer and Zone Representatives:

President – Theresa

Vice President - Ryan

Treasurer – Ray

Secretary –

Zone A Rep – Casey

Zone B Rep – Joseph

Zone C Rep –

Zone D Rep –

The role and duties of the Communications team was discussed. It was decided that we would look to hire a professional to assist with the web site.

#### Schedule Next Board Conference Call

May 3<sup>rd</sup>, 2017 at 12:00 pm CST

Ryan moved we adjourn and Lisa seconded. Motion carried.

ADJOURNED @ 5:00 MDT

Ray Bartholomew  
NACS Secretary  
2016-2017

## **May 3, 2017 Board Conference Call**

The NACS Board met May 3, 2017 via teleconference with John Gehrke calling the meeting to order a 12:01 PM.

ROLL CALL – John Gehrke, Theresa Windham, Ryan Lukassen, Jeremy Burner, Joseph Grier, Jamelda Fulton, Casey Toyne, & Ray Bartholomew were present.

### **SECRETARY'S REPORT - Ray**

The minutes from 4-3-2017 Spring Board Meeting were reviewed. Ryan moved we approve the 4-3-2017 minutes as amended. Jeremy seconded. Motion passed.

John reminded members of the May 15<sup>th</sup> deadline for getting written reports to the secretary with treasures report due June 7<sup>th</sup>.

The Zone Meeting Newsletter was discussed and how to move forward to go ahead and get out the summarized newsletter.

### **OTHER BOARD MEMBER REPORTS**

#### **PRESIDENT'S REPORT – John**

Legislative Trip – scheduling done

Discussion was held on when to do the Board trip to DC. The board discussed the pros and cons of the timing.

The status of the convention planning and agenda was discussed. Registration is being finalized and is being worked on today. Online registration has been tested and it is working.

Website Status – Mark Drewitz will continue to be our person for the convention

Zone Reps are to set update and time for phone call with State Presidents and let John know with focus on promoting convention what's going on within your states. John suggested that the zone reps send out the last president's report to the State Presidents along with email setting up state president's call.

#### **VICE PRESIDENT'S REPORT – Theresa**

Work in progress in identifying Committee member attendance at National Convention and committee planning. Final committee reports are in hand with the exception of Management/Personnel. Newsletter for convention is prepared and ready to go out after Combines Zone Meeting Newsletter goes out. Follow up on Task Force participation survey from zone meetings. There have been a couple of federal register postings to determine if we have comment too.

#### **TREASURER'S REPORT – Ryan**

It was noted that under new business will need to approve the overage on trip to Denver for Spring Board Meeting.

Casey moved to accept the treasures report. Jeremy seconded – motion carried.

### **ZONE REP REPORTS**

Zone A – Casey – nothing additional to report

Zone B – Joseph – working on location for 2018 Zone Meeting. Working on letter to State Presidents to set call date

Zone C – Jeremy – Nothing additional at this time.

Zone D – Jamelda – location still to be identified for next year's Zone Meeting. Mississippi is have a training meeting and is inviting John to speak during an employee session.

PAST PRESIDENT'S REPORT – Lisa - Not available for the call

#### OLD BUSINESS

John noted we need to revamp the committee surveys – Theresa will update and get it to Joseph or Mark to update the website.

Dillard proposal – to be our sole retirements benefits provider – 4 year \$5000, paid quarterly. Trying not to exclude any other benefit providers. There was discussion on how this effected the way we charge for sponsor fees to be at convention and zone meetings. John suggested that the NACS president appoint someone to oversee sponsors.

The board by consensus agreed for John to follow up with Dillard Financial to clarify language in the proposed agreement and we accept the proposal from Dillard Financial to be our sole retirement's benefits provider for 4 years at \$5000 per year with those clarifications. John will also attempt to negotiate an additional amount to sponsor this year's convention as the agreement will most likely not start till FY18.

#### NEW BUSINESS:

Joseph moved to approve the \$1,961.76 overage in board travel and Casey seconded. Motion carried.

Theresa Task Force IT Steering Committee is to meet in Kansas City the week of May 15<sup>th</sup> with Kim Eilerman is the NACS representative. Leann Gibbs and Theresa are also on that committee.

#### SCHEDULE NEXT BOARD CONFERENCE CALL

Tentative Call Thursday June 8<sup>th</sup>, 2017 CST.

#### ADJOURN

Casey moved we adjourn and Jeremy seconded. Motion carried. Adjourned @ 1:10 pm CDT.

Ray Bartholomew  
NACS Secretary  
2016-2017

## **June 6, 2017 Board Conference Call**

The NACS Board met June 6, 2017 via teleconference with John Gehrke calling the meeting to order a 12:00 PM.

ROLL CALL – John Gehrke, Theresa Windham, Ryan Lukassen, Jeremy Burner, Joseph Grier, Jamelda Fulton, Casey Toyne, & Ray Bartholomew were present. Maureen Mausbach was on the call representing the convention committee.

### **SECRETARY'S REPORT - Ray**

The minutes from 5-3-2017 Conference Call were reviewed. Ryan moved we approve the 5-3-2017 minutes as amended. Casey seconded. Motion passed.

Ray also reported that the annual report is coming together with a few items still to be received. Target is to post the report the week before convention and provide 10 hard copies to board members with extra for National Office.

### **CONVENTION UPDATE – Maureen**

Reported that as of today there are 88 registered and encouraged all to continue to recruit others to attend.

Sponsors committed to participate is in good shape. As part of sponsorship we commit to giving them 15 minutes or 5 minutes depending on amount of sponsorship

Meeting rooms are assigned and should accommodate all needs

Sunday hospitality will be in the "Board Room" meeting room and then move to suite for the balance of the convention.

Breakfast will be provided by the hotel thus the hospitality room will not be open for breakfast.

First time attendee notation was inadvertently left off the registrations so need assistance from all to help identify such. Plan now would be to provide a ribbon noting first time attendee.

Monday and Wednesday lunch is on your own with restaurant within walking distance. Might be option for delivery to your room. Handout will be created and provided with options.

Projectors will be brought by board & committee members to facilitate needs for committees. (Ryan - 1, John - 1, Maureen – 1+, & Ray - 1). Need four for committees and zone meetings plus whatever NASE needs are. WI-FI is available for free.

Theresa will ship signs saved from last year – attention Jim to the hotel.

Other details for the convention planning were discussed and reported.

Committee is working on possible announcement of San Antonio, TX for 2018 convention. Challenge to the board to look at the number of rooms needed for break out as this ties in with the number of lodging rooms and foods sales minimum we are needing to commitment to so that meeting rooms are free.

### **OTHER BOARD MEMBER REPORTS**

#### **PRESIDENT'S REPORT – John**

Mark Derwitz is committed to doing website for convention.

Help call for state presidents with each zone. Staffing issues was a major concern on all calls.

#### **VICE PRESIDENT'S REPORT – Theresa**

Call follow up with committees tomorrow to assure that all are prepared for convention.

Cutoff date for online resolutions will be June 20<sup>th</sup>.

Theresa will get with John on substitutions for committees for those unable to attend.



## TREASURER'S REPORT – Ryan

Ryan explained the overlaps from FY17 to FY18 for seed money for convention and the transfer of funds with Wunder Fund convention incentive.

Casey moved we approve the treasures report and the \$22.54 for the fees to be able to view deposits on line. Jeremey seconded. Motion carried.

Ryan explained the consultative fees – part of what is shown is one month of 2016 fees. The audit committee recommended that the report show the breakout of consultative fees thus the

Casey moved to approve the overage and Joseph seconded the motion – motion carried.

Ryan will mail the 2015 treasures record to Andy for archival.

## ZONE REP REPORTS

Zone A – Casey – nothing new to report

Zone B – Joseph – nothing new to report

Zone C – Jeremey – nothing new to report

Zone D – Jamelda – nothing new to report.

PAST PRESIDENT'S REPORT – Lisa - Not available for the call

## OLD BUSINESS

John thanked all for getting their reports turned in timely for the annual report.

Dillard proposal – Still a work in progress hoping to get it revised appropriately to be able to sign at convention.

## NEW BUSINESS:

Theresa moved that we recommended to membership at convention that we award Chris Byerhelm with an honorary membership to NACS. Ryan seconded. Motion carried.

## SCHEDULE NEXT BOARD MEETING

June 23, 2017 - 3:00 PM @ Annual Convention, Kansas City.

## ADJOURN

Jeremey moved we adjourn and Ryan seconded. Motion carried. Adjourned @ 1:12 pm CDT.

Ray Bartholomew  
NACS Secretary  
2016-2017

## CONVENTION RULES

“Mister/Madam President”,

I move the delegates of this convention adopt the following convention rules as it conducts its business during this National Convention. The convention rules are as follows:

1. All resolutions, amended and consolidated, are to be presented to the convention floor in writing, according to the approved format, after having been discussed, prioritized, and recommended by the appropriate committee or Zone.
2. Rules and procedure shall be suspended during the meeting of the convention for the purpose of allowing full discussion of the proposed resolutions. Non-members must request permission from the committee chairperson to enter the discussion.
3. The Committee Reports shall be submitted in the following format:

THE (NAME OF THE COMMITTEE) MET AT THE (HOTEL, CITY, STATE) ON (DATE OF CONVENTION), TO REVIEW RESOLUTIONS SUBMITTED BY THE MEMBERSHIP.

THE FOLLOWING RESOLUTIONS ARE RECOMMENDED FOR ADOPTION:

CONCERN:

PROPOSED SOLUTION:

The Committee will also submit a list of Non-Adopted resolutions. Adopted and non-adopted resolutions will be numbered sequentially. The first non-adopted resolution will be assigned the next consecutive number that follows the number of the last adopted resolution. The heading above the first Non-Adopted resolution will read as follows:

THE FOLLOWING RESOLUTIONS ARE RECOMMENDED FOR NON-ADOPTION:

CONCERN:

PROPOSED SOLUTION:

EXPLANATION FOR NON-ADOPTION BY THE COMMITTEE:

Respectfully submitted by the 20\_\_\_/20\_\_\_ (Name of Committee),

\_\_\_\_\_  
Zone A

\_\_\_\_\_  
Zone B

\_\_\_\_\_  
Zone C

\_\_\_\_\_  
Zone D

(Chairperson designated after Zone the member is in)

4. Committees have the authority to consolidate similar resolutions and edit resolutions for spelling, and clarity.
5. Amendments presented during the Annual Meeting by a Zone to an existing adopted or non-adopted resolution or moving a resolution from non-adopt to adopt or vice versa will use the approved NACS form for this purpose. **A written version of the proposed amendment must be presented to the Secretary immediately using Exhibit 3-M Committee Report Amendment Form.**
6. During the annual business meeting, delegates and alternates (identified by the appropriate badge) will be permitted to engage in debate. However, only members identified by a delegate badge will be permitted to vote.
7. The NACS Board shall have the authority to edit the resolutions for spelling, clarity, and consistency prior to submission to the National Office.
8. Order of elections shall be as follows: President, Vice President, Secretary, and Treasurer. Zone Representatives shall be elected in Zone Meetings.
9. Nominating speeches shall be limited to two minutes, seconding speeches to one minute, and candidate speeches to two minutes.
10. Rules of procedure shall be suspended for the purpose of nominating and seconding of candidates to permit any NACS member attending to either make or second a nomination.



## COMMITTEE REPORT AMENDMENT

Committee \_\_\_\_\_

- \_\_\_\_\_ Farm Loan Programs
- \_\_\_\_\_ Farm Programs
- \_\_\_\_\_ Information / Technology
- \_\_\_\_\_ Personnel / Management
- \_\_\_\_\_ Legislative Issues

Resolution #: \_\_\_\_\_

### Type of Amendment

- \_\_\_\_\_ Language Change
- \_\_\_\_\_ Move from Adopt to Non-Adopt
- \_\_\_\_\_ Move from Non-Adopt to Adopt

Motion made by \_\_\_\_\_  
Name State

Seconded by \_\_\_\_\_  
Name State

Changes to: (For language changes, be exact)

### CONCERN

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### SOLUTION

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# **CONSTITUTION AND BY-LAWS**

## **Constitution and By-laws**

The following is the constitution and by-laws, as presently amended.

### **ARTICLE I – NAME**

This organization shall be known as the National Association of Credit Specialists of the USDA - Farm Service Agency.

### **ARTICLE II – OBJECTIVES**

- A To expand, improve, and expedite the services of USDA Agencies to Rural America.
- B To promote the social, economic, professional and vocational skills, civic and personal welfare of all USDA - Farm Service Agency employees to:
  - (1) Ensure equal status and privileges with other federal and non-federal employees.
  - (2) Improve morale and efficiency by giving suitable recognition both to individual employees and to USDA - Farm Service Agency field offices whose performances are outstanding.
  - (3) To collect and disseminate information relating to items 1 and 2 listed above and to use such information for the general good without favoritism, bias, or prejudice.
- C To help organize associations in all states.
- D To cooperate and affiliate with other organizations whose objectives are similar and compatible with those to this Association

### **ARTICLE III – MEMBERSHIP**

- A. Membership shall consist of four kinds:
  - 1. REGULAR - regular membership shall be those employees, not including political appointees, involved in agricultural credit services that have supervisory and/or program management responsibilities, which pay quarterly dues and agree to abide by the Constitution and By-Laws of this Association.
  - 2. ASSOCIATE - All individuals who have an interest in the objectives of the Association but do not qualify for regular membership, who pay dues and agree to abide by the Constitution and By-laws of this Association.
  - 3. RETIRED - All retired employees of the USDA Agencies shall be eligible for retired membership by payment of lifetime dues and agreeing to abide by the Constitution and By-laws of this Association.
  - 4. HONORARY - Any person who the Board of Directors shall recommend and receive a 2/3 vote from the official delegates at the annual meeting.
- B. Regular membership only, shall carry with it the privilege of holding any office to which they may be elected or appointed and can represent their state if appointed a delegate and have voting privileges on matters brought before the Association.

- C. Membership in this organization will be free of discrimination in terms of membership or treatment because of race, color, religion, sex, national origin or age.
- D. To qualify for membership in the National Association, an individual must be a member of a State Association or a duly recognized Association of Credit Specialists working in a state, regional or national office.
- E. With exception to duly recognized State Associations, all state, regional or national office associations must submit a copy of their proposed Constitution and By-Laws to the NACS-FSA Board of Directors for review and acceptance. The proposed Constitution and By-Laws must clearly define their proposed membership criteria.

#### **ARTICLE IV – GOVERNMENT**

##### **A. OFFICERS**

Officers of this Association shall be a President, Vice President, Secretary and Treasurer, who shall hold office for one year or until their successors are duly elected and qualified.

##### **B. BOARD OF DIRECTORS**

The Board of Directors shall consist of the newly elected officers, the retiring president and the zone representatives. For the first year of the newly formed Association, the retiring president shall be the 1995/1996 president of the dissolved National Association of County Supervisors.

C. The four officers and past president shall be the executive committee.

##### **D. Manner of Election**

1. Each state or duly recognized association in good standing on the first day of the national convention shall be entitled to the following delegates and alternates based on the regular membership in the respective association:

Membership	Delegates	Alternates
1-10	2	2
11-25	3	3
26-40	4	4
41 - +	5	5

Membership shall be shown by the records of the National Association Treasurer as of the first day of the National Convention. Selection of each delegate and alternate shall be evidenced by a certificate signed by the President or Secretary of each state or recognized association.

2. Only registered delegates with certified credentials and present shall be entitled to vote and each such delegate may cast one vote at each election and on every question submitted to the convention.
  - a. Any NACS member present at the National Convention may enter into discussion of any item of business brought before the convention body.
3. A majority of the registered delegates with credentials, present at any convention, shall constitute a quorum.

4. The election of the President, Vice President, Secretary, and Treasurer shall be at the annual convention with the membership in attendance and the state delegates' casting votes as prescribed.
  5. The Nation will be divided into zones as determined by the Board of Directors. The Board of Directors will assign each new association to a Zone. The Zone Representatives will be bound by the wishes of their zone at the Board of Directors meeting and will cast votes in keeping with the instructions given. The zone representatives shall be elected by ballot at the annual meeting by the delegates of the states or recognized associations comprising the zone.
  6. Election shall be by ballot. The candidate receiving a majority vote shall be declared elected. If no candidate receives a majority, the two candidates receiving the most votes shall be again voted on.
  7. A vacancy in any office shall be filled by a majority vote of the Board of Directors. The appointee shall serve until a successor is elected at an annual meeting.
- E. Newly elected officers and representatives shall be installed following election at the annual meeting.

#### **ARTICLE V - DUTIES OF OFFICERS AND BOARD OF DIRECTORS**

- A. The duties of the officers shall be those normally devolved upon such positions.
- B. The President, with the advice and consent of the Board of Directors, shall appoint such standing and special committees deemed necessary, and shall be a member ex-officio of all committees.
- C. The Officers and the Board of Directors shall:
  1. Have power to transact all business of an emergency nature that may arise between annual meetings.
  2. Act as a program committee, appointing sub -committees from among the membership as necessary.

#### **ARTICLE VI – MEETINGS**

- A. Annual meetings shall be held at a time and place designated by a committee delegated this task.
- B. Committee meetings shall be held immediately prior to and during the convention, the purpose of which will be to review proposed resolutions to be presented at the annual meeting. A vote will be taken to recommend either adoption or non-adoption of each resolution. Each committee member shall be entitled to one vote on the question of recommendation. The committee members shall take a non-binding poll of the other members present. The question of recommendation shall not be considered to be a question as defined in Article IV, Section D2. Each committee shall present a report to the annual meeting. The format of the report is to be approved by the Board of Directors. This format shall include, at a minimum, a list of proposed resolutions recommended for adoption and a list of proposed resolutions not recommended for adoption. The committee shall have the authority to consolidate similar resolutions and edit resolutions without changing their original intent.

- C. Meetings of the officers and Board of Directors shall be at the call of the President or by a majority of the Directors, not less than two meetings annually. No meeting of the Board of Directors shall be held without due notice to all members thereof.

## **ARTICLE VII – AMENDMENTS**

- A. The constitution may be amended at any membership meeting by a two thirds (2/3) vote of those present, provided notice of the proposed amendment is properly posted to the NACS FSA web site thirty (30) days prior to the meeting for review by the membership or three-fourths (3/4) vote of the active members present and three-fourths (3/4) vote of the delegates present if no notice has been given.

## **BY-LAWS**

### **ARTICLE I - DUES AND FISCAL YEAR**

- A. Annual dues shall be determined by the Board of Directors.
  - 1. State may pay dues either annually or quarterly. State paying dues annually, must pay in advance versus arrears
  - 2. States paying quarterly shall have their dues due and payable in alignment with the NACS fiscal year. (Dues shall be due and payable on June 1<sup>st</sup>, September 1<sup>st</sup>, December 1<sup>st</sup> and March 1<sup>st</sup>.)
- B. The fiscal year shall be June 1 to May 31.

### **ARTICLE II – QUORUM**

- A. A majority of the registered delegates with certified credentials, present at any convention shall constitute a quorum.

### **ARTICLE III – FINANCES**

- A. No debts shall be contracted or liabilities incurred by or on behalf of the Association in excess of cash on hand.
- B. Bills shall be paid by the Treasurer, on the approval of the Board of Directors, and the minutes shall reflect such approval. The Treasurer has the authority to pay bills within an approved budget.
- C. The Treasurer shall give financial reports at annual, special, and Board of Directors meetings.
- D. The books of the Treasurer shall be audited annually by a committee appointed for that purpose.
  - 1. The audit committee shall be composed of one representative from each zone and no representative shall be from a state with an executive committee member.
  - 2. The Treasurer's books shall be reconciled as of May 31 of each year.
- E. Net earnings shall not be distributed for the benefit of any one member.
- F. Should dissolution occur, all remaining funds in the Treasury shall be distributed as determined by a majority vote of the Board of Directors.



#### **ARTICLE IV - AMENDMENTS OF BY-LAWS**

Amendment of the By-laws shall be done in the same manner provided amending the constitution.

#### **ARTICLE V – MEETINGS**

A. Conduct of meeting - "*Robert's Rules of Order*", latest edition, shall govern the conduct of all meetings and proceedings.

B. Order of Business

Roll Call Reading, correction, approval of minutes of last meeting Reports of officers Reports of committees Old Business New Business Election of Officers and Board of Directors Miscellaneous Business Installation of new officers and board members Adjournment

Adopted: July 10, 1996

***Amended June 27, 2007***

***Amended June 18, 2008***

***Amended June 23, 2010***

***Amended June 22, 2011***

***Amended July 1, 2015***

***Amended July 13, 2016***

# **CONSULTATIVE AGREEMENT**

NACS has the following agreement with Management outlining the agreement to consult and other issues concerning the relationship between NACS and the Agency.

## **SECTION 1 GENERAL PROVISIONS**

### **1. PURPOSE**

The purpose of this agreement is to recognize the NACS-FSA as an organization consisting of FSA employees in state and county offices who are involved in FSA farm loan services. The object of the parties is to work together to develop a constructive, productive relationship and to allow both NACS-FSA and FSA to present and share views on appropriate issues.

### **2. RECOGNITION AT THE NATIONAL LEVEL**

To retain recognition at the national level, NACS-FSA must have membership of a majority of eligible employees nationwide. If NACS-FSA membership is less than a majority of eligible employees, FSA and NACS-FSA will reexamine the membership requirements, and revisit this agreement with NACS-FSA to assure sufficient membership to provide worthwhile dialogue with the agency.

NACS-FSA consists of the following FSA state and county employees: Farm Loan Managers, Farm Loan Officers, District Directors, Farm Loan Specialists including Appraisers and Underwriters, Farm Loan Chiefs, any other FSA employee classified in the GS-1165 series, and any FSA employee who deals primarily and directly with Farm Loan program management responsibilities or who has supervisory responsibilities for Farm Loan programs.

### **3. JOINT RESPONSIBILITIES**

The parties to this agreement pledge themselves to conduct all consultations objectively and in good faith to the purpose of fair and equitable solutions. They will make every effort to reach agreement on all matters within a reasonable period of time.

## **SECTION 2 OFFICIAL TIME AND USE OF FACILITIES**

### **4. ANNUAL MEETINGS**

FSA and NACS-FSA agree to hold an annual consultative meeting in the spring.

NACS-FSA attendees will include the NACS-FSA Board of Directors, which shall consist of 4 national officers, the past president, and the 4 zone representatives. Official time, travel, and per diem is authorized for this consultative meeting.

FSA and NACS-FSA agree to hold an annual general meeting in the fall. This meeting will be held in conjunction with other national associations, but NACS-FSA will be provided time to meet separately with FSA officials. Official time, travel, and per diem is authorized for this general meeting for up to 4 NACS-FSA participants. Other NACS-FSA attendees may attend as approved by the agency. FSA and NACS-FSA agree to hold teleconferences on an as-needed basis.

### **5. AGENCY SPONSORED MEETINGS**

Official time, travel, and per diem is approved for any meeting called by the agency to work on agency business for the benefit of the service.

## **Consultative Agreement (con't)**

### **6. ANNUAL NACS-FSA CONVENTION**

2 days of official time is authorized for each member of the NACS-FSA Board of Directors and State Delegates to attend the annual convention.

Official time to attend annual NACS-FSA convention shall be cleared in advance through the employee's supervisor.

No travel and per diem is authorized for the annual NACS-FSA convention.

### **7. ANNUAL ZONE MEETINGS**

Official time is authorized for NACS-FSA national officers and state representatives to attend NACS-FSA zone meetings as follows:

- 1 day for 1 NACS-FSA national officer to attend each annual zone meeting. A maximum of 4 days annually is authorized for NACS-FSA national officers to attend annual zone meetings.

- 1 day for 1 State NACS-FSA representative to attend a zone meeting for their area. A maximum of 46 days annually is authorized for State NACS-FSA representatives to attend annual zone meetings.

Official time to attend zone meetings shall be cleared in advance through the employee's supervisor.

No travel and per diem is authorized for annual zone meetings.

### **8. ANNUAL REPORT ON OFFICIAL TIME FOR CONVENTION, ZONE MEETINGS**

NACS-FSA is required to send a quarterly report to the Executive Director for State Operations showing the use of official time to attend the annual convention and zone meetings, by state.

### **9. OTHER USE OF OFFICIAL TIME**

Official time is authorized for official agency business only. Internal NACS-FSA business such as the solicitation of membership, collection of dues, election of officers, preparation of newsletters, etc. shall be conducted during non-duty hours of the employees involved.

### **10. POSTAGE AND STATIONARY**

Use of FSA postage and stationary are authorized for official agency business only.

### **11. USE OF TELEPHONE**

The telephone is authorized for official agency business only.

### **12. FSA COPY MACHINES AND DISTRIBUTION SYSTEMS**

Copy machines and internal distribution systems are reserved for official agency business only. The following exception is permitted. Use of copy machines, e-mail, and internal distribution systems are permitted for copying and distributing NACS-FSA newsletters to FSA offices, provided that copying or distribution is not done on official time, advance supervisory approval is granted, and no postage fees are incurred.

## **Consultative Agreement (con't)**

### **13. USE OF FILE CABINETS, SUPPLIES, AND OFFICE EQUIPMENT**

File cabinets, supplies, or office equipment are reserved for official agency business only. FSA will permit the use of available space for NACS-FSA meetings during non-duty hours, where such use will not conflict with the performance of official functions. Official space when available at no added cost may also be used for NACS-FSA files. NACS-FSA is responsible for exercising reasonable care in the use of such facilities.

### **14. DUES WITHHOLDING**

NACS-FSA members are authorized to effect voluntary allotment for the payment of dues to NACS-FSA, subject to requirements of the National Finance Center.

### **15. EFFECTIVE DATE AND AMENDMENT**

This agreement is effective upon written approval by FSA and NACS-FSA. The provisions of this agreement may be opened for amendment at any time by FSA or NACS-FSA. Such modification shall become effective only after written approval by FSA and NACS-FSA.

### **16. RENEWAL**

This agreement is subject to renewal on an annual basis, either party may provide notice to the other party of intent to terminate this agreement.

## **APPROVALS**

### **For the National Association of Credit Specialists-FSA:**

Date July 15, 2002

/s/

Robin Hampton  
President, NACS-FSA

### **For the Farm Service Agency:**

Date July 15, 2002

/s/ John W. Williams  
Deputy Administrator for Management

/s/ Douglas Frago  
Executive Director for State Operations

/s/ James R. Little  
Administrator, FSA

## NACS PRESIDENTS 1973 TO PRESENT

Year	Name	State	Zone
1973-1974	RayTurknett	Texas	B
1975	Harold Kennedy	Texas	B
1975	Joseph Turney	Oklahoma	B
1976	Loren Nelson	Idaho	A
1977	Paul Hill West	Virginia	C
1978	Howard Boatman	Minnesota	B
1979	Dave Wilson	Oregon	A
1980	James Berry	Maine	C
1981	Ney Williamson	West Virginia	C
1982	James Cox	Missouri	B
1983	Richard (Dick) Floyd	New Mexico	A
1984	Jerry Wishall	Kansas	B
1985	James Monroe	Michigan	C
1986	Gary Case	Missouri	B
1987	Steve Pratt	Kentucky	C
1988	Hugh Clark	North Carolina	D
1989	F. John Riha,III	Nebraska	B
1990	Norbert Soltwedel	Illinois	C
1991	Clayton Ketcham	Montana	A
1992	Tim B. Potts	South Dakota	B
1993	Dennis G. Beaulieu	Maine	C
1994	Robert G. Reed, II	California	A
1995	Eric Guenther	Kansas	B
1996	Charles K. Crane	New Mexico	A
1997	Millie Turner	Pennsylvania	C
1998	Betsy Senter	South Dakota	B
1999	Eric Guenther	Kansas	B

2000	Scott Bown	Utah	A
2001	Robin Hampton	North Carolina	D
2002	Betsy Senter	South Dakota	B
2003-2004	Bill Mahanay	Kansas	B
2005	Melissa Cummins	Washington	A
2006	Darren Metzger	Ohio	C
2007	Michael Gibbs	Georgia	D
2008	Stu Skidmore	Washington	A
2009	Randy Milloy	Texas	B
2009-2010	Mark Drewitz	Minnesota	B
2011	Joe Austin	North Carolina	D
2011-2012	Maureen Mausbach	Nebraska	B
2013	Allen Hall	Nebraska	B
2014	Tanya Dostal	Washington	A
2015	Lisa Liska	Nebraska	B
2016	John Gehrke	Illinois	C

## RAY TURKNETT BLOOD, SWEAT AND TEARS AWARD

### 1 Overview

This award is named in honor of our founding and then longest serving President. It is considered the most prestigious award presented by NACS. The immediate past president reviews the nominations made by the NACS Board particularly from each respective Zone Representative, makes the selection of the recipient. The award is based on the recipient's service to NACS and its members.

### 2 History

Listed below are the honorees since the inception of this award:

YEAR	NAME	STATE
1977	Loren A. Nelson	Idaho
1978	Kenneth L. Krieg	Nebraska
1979	Paul W. Hill	West Virginia
1980	James R. Berry	Maine
1981	R. Anthony Rickett	Ohio
1982	Arne A. Orvedal	North Dakota
1983	Charles J. Schaefer	North Dakota
1984	James L. Cox	Missouri
1985	Robert J. Rimington	Illinois
1986	Richard Brassfield	California
1987	Norbert L. Soltwedel	Illinois
1988	Richard T. Floyd	New Mexico
1989	Hugh A. Clark	North Carolina
1990	Ray Bartholomew	Kansas
1991	Robert Shearer	Iowa
1992	Tom Dixon	North Carolina
1993	Larry Lawson	Illinois
1994	Charlie Crane	New Mexico
1995	Clayton Ketcham	Montana
1996	Gary Mersinger	Illinois
1997	Jim Monroe	Michigan

1998	Tanya Reeck	Washington
1999	William Mahanay	Kansas
2000	Spencer Larson	North Dakota
2001	Betsy Senter	South Dakota
2002	Everett Purrington	Washington
2003	Millie Turner	Pennsylvania
2004	Darren Metzger	Ohio
2005	Denise Lickteig	Nebraska
2006	Helena Pitcock	Kentucky
2007	Kim DePasquale	Virginia
2008	Eric Guenther	Kansas
2009	Bob Parris	South Carolina
2010	Mark Drewitz	Minnesota
2011	Scott Bown	Utah
2012	Allen Hall	Nebraska
2013	John Gehrke	Illinois
2014	Bardell Faux	Idaho
2015	Maureen Mausbach	Nebraska
2016	Ben Herink	Nebraska



# HONORARY MEMBERSHIP

## 1 Overview

Article III, A. 4 of our Constitution states that Honorary Membership shall be bestowed to “any person who the Board of Directors shall recommend and receives a two thirds vote from the official delegates at the annual meeting.”

## 2 History

Listed below are the honorees since the inception of this award:

Honorary Members	Year Selected
Douglas Young	1977
Robert Lang	1977
Donald Downing	1979
Phil Gerald	1979
Clarence Squellati	1980
Keith Smalley	1980
Allan Brock	1980
Paul Hill	1986
J.C. Kirk	1988
Robert J. Rimington	1992
Ronnie O. Tharrington	1992
James R. Berry	1992
Norbert L. Soltwedel	1993
Clayton Ketcham	1993
Carolyn Cooksie	1997
Eric Guenther	2003
Bruce Wunder	2005
Elisabeth (Betsy) Senter	2006
Millie Turner	2014
Mark Drewitz	2014

## NACS NATIONAL CONVENTION LOCATIONS

Kansas City, MO	1973
St. Louis, MO	1974
Atlanta, GA	1975
Rapid City, SD	1976
Las Vegas, NV	1977
Biloxi, MS	1978
Overland Park, KS	1979
San Juan, Puerto Rico	1980
Nashville, TN	1981
Dells, WI	1982
Colorado Springs, CO	1983
Lexington, KY	1984
Albuquerque, NM	1985
Omaha, NE	1986
Portland, ME	1987
Oklahoma City, OK	1988
Asheville, NC	1989
Seattle, WA	1990
Reno, NV	1991
St. Charles, IL	1992
Rapid City, SD	1993
San Antonio, TX	1994
Atlanta, GA	1995
Salt Lake City, UT	1996
San Diego, CA	1997
Indianapolis, IN	1998
Wilmington, NC	1999

Biloxi, MS	2000
St. Louis, MO	2001
Bloomington, MN	2002
Las Vegas, NV	2003
Louisville, KY	2004
Orlando, FL	2005
Arlington, TX	2006
Cincinnati, OH	2007
Lincoln, NE	2008
Atlanta, GA	2009
Portland, ME	2010
Salt Lake City, UT	2011
Detroit, MI	2012
San Diego, CA	2013
Rosemont, IL	2014
St Louis, MO	2015
Washington, D.C.	2016

