



Report to the Secretary of Agriculture

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September 1997

# **Minority Participation in Farm Service Agency's Farm Loan Programs - Phase II**





UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF INSPECTOR GENERAL  
Washington D.C. 20250

September 29, 1997

**REPORT FOR THE SECRETARY ON CIVIL RIGHTS ISSUES - PHASE II**

FROM: Roger C. Viadero  
Inspector General

SUBJECT: Minority Participation in Farm Service Agency's  
Farm Loan Programs, Evaluation Report No. 50801-3-Hq

On December 9, 1996, you informed me of your concern about the effectiveness of the Department's work with socially disadvantaged and minority farmers and ranchers. You asked me and my staff to review the Department's efforts in responding to complaints of discrimination, to assess minority participation in the Farm Service Agency's (FSA) farm loan programs, and to determine if FSA offices provide sufficient technical assistance to minority farmers and process their loan applications and servicing requests in the same manner as for nonminorities. On February 27, 1997, we issued our Phase I report which gave you the initial results of our review of the Department's complaint resolution process. The purpose of this report is to provide you with the results of our Phase II review.

**SUMMARY:**

The Department needs to take additional actions to reduce the backlog of civil rights discrimination complaints. We reported in February that FSA had a backlog of 241 discrimination complaints, and that the Department itself had a backlog of 530 complaints. In August 1997, we were informed by the Department's Office of Civil Rights (OCR) that only 32 of the 241 FSA complaints have been closed, and that the Department's total number of open complaints is now 984. Although OCR has currently contracted with private firms to investigate certain complaints and is in the process of hiring its own complaint investigators, we still believe additional efforts are needed by ad hoc teams, under the direction and control of OCR, to help address the backlog.

In an effort to assess minority participation in FSA's loan programs, we compared FSA's direct loan portfolio and census data but were unable to make any meaningful comparisons. General Population Census data does not identify the portion of the population engaged in farming, and while Agricultural Census data shows the number of farms and land in farms for minorities, it does not show the number of individuals engaged in farming. Further, the FSA portfolio may contain borrowers who are still indebted to FSA but are no longer

farming. However, we did compare loan applications from minority and nonminority farmers for the sites we visited. We found that 22 percent of the applications were from minority farmers and that 60 percent of these were approved, compared to 66 percent of those from nonminorities.

Although we found some disparities in FSA's lending and servicing rules and practices as applied in particular locations, we did not find that these disparities were the result of systemic discriminatory practices. We found however that FSA's relations with the minority community could generally be improved through more technical assistance, more effective outreach efforts, upgrading the status of its minority advisors, and increasing the diversity of its local workforce.

We are recommending that immediate action be taken to reduce the backlog of complaints and to correct the deficiencies noted in our report.

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**EXECUTIVE SUMMARY**

**REPORT TO THE SECRETARY  
ON MINORITY PARTICIPATION IN  
FARM SERVICE AGENCY'S  
FARM LOAN PROGRAMS - PHASE II  
EVALUATION REPORT NO. 50801-3-Hq**

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**PURPOSE**

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We have completed the second phase of our review of the Farm Service Agency's (FSA) work with minority farmers and socially disadvantaged persons. For the first phase we concentrated on the Department's civil rights

complaint system.

For this phase, we continued our review of the Department's complaint system and its effectiveness in resolving program complaints. We also reviewed loan activities in 11 States to determine whether (1) participation by minorities in FSA's direct farm loan programs correlates to the total general population and the farm population, (2) FSA provides sufficient technical assistance to help minority farmers apply for and receive program benefits, and (3) FSA processes minority farm loan applications and services minority accounts in the same manner as for nonminorities.

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**RESULTS IN BRIEF**

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The Department's backlog of unresolved civil rights program complaints has increased from 530 in January 1997 to 984 as of August 1997. In FSA alone, the backlog increased from 241 to 474. Although an ad hoc team was formed in

April 1997, with the goal of eliminating the backlog by June 1997, the Office of Civil Rights (OCR) found that the complaints had never been properly investigated. As a result, the ad hoc team was disbanded without accomplishing its goal. OCR is currently taking steps to hire complaint investigators and to have investigations performed through contracts with private firms. We still believe additional efforts are needed by ad hoc teams, under the direction and control of OCR, to help address the backlog of complaints. Further, we think the task of performing preliminary inquiries on FSA complaints should be performed by adequately trained OCR

investigators, who can be more objective and independent than FSA employees in performing the task.

Regarding minority participation in FSA's farm loan programs, we were unable to make meaningful comparisons between population statistics and minority participation. This occurred because the information collected from the General Population Census and the Agricultural Census was limited in its application to FSA farm loan data. (See the General Comments section of this report for additional information.) For purposes of this review we did compare the applications received and approved from minority and nonminority farmers in our sample. We found that, during FY 1996, 1,416 applications for direct loans were received by the loan service centers that serviced the 33 targeted counties in the 11 States in our sample. Of the 1,416 applications, 317 (22 percent) were from minority applicants and 1,099 (78 percent) were from nonminority applicants. Of the 317 minority applications, 190 (60 percent) were approved, compared to 729 nonminority applications (66 percent).

It is important to note that we did not find systemic discriminatory practices. However, we did find situations in particular locations involving loan-making, loan-servicing, foreclosure actions, and employee conduct which may have adversely affected individual minorities. These individual cases will be provided to OCR under separate cover for review and action as appropriate.

We found that FSA's relations with the minority community could generally be improved through better targeting of its outreach efforts, upgrading the status of its minority advisors, and increasing its workforce diversity at the local level. None of the field offices we visited used other than traditional means to reach out to minority farmers; most either relied completely on grant fund recipients (i.e., 1890 Land Grant colleges) to promote their programs for them, or were satisfied with the status quo and awaited guidance from headquarters. County officials told us that outreach has been a pointless exercise in recent years because funding for loans has been unavailable. However, we found that during FY's 1992 through 1996, \$557 million in available loan funds nationwide were allowed to expire and were never obligated. (Most of these funds, about \$542 million, were available in FY's 1992 and 1993.)

We also noted a need for greater technical assistance during the loan-making and loan-servicing processes. One of the greatest frustrations to applicants is the extent of the information needed to complete the multiple documents for

financial assistance. Total Statewide data for the 11 States reviewed shows that applications from minority and nonminority farmers took about the same number of days on average to process from receipt to loan closing (87 days for minorities and 85 days for nonminorities). However, in certain locations, we noted it took minorities longer than nonminorities to complete an approved application (from receipt to complete status). At certain locations, we also noted disparities in the number of multiple servicing decisions provided to nonminority farmers compared to the number provided to minority farmers. In these locations, the percent of accounts that were delinquent was higher for minorities than for nonminorities. More effort is needed by FSA to review any disparities noted in its loan-making and loan-servicing data. Such review is needed to determine the reasons for such disparities and to take any corrective actions needed. We believe greater technical assistance by FSA during the loan-making and loan-servicing processes could help applicants with the processing requirements.

Concerning FSA's fund allocating decisions, the agency needs a recordkeeping system to account for its unspent direct operating loan funds which are redistributed to States from a national reserve account. FSA's current practice of "pooling" and redistributing its unspent direct operating loan funds does not always follow the normal "first-come, first-served" procedure. We also believe that socially disadvantaged applicant (SDA) direct operating loan funds should be "pooled" along with non-SDA funds that are sent to the national reserve account for redistribution. Pooling of SDA funds, however, will require a legislative change.

## KEY RECOMMENDATIONS

We are recommending that the Secretary seek changes to legislation that will allow FSA to "pool" SDA direct operating loan funds and reallocate the funds to States instead of allowing them to expire. We are also

recommending that the Secretary (1) convene ad hoc teams to help address the backlog of civil rights complaints in the Department and (2) revoke the delegation of authority that granted FSA responsibility to conduct preliminary inquiries and return this authority to OCR.

Concerning FSA actions, we are recommending the Secretary direct FSA to: (1) provide greater technical assistance to farmers for the entire application process and throughout loan-servicing, (2) establish a recordkeeping system to account for loan funds redistributed to States from its national reserve account, and (3) establish effective methods of outreach and develop uniform standards and benchmarks by which to evaluate outreach performance.

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### OIG'S CORE CIVIL RIGHTS AUDIT TEAM

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# INTRODUCTION

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## BACKGROUND

On December 9, 1996, the Secretary of Agriculture asked the Inspector General to review the Farm Service Agency (FSA) delivery of its farm loan programs to socially disadvantaged persons and minority farmers as well as its civil rights complaints system (see exhibit A). In response to the Secretary's request, the Office of Inspector General (OIG) decided to conduct the review in two phases. Phase I was the evaluation of the Department's civil rights complaint system. We issued the Phase I report on February 27, 1997. We reported that the program discrimination complaint process at FSA lacked integrity, direction, and accountability and recommended that the Secretary convene an ad hoc team and assign to it the control of the complaint system within the Department. This report covers Phase II.

The Department of Agriculture's (USDA) civil rights functions recently have undergone major restructuring. Secretary's Memorandum 1010-4, dated May 16, 1997, gave the Assistant Secretary for Administration the full authority for the performance and oversight of all civil rights functions within the Department. The Assistant Secretary for Administration has the authority to delegate civil rights functions to agency heads, as appropriate, and to rate the agency heads on their performance of civil rights functions.

The Director, Office of Civil Rights (OCR), under the Assistant Secretary for Administration, is responsible for the performance of all civil rights functions assigned to the Assistant Secretary. The Director has full responsibility for the investigation, adjudication, and resolution of complaints of discrimination.

## OBJECTIVES

We continued our review of the Department's complaint system and its effectiveness in resolving program complaints. We also reviewed loan activities in 11 States to determine whether (1) participation by minorities in FSA's farm loan programs correlates to the total general population and farm population, (2) FSA provides sufficient technical assistance to help minority farmers apply for and receive program benefits, and (3) FSA processes minority farm loan applications and services minority accounts in the same manner as for nonminorities.

## SCOPE

We judgmentally selected 11 States and 33 counties (3 counties per State). The 11 States were selected for review based on the high concentration of minority-owned and operated farms, as reported in the Agriculture Census

Data of 1992, the most recent data available. We also selected the States with large numbers of discrimination complaints. Of the 241 discrimination complaints identified in our Phase I report (February 1997), 128 (78 for farm loan programs) were filed in the 11 selected States. The counties were selected based on one or more of the following criteria:

- The number of minority borrowers for the county as reported by the FSA was low compared to the number of minority farms reported by the Agriculture Census Data of 1992;
- The delinquency rate for minority borrowers was disproportionately high compared to the delinquency rate for nonminority borrowers;
- Direct loan application activity for minority loan applicants was high;
- Members of the county office committees were largely nonminorities; and
- Employees at the county offices were largely nonminorities.

We refer to the selected counties as "targeted" counties. FSA loan-making and servicing activities were performed at the loan service centers, which may not be located in the same county as the targeted county. FSA loan service centers usually service more than one county. For this review, the field work was performed at the loan service center, and we concentrated our coverage on the targeted county. However, to obtain a representative sample of loan activity by the service center, we expanded our review coverage to include counties that were serviced by the same loan service center as the targeted county. Additionally, we obtained FSA farm loan data for all counties in the 11 States visited and used this data in our review of loan-applications and loan-servicing decisions.

The review was performed at the FSA National office in Washington, D.C., the 11 State offices, and 33 FSA loan service centers. (See exhibit B for a list of the States, loan service counties, and targeted counties reviewed during this evaluation.) The field work was performed between January 1997 and August 1997.

In FY 1996, Congress appropriated about \$653 million to FSA for direct farm ownership and operating loans. The 11 selected States received allocations of about \$225 million for direct farm ownership and operating loans and obligated about \$208 million as shown in the table below.

FY 1996

State	Allocations (thousands)	Obligations (thousands)
Alabama	\$ 7,137	\$ 4,689
Arkansas	17,103	12,945
California	22,589	25,685
Georgia	11,320	12,249
Louisiana	17,961	15,444
Mississippi	22,558	20,586
North Carolina	11,340	12,901
Oklahoma	22,170	22,836
South Carolina	8,885	6,954
Texas	77,894	68,093
Virginia	6,116	5,556
Totals	\$225,073	\$207,938

Where obligations exceeded allocations, FSA State offices obtained additional allocations from reserve funds from the National office or pooled funds from other States.

Review coverage emphasized direct loan funds rather than guaranteed loans because FSA officials have greater authority over direct loans; they oversee the loan-making process, have approval authority, and provide loan-servicing. The review included 346 loan applicants and 202 loan-servicing actions.

For each targeted county, we judgmentally selected for review up to five minority and five nonminority borrowers who either received a loan in 1996, received a FmHA<sup>1</sup> 1951-S servicing decision in 1996, received a debt settlement, filed a civil rights complaint, were delinquent, or were awaiting a

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<sup>1</sup>Prior to departmental reorganization in 1994, the Farmers Home Administration (FmHA) administered the farm loan programs that are currently handled by FSA.

foreclosure action. Also, we selected for review up to 3 minority and 3 nonminority FY 1996 loan applications (up to 18) which were approved, rejected, or withdrawn. We selected the sample based on the race of the borrower or applicant. We focused on loan activity for FY 1996 but reviewed activity in earlier and later years if 1996 files did not provide enough data to analyze.

For our review, we identified borrowers and loan-servicing decisions from FSA's 540 reports (FmHA Report Code 540, Status Report of Farmer Program Accounts) and loan applicants from FSA's APPL data base or FSA's loan application management cards.

We obtained the General Population Census of 1990 and the Agricultural Census of 1992 in an effort to assess participation by minorities in FSA direct loan programs in comparison to nonminority participation. However, we found this data had limited utility for comparison purposes. The General Population Census shows the racial makeup of the entire population but not of the farming population and the Agricultural Census data shows the number of farms (earning at least \$1,000 in sales) and land in the farms but not the number of farmers who operate those farms. In contrast, FSA's direct loan portfolio and application data base show the number of borrowers. Therefore, we were unable to draw any valid conclusions when comparing the 1990 and 1992 census data to minority participation in FSA's direct loan programs. We also reviewed FSA's loan portfolio as of February 1997, and direct loan applications for fiscal year 1996.

The Agricultural Census of 1992 was categorized by farms and race and did not include gender. For consistency, our presentation of the Agricultural and General Population Census data as well as the FSA loan portfolio and application data is by race. The data collected is discussed in the General Comments section of this report. We did not assess the reliability of the 1990 and 1992 census data nor the FSA loan reporting data collected.

This review was conducted in accordance with the Quality Standards for Inspections issued by the President's Council on Integrity and Efficiency. Accordingly, the review included such tests of program and accounting records as were considered necessary to meet the review objectives.

## **METHODOLOGY**

To accomplish our objectives and support our findings, we performed the following steps and procedures:

- At the National office, through FSA's Primary Loan Accounting System (PLAS), we obtained data on FSA's direct loan programs (farm ownership, operating, and emergency loans) as of February 1997, which we sorted by racial categories of African-American, Native American, Asian-American, and Hispanic. The data on the direct loan program included the number of borrowers, number of loans, the outstanding principal and interest, number of delinquent borrowers, number of delinquent loans, and the delinquent outstanding principal and interest. The data was used to determine participation and delinquency rates by race. We obtained FY 1996 direct loan application data from FSA's APPL data base to determine the average processing times for processing loans. We obtained financial data for FY's 1992 through 1996 for direct loan programs on appropriations, allocations, obligations, and funds expired.
- At the National office, we interviewed FSA officials to determine the method of allocating direct loan program funds to the States, and the controls in place to ensure that direct loan reserve funds and direct loan pooled funds were used or re-allocated to the States in accordance with laws and regulations. We also interviewed National office officials to obtain regulations, notices, and directives and guidance to the States for direct loan-making and loan-servicing.
- At OCR, we interviewed officials to determine the new procedures for processing and resolving discrimination complaints. We obtained data on the number of outstanding discrimination complaints and their status.
- At the National office of the Natural Resources Conservation Service, we obtained the Agriculture Census Data of 1992 and General Population Census Data of 1990.
- At the Office of the General Counsel (OGC), we interviewed regional counsels to determine OGC's role or involvement in the civil rights complaint process.
- At the State offices, we reviewed the controls and oversight on loan-making, loan-servicing, outreach, allocation of direct loan program funds to loan service centers, and the order in which loan applications were funded. We interviewed the State Civil Rights Coordinator (SCRC) to determine the procedures for processing discrimination complaints, the process for performing preliminary inquiries of discrimination complaints, the methods of outreach used to increase minority participation in the

direct loan programs, and the county office committee election process. We also reviewed any supplemental regulations, notices, directives or guidance issued by the State offices to the county offices which pertained to loan-making, loan-servicing, debt settlement, and outreach.

- At the State offices, we reviewed loan-servicing actions approved by the State office. We also reviewed debt settlement decisions of adjustment, compromise, cancellation, and charge-off approved by the 11 State offices. We reviewed the decisions to determine if decisions that required future collection action for minority borrowers were disproportionate to nonminority borrowers.
- At the State offices, loan service centers, and county offices we interviewed FSA (Ag Credit officials)<sup>2</sup> and county office employees to determine if they witnessed any unfair treatment of minority farmers or employees. We also determined the racial makeup of the FSA staff at the locations we reviewed.
- At the loan service centers, we reviewed the FSA's 540 report. The 540 report contains the name of each borrower, the date of loan, the type of the loan, the number of loans, outstanding principal and interest, date and type of servicing actions, and the status of the loan(s). We reviewed the 540 reports to determine the number of borrowers who received loan-servicing. We obtained information from the APPL data base or from direct loan management cards (two of the 33 selected loan service centers did not enter information into the APPL but used management cards to track applications) to determine the number of applications for direct loans in FY 1996. The APPL data base and the management cards contained data on applications approved, rejected, or withdrawn by race.
- At the loan service centers, we reviewed each sampled borrower's case file and analyzed the data to determine whether minorities, in comparison to nonminorities, received smaller loan amounts than requested, had numerous "subject to" provisions, received higher interest rates or shorter repayment periods, and endured longer delays in the processing of their loan applications. For those borrowers who received loan-servicing, we analyzed the data to determine whether minorities, in comparison to

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<sup>2</sup>FSA has two components: county office staffs, which administer programs that were formerly carried out by the Agricultural Stabilization and Conservation Service, and agricultural credit staffs, which administer the farm loan programs that were formerly carried out by the Farmers Home Administration.



nonminorities, had their applications for loan-servicing rejected; were not offered mediation, loan preservation servicing, or debt settlement; or experienced long delays in the processing of their servicing requests.

- At the loan service centers and county offices, we interviewed the county office committee's minority advisors to determine their role on the county committee and their efforts to increase participation by minorities in FSA direct loan programs. We interviewed direct loan borrowers and individuals who do not participate in the direct loan programs to solicit comments about the county office outreach efforts and the treatment they received when and if they requested technical assistance from an FSA or county office employee.
- We consulted the following report while conducting our review and preparing this report:

Civil Rights at the United States Department of Agriculture, dated February 1997, by USDA's Civil Rights Action Team.

## FINDINGS AND RECOMMENDATIONS

### **I. BACKLOG OF CIVIL RIGHTS COMPLAINTS HAS GROWN: INDEPENDENT REVIEWERS ARE NEEDED TO DETERMINE IF DISCRIMINATION EXISTS**

For the first phase of our review, performed in January and February 1997, we determined the status of complaints brought against the FSA by minority farmers who believed they were discriminated against when applying for farm loans or loan servicing. The Secretary requested the review to address the concerns of minority farmers who charged that FSA failed to respond to their complaints of discrimination. From our review, we determined that FSA had an outstanding backlog of 241 unresolved civil rights complaints and a civil rights complaint system that was poorly prepared to handle the backlog. We were informed by OCR that, as of August 1997, the backlog of FSA complaints has increased to 474. Further, the ad hoc team convened by the Secretary was unable to dispose of the backlog because it was determined that the complaints had never been properly investigated and more information was needed to determine if discrimination had or had not occurred.

Currently, OCR has assumed control of the backlog and FSA conducts preliminary inquiries at the direction of OCR. OCR determines if an investigation is necessary based on the results of the preliminary inquiry conducted by FSA. In our opinion, the FSA employees who have been assigned the task of conducting preliminary inquiries during the complaint investigations have not been properly trained to carry out these sensitive duties. Moreover, the employees are not independent or objective in appearance. As State civil rights coordinators, they are under the direction of FSA State executive directors as well as FSA National office officials, and are generally too closely allied to the agency whose public image could suffer as a result of their investigations.

We are recommending that OCR conduct the preliminary inquiries since they are in a better position than FSA to investigate civil rights complaints. We are also emphasizing that ad hoc teams need to be held to the task of processing the outstanding complaint cases until the backlog is significantly reduced.

**ADDITIONAL ACTIONS NEEDED TO  
REDUCE THE BACKLOG OF CIVIL  
RIGHTS COMPLAINTS**

**FINDING NO. 1**

The backlog of FSA program discrimination complaints has increased since our February 1997 report. In February, we identified 241 open discrimination complaints for FSA. As of August 1997, there were 474 reported FSA discrimination complaints, an increase of 97 percent. The newly formed OCR has taken steps to reconcile the complaints and determine their status. However, the backlog continues to grow, and only 32 of the 241 cases (13 percent) have reportedly been closed.

In our February report, we recommended that an ad hoc team of agency program specialists be assembled to take control of the backlog of complaints and be held to the task for at least 60 days. The team charged with this task was assembled in April 1997, with the goal of eliminating the backlog by June 1997. The team found that the files were in disarray, as we had reported, and were missing important information. Also, a high level OCR official pointed out that the complaints had never been properly investigated. The official concluded that without a proper investigation in each case, his office could not determine conclusively whether discrimination did or did not exist. Thus, the June 1997 deadline was deemed unreasonable, and the ad hoc team was disbanded without accomplishing its goal.

After the team was disbanded, OCR assumed control of the backlog. OCR compiled a list of outstanding complaints and reconciled the list with records maintained by the agencies. OCR is drafting regulations and procedures to process complaints and has advertised positions for program complaint investigators. In the meantime, OCR has entered into contracts with two private firms to conduct investigations of high-priority program complaints. OCR has identified over 100 complaints that fall into this category.

We had also recommended that a letter be signed by the Secretary and sent to all complainants whose cases were still open, assuring the complainants that action would be taken. The letter was to include an assigned case file number and the name and phone number of a responsible person who knew the general status of the case. This has not been done. We have since received three hotline complaints from persons with outstanding civil rights complaints who were unaware of the status of their cases.

We also recommended that the Department determine the number of outstanding program complaints and develop a data base which details all necessary information about the complaint. As of August 1997, OCR was in

the process of creating a data base to record all complaints in the Department and track their status. The data base will have the capability to include all the data we recommended be tracked.

Our February report identified 241 open discrimination complaints for FSA. OCR reported that 32 of the 241 complaints have been closed. The Department found discrimination did not occur in 15 of the cases. Nine complaints were withdrawn by the complainants. The Department paid benefits previously denied in five cases. Three complainants received compensatory damages as a result of discrimination findings.

OCR also informed us that 37 of the 289 complaints noted in our February report for other Departmental agencies have been closed. Of the 37 complaints, OCR reports that discrimination was found in one case, a conciliation agreement was reached in another case, and no discrimination was found in 13 cases. For the remaining 22 cases, OCR closed 9 with a claim either not granted or not pursued by the claimants, and closed the other 13 for various reasons such as no jurisdiction, etc.

Our February report also recommended that the ad hoc team process complaints still at the agency level. This would primarily involve the team in performing preliminary inquiries and preparing cases for the final analysis to determine if the complainants had been discriminated against. We reported that 64 of the 241 complaints needed a preliminary inquiry. Only 17 of these 64 preliminary inquiries have been performed (27 percent), and only 7 of the 64 complaints have been closed (11 percent) as of August 1997.

While OCR has been preparing its data base, 233 cases have been added to FSA's backlog, an increase of 97 percent. An OCR official stated that most of the increase occurred because complaints that had previously been held at the State and county level were being forwarded to OCR. We found increases in the number of complaints in other agencies as well. For USDA as a whole, the number of discrimination complaints has increased by nearly 86 percent from January 1997 to August 1997.

Agency	Number of Complaints, January 1997 (Per OIG)*	Number of Complaints, August 1997 (Per OCR)	Percent Increase (+), or decrease (-)
Farm Service Agency	241	474	+ 97
Rural Development	253	303	+ 20
Food and Consumer Services	14	95	+ 579
Other Agencies	22	112	+ 409
Total	530	984	+ 86

\* We reported a total number of 530 complaints as of January 1997 in our Phase I report. As part of the Phase I report, we developed our own data base of FSA complaints and determined that there were 241 open FSA complaints as of January 1997. We did not attempt to verify the other numbers presented in the table above.

While the current structure of OCR may be capable of ensuring that a backlog does not appear in the future, we believe additional efforts are needed immediately to significantly reduce the backlog of complaints that currently exists at USDA.

#### **RECOMMENDATION NO. 1a**

Immediately send a letter signed by the Secretary or his designee to all complainants whose cases are still open, assuring the complainants that action will be taken. The letter should include an assigned case file number and the name and phone number of a responsible person who knows the general status of the case.

#### **RECOMMENDATION NO. 1b**

Convene ad hoc teams (composed of adequately trained and experienced Department personnel directed by OCR) to process and significantly reduce the backlog of outstanding discrimination complaints. The preliminary inquiries should be performed by the teams in accordance with established procedure and be sufficiently detailed to draw conclusions and make recommendations to OCR for action.

## **FSA LACKS INDEPENDENCE AND OBJECTIVITY IN THE CIVIL RIGHTS INVESTIGATION PROCESS**

### **FINDING NO. 2**

FSA State civil rights coordinators (SCRC) and those delegated to investigate civil rights complaints generally were too closely allied to the agency and were not properly prepared to perform those investigations. Also, FSA had not provided SCRC's with the appropriate amount of training.

One of the primary responsibilities of the SCRC is to investigate complaints of discrimination within FSA. Complaints that reach the Department are forwarded to FSA's Civil Rights and Small Business Utilization Staff, which requests the SCRC in the appropriate State to conduct a preliminary inquiry. The SCRC interviews the complainant and gathers the facts surrounding the allegation. The report of preliminary inquiry includes a statement of the allegation, the facts relating to the complainant's situation, the facts relating to those who are similarly situated to the complainant, and an identification by relevant protected group of the complainant, of those whose decisions led to the complaint, and of those who are similarly situated. Although not required to make a determination of discrimination, SCRC's are nevertheless obligated to maintain their objectivity and independence when gathering the facts and reporting them to Civil Rights and Small Business Utilization Staff.

#### Lack of Objectivity and Independence

Because SCRC's are FSA employees who have been given the added task of investigating civil rights complaints, their position lacks objectivity and independence in appearance. SCRC's are under the direction of the State executive director and, to a less definable extent, of FSA's National office officials. In one State, State office officials had to be briefed before a preliminary inquiry report was submitted to the National office. Locations at which the designated SCRC's were employed varied. In some cases, State office employees were designated SCRC's; in other cases, county office employees were; and in still others, district directors were.

The SCRC (district director) in one State told us he did not work on civil rights cases involving complaints within his own jurisdiction. If such a complaint should arise, he said, the State would assign another district director to perform the preliminary inquiry. We concluded that despite such arrangements, the SCRC is too closely allied professionally with the agency and agency personnel whose public image would suffer if any investigation were to prove discrimination had occurred. Under such conditions, FSA's

clients would be justified in raising doubts about the appearance of nonobjectivity in the investigations. We believe that the preliminary inquiry should be conducted by someone who is completely independent of FSA.

In addition, SCRC's do not perform civil rights functions on a full-time basis. We found that non-SCRC duties for several SCRC's accounted for about 95 percent of their workload. In one State, the SCRC estimated that he spends only about 5 percent of his time on civil rights issues. He further estimated that before the "listening sessions"<sup>3</sup> began, he spent less than 1 percent of his time on civil rights issues. The SCRC in another State said that a full-time person is needed to assume the responsibilities associated with the SCRC position. He stated that performing the role of SCRC and having other job responsibilities make the job nearly impossible and that he often has to work on his own time to be efficient. We believe that this lack of focus could lead to inadequate preliminary inquiries and delays in the civil rights complaint process.

OCR has begun to put together a staff which will include a cadre of investigators. Investigators within this office should have the independence necessary to ensure that their work is objective. In addition, they should be assigned to their positions full-time, thus allowing them the opportunity to become knowledgeable in the programs and regulations of the agencies against which complaints may be brought.

#### Inadequate Training

Because the preliminary inquiry is the basis for civil rights findings and recommendations, it is very important that it be accurate and complete. The "how-to's" of conducting a preliminary inquiry are equally important. The FSA National office gave a 1-week training session in September 1996 to all personnel appointed to the newly established position of SCRC. Only 4 hours of the session were allotted to the subject of conducting a preliminary inquiry. Many SCRC's stated they did not feel this was enough. For 7 of the 11 States we visited, the SCRC's stated they believed they had not received the training they needed to adequately conduct a preliminary inquiry. In 2 of the 11 States, some of the officials who performed the preliminary inquiry had been delegated this responsibility and had not received any formal training.

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<sup>3</sup>The Department's Civil Rights Action Team held 12 civil rights "listening sessions" during which minority farmers voiced their concerns about the treatment they received from FSA.

The SCRC in one State stated he felt the training he received was sufficient, but we found he had not performed a preliminary inquiry himself. He had delegated this responsibility to at least five other FSA officials, not all of whom had attended the National office's civil rights training. According to the SCRC, these officials had the right attitude, and the State executive director recommended them.

We reviewed the preliminary inquiries prepared by officials in this State. We found one preliminary inquiry that had been returned because it was poorly prepared. It had been completed in January 1997 by the administrative officer and the Ag Credit specialist and was returned in March 1997. The staff in Civil Rights and Small Business Utilization Staff wrote: "We have received your correspondence concerning the above-named complainant. Please be advised, this is not an adequate Preliminary Inquiry (PI) report. We are attaching a copy of the PI request dated March 8, 1996, which details the minimum information needed." The National office stated that it had no problem with someone other than the SCRC doing the preliminary inquiry, but that the "SCRC has received training in conducting and preparing PI's and should be utilized for that purpose whenever possible." The submission of an inadequate preliminary inquiry had delayed the processing of the complaint.

In conclusion, we believe that SCRC's should continue to perform civil rights functions, but that they should function in the capacity of liaison with the OCR. SCRC's should help OCR mediate and conciliate civil rights complaints, but they should no longer conduct the preliminary inquiry for program complaints. The SCRC should continue to prepare, develop, and implement equal employment opportunity programs, including special emphasis and workforce diversity. In this capacity, the SCRC should serve as a focal point for equal employment opportunity issues. In addition, the SCRC should take control of outreach development, implementation, and monitoring for the State. We believe the actual conducting of the preliminary inquiry should be the responsibility of the OCR.



## **RECOMMENDATION NO. 2**

Revoke the delegation of authority that granted FSA responsibility to conduct preliminary inquiries of program discrimination complaints, return this authority to OCR on a permanent basis, and ensure that the OCR staff is adequately trained to perform the preliminary inquiries.

## **II. FSA'S PROGRAM OF MINORITY COMMUNITY RELATIONS NEEDS IMPROVEMENT**

FSA could improve its program of minority community relations by engaging in more effective outreach efforts, upgrading the status of its minority advisors, and by increasing the diversity of its local workforce.

Ag Credit officials believe they are doing all they need to do in terms of outreach, or at least all they are required to do in addition to what is already being done by grant recipients who provide technical assistance to minority borrowers. However, we found that outreach efforts were not effectively targeted nor consistently implemented.

Minority advisors to the county office committee, who are supposed to keep the committee apprised of minority concerns, are not as effective as they could be in the minority farming communities because they are either not well known or their roles are not well understood. We believe the status of minority advisors should be upgraded. Further, improvement in workforce diversity at the local level would have a beneficial impact on FSA relations with the minority farming community.

Title 7 USC Sec. 2279 (a)(1) states that the Secretary of Agriculture shall provide outreach and technical assistance to encourage socially disadvantaged farmers to own and operate farms and to participate in agricultural programs. The minority advisor to the county office committee is responsible for increasing participation in FSA activities, including elections by eligible voters, to ensure that minority group problems and viewpoints are considered in FSA actions.

### **OUTREACH EFFORTS NEED TO BE BETTER TARGETED**

#### **FINDING NO. 3**

Outreach efforts in the 11 States reviewed were not effectively targeted nor consistently implemented. FSA officials relied on traditional outreach methods and had not considered evaluating these methods as a means of measuring their effectiveness in reaching minority farmers. Some FSA officials questioned the merits of further outreach efforts, citing a lack of available loan funds.

However, we found that during FY's 1992 through 1996, \$557 million in

direct loan funds had been available but had not been used. (The bulk of these funds, \$542 million, had been available in FY's 1992 and 1993.)

We found that in the States visited, FSA offices did not sufficiently target minority farmers in their outreach efforts and only employed what had become the traditional methods of meeting outreach requirements. These methods included publishing articles in newsletters and local newspapers; making announcements through local radio and television stations; attending public meetings, fairs, or other farm-related events; and working with other agricultural agencies to organize public meetings. We found that local Ag Credit officials rarely made personal calls on farmers to introduce themselves and discuss FSA farm loan programs.

A district director in one State emphasized that outreach efforts must be ongoing and reach as deeply as possible into the community. His experience with outreach activities had led him to conclude that targeted efforts such as one-on-one meetings with farmers would have the most impact. Echoing this sentiment, a minority farmer in the same State said that "USDA folks must visit the farmers and gain their trust."

Further, we noted that in one county which has a relatively high number of non-English speaking farmers, no media ads or informational materials were prepared in Spanish, the language spoken by over half the people in the county.

Ten of the eleven States we reviewed, which had grant agreements with local colleges to provide technical assistance to minorities, as provided for under section 2501 of the FACT Act of 1990, had come to rely to some extent on the "2501 Program" to provide outreach. Two States formulated no outreach initiatives of their own beyond the grantees' efforts. Eight of the States continued to use the traditional methods regardless of their success. The remaining State had a grant agreement with a community-based organization that provided only technical assistance.

FSA National officials and State Ag Credit officials expressed concern about the practicality of continuing to perform outreach efforts when loan funds were scarce or not available. We could not substantiate the claim that funds were scarce or unavailable. We found that about \$539 million in direct non socially disadvantaged applicant (SDA) operating loan funds expired during FY's 1992 through 1996 (\$529 million was unspent in FY's 1992 and 1993) which should have been available for loans and redistributed to other States as needed. In addition, during this same period, another \$18 million in direct

SDA operating loan funds was available for loans in certain States. However, current legislation prevents SDA operating loan funds from being pooled to other States. (See Finding No. 8.)

We also noted that the FSA National office has not instituted a performance appraisal system to uniformly measure the adequacy of outreach efforts.

According to their position descriptions, district directors are responsible for ensuring that Ag Credit officials conduct outreach efforts, and for evaluating their performance. We found that the performance evaluation elements and standards were being applied inconsistently among the States and bore no precise relation to outreach efforts. The standards varied within States, were usually vague, and generally did not include any requirements to quantify outreach efforts or determine if they were sufficiently targeted. We found situations where district directors rated Ag Credit managers "Fully Successful" or "Exceeds Fully Successful," even though a review of FSA files and interviews with minority farmers revealed that no outreach activities had been conducted.

One important aspect of outreach involves raising minority farmers' awareness of and interest in the county office committee election process. We obtained statistics for the county office committee election outreach efforts conducted by the 33 targeted counties in the 11 States we visited. These efforts were made in response to FSA Notice AO-1124, which required county offices to contact local minority groups to encourage minority participation in the December 1996 elections. Statistics for the 33 targeted counties we visited revealed that the county office outreach efforts, in general, were minimal.

As a result of the 1996 elections, only 3 of the 33 targeted counties in our sample had elected a minority member to their county office committees. Minorities made up approximately 3 percent of the voting membership of county office committees in the 33 counties we reviewed. The following depicts the racial composition of the 33 county office committees.

STATES AND TARGETED COUNTIES	1997 COC MEMBERSHIP (RACE)	STATES AND TARGET COUNTIES	1997 COC MEMBERSHIP (RACE)
	NONM. MIN.		NONM. MIN.
ALABAMA		N. CAROLINA	
Geneva	3 0	Columbus	3 0
Madison	3 0	Duplin	3 0
Montgomery	3 0	Granville	3 0
ARKANSAS		OKLAHOMA	
Lee	3 0	Cherokee	3 2
Phillips	3 0	Choctaw	3 0
Poinsett	3 0	Grady	3 0
CALIFORNIA		S. CAROLINA	
Fresno	2 1	Anderson	3 0
Riverside	3 0	Clarendon	3 0
San Joaquin	3 0	Orangeburg	3 0
GEORGIA		TEXAS	
Brooks	3 0	Guadalupe	3 0
Tattnall	3 0	Hidalgo	3 0
Worth	3 0	Nacogdoches	3 0
LOUISIANA		VIRGINIA	
Caddo	3 0	Franklin	3 0
Richland	3 0	Halifax	3 0
St. Landry	3 0	Mecklenburg	3 0
MISSISSIPPI			
Hinds	3 0		
Marshall	3 0		
Winston	3 0	Totals	98 3

On a nationwide basis, the county office committee election results showed a modest increase in minority membership in county office committees, from 1.8 percent in 1996 to 2.4 percent in 1997.

RACE	1997 COC MEMBERSHIP	1996 COC MEMBERSHIP
WHITE	7,957 (97.6%)	8,225 (98.2%)
AFRICAN-AMERICAN	37 ( 0.5%)	20 ( 0.2%)
HISPANIC	65 ( 0.8%)	57 ( 0.7%)
ASIAN-AMERICAN	21 ( 0.3%)	19 ( 0.2%)
NATIVE AMERICAN	68 ( 0.8%)	57 (0.7%)
TOTAL	8,148	8,378

We concluded that traditional outreach methods have not been effective in increasing minority awareness of FSA farm loan programs or of the county office committee election process.

### RECOMMENDATION NO. 3

Develop and implement effective methods of outreach, and establish uniform standards and benchmarks by which to evaluate outreach performance.

In establishing this system, the following outreach methods should be considered:

- Staff should visit minority farms as a means of introducing staff members, inviting the farmers to visit their offices, and determining and documenting the reasons why these farmers have not applied for farm program loans. Of particular importance would be information about why the farmers, who would qualify for direct farm program loans, are not participating. These visits should occur well in advance of the typical loan-making season to ensure that adequate time is available to assist borrowers in successfully completing their applications and receiving their loans in time for planting season.

- Staff should develop close and ongoing working relationships with individuals considered to be leaders within local minority communities as a means of maintaining a continuous link with the minority farming community.

In addition, the following employee benchmarks or performance measures should be considered:

- The timeliness and adequacy of information maintained about minority farmers who operate within a service center's jurisdiction but who do not participate in farm loan programs.
- The number of minority farmers visited based on documentation prepared by the staff who made the visits.
- The number of working relationships developed with those who have close ties with the local minority community and the frequency of meetings held with the contacts; and written records of progress being made toward ensuring that a continuous communication link is maintained with the minority farming community.
- The number of direct loans made to minority farmers in relationship to the number of minorities who are operating farms within the respective service center jurisdictions and who are deemed eligible to participate in farm loan programs.

#### **MINORITY ADVISORS WERE UNCLEAR OF THEIR ROLES**

#### **FINDING NO. 4**

Minority advisors rarely initiate efforts to visit and inform their minority constituents about farm loan programs. Furthermore, minority advisors for nearly all of the counties we reviewed did not effectively represent the interests of the minority community.

FSA Handbook 16-AO, Revision 2, Amendment 1, dated May 9, 1996, requires county office committees to recommend appointing a minority advisor in counties that have eligible minority voters of 5 percent or more but do not have minority representation on the committee. The main duty of the minority advisor is to increase awareness within the minority community of FSA activities and to ensure that minority concerns are understood by the county office committee. Minority advisors attend county office committee meetings, including executive

sessions, and participate in all deliberations, but have no vote. Minority advisors we spoke to believed they would be more effective if they were voting members of the county office committee.

In response to our inquiries about minority advisors, some members of the minority farming community could not identify their minority advisor and were unaware of the minority advisor's role. Those who were familiar with their minority advisors said that the advisors do not initiate efforts to visit members of the minority farming community and inform them about farm loan programs. We noted that the minority advisor in one county we reviewed attended only one of 16 county office committee meetings from January 1996 to April 1997 because he was busy with other activities.

A State committee minority advisor and members of the minority farming community that we interviewed generally believed that minority advisors should not be appointed but be directly elected from within their respective minority communities and become full county office committee members with voting rights. They believed that, most immediately, the advisors should be given training about their responsibilities.

In its recent report, Civil Rights at the United States Department of Agriculture, the Civil Rights Action Team recommended that the Secretary "include in the legislative package to Congress amendments to the 1935 Soil Conservation and Domestic Allotment Act to add two voting members to COC's that are appointed to represent members of groups who are otherwise underrepresented on the elected COC. Selection of the two members should be based upon recommendations from underrepresented groups in the county to the State executive director and the State committee." Legislation (HR2185) was introduced into Congress on July 17, 1997, to give the Secretary the authority to appoint two members to the county office committee based on recommendations made by the underrepresented groups.

#### **RECOMMENDATION NO. 4a**

Appoint minority advisors to the county office committees based on recommendations from the underrepresented groups in the county.



## **RECOMMENDATION NO. 4b**

Provide training so that minority advisors are aware of their responsibilities to inform minority individuals and farmers about FSA programs and activities.

### **NONDIVERSITY OF COUNTY OFFICE STAFFS CONCERNS MINORITY APPLICANTS**

#### **FINDING NO. 5**

We found that the lack of diversity in the FSA county offices in relation to the communities they serve is a sensitive issue with potential minority applicants for FSA farm loans.

At the county level, FSA consists of employees who staff the county offices as well as employees who staff the Ag Credit teams directly associated with processing farm program loans. We compiled data on race and

title for employees in county offices and on the Ag Credit staffs in the 33 targeted counties.

We found that 307 county office and Ag Credit employees staffed the 33 targeted counties. Of the 307 employees, 249 (81 percent) were nonminorities and 58 (19 percent) belong to a minority group. However, 25 of the 33 counties employed no more than 2 minority employees and 6 counties had no minority employees. (See exhibit C.)

We also looked at the racial makeup of the county executive directors and Ag Credit managers who have the primary decision-making responsibility at the county level. Positions for both directors and credit managers exist in most of the 33 targeted county offices, but we found only 1 minority county executive director and only 3 minority Ag Credit managers for the targeted offices. Of the 307 employees who serve the 33 targeted county offices, 62 are in management positions and only 4 (6 percent) of these positions are filled by minorities.

A minority borrower in one State told us that he believed that low participation by black farmers was due to problems in the past when they could not get loans from the county office. He further stated that "things

were starting to change, and that now that there was a black Ag Credit manager, more black farmers might feel comfortable coming into the office."

A minority farmer in another State who was reluctant to enter the county office stated that his fear of rejection by the county office staff had led him to abandon other chances of expanding his operation. He said that he had an opportunity to buy a tobacco allotment but that he "had to let it go" because he did not want to deal with the county supervisor. He also said his daughter, who had an active interest in farming and may have qualified for a youth loan, "never would have dreamed" about going into the county office to ask for assistance.

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#### **RECOMMENDATION NO. 5**

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Work to increase the number of minority employees in FSA county offices where minority groups are underrepresented.

### **III. GREATER TECHNICAL ASSISTANCE NEEDED IN LOAN-MAKING AND LOAN-SERVICING**

We noted a need for greater technical assistance during the loan-making and loan-servicing processes. Both minority and nonminority loan applicants have generally found the application process arduous. In the 11 States reviewed, total Statewide data shows that applications from minority and nonminority farmers took about the same number of days on average to process from receipt to loan closing. However, in certain locations, we noted that the applications of minority applicants took more days to complete (from receipt to complete status) than applications of nonminority applicants. Additionally, we found a disproportionate number of nonminority borrowers received two or more multiple servicing decisions whereas a disproportionate number of minority borrowers received no more than one of these decisions. These decisions generally place borrowers in a more favorable position to overcome their financial hardships and to continue their farming operations. We also noted that the internal FSA review processes in the 11 States visited had no procedures in place to detect or address disparate treatment of minorities.

#### **APPLICATION REQUIREMENTS FRUSTRATE BORROWERS**

#### **FINDING NO. 6**

Both minority and nonminority applicants questioned the length of time it takes to process loan applications. Some of these applicants also informed us they were not given the technical assistance needed to complete their applications and obtain funds in time to plant their crops and achieve optimum production. Total Statewide data for the 11 States reviewed shows that applications from minority and nonminority farmers took about the same number of days on average to process from receipt to loan closing (87 days for minorities and 85 days for nonminorities). However, in certain locations, we noted that it took minorities longer than nonminorities to complete an approved application (from receipt to complete status). Because an applicant's requests for loan funds cannot be processed until a completed application is submitted, a delay in completing the application places the applicant lower on the list of expectant borrowers and could, if funds run out, leave the applicant unfunded until the next fiscal year. We concluded that actions are needed to reduce the length of time it takes for farmers to complete their applications.

Concerning loan approval, we also found that county office committees rejected two minority applicants and one nonminority applicant on the basis of their credit histories although the county office committees review should have been limited to a determination as to the applicants' ability to operate a farm.

FSA Instruction 1910.4(b) provides that the county supervisor (now Ag Credit manager) will provide assistance as necessary to help applicants complete their applications.

#### Lengthy Application Processing

Although the total average number of days to process an application from receipt to loan closing was similar for minorities and nonminorities in the 11 States reviewed, we did note some disparities in the number of days it took minorities and nonminorities to complete an approved application in certain locations.

The application package used by farmers to apply for FSA benefits consists of a formidable array of forms, documents, and statements, and requires an extensive commitment of time in assembling information. A completed application consists of (1) completed Form FmHA 410-1, "Application for FmHA Services"; (2) a brief narrative of farming experience; (3) verification of inability to obtain credit elsewhere; (4) a five-year financial and production history; (5) a brief description of the farming operation; (6) verification of off-farm income; (7) projected production, income and expenses, and a loan repayment plan; and (8) a legal description of the farm and other real estate property, and (if applicable) a copy of any lease, contract, option or agreement, etc.

We accessed FSA's APPL data base to obtain the average processing days Statewide for all approved applicants in the 11 States visited. The data obtained is summarized as follows.

State-Wide Averages of Days to Complete (Approved) Applications Source: FSA's APPL Data Base					
	Race*				
State	White	African-American	Native American	Asian-American	Hispanic
Alabama	25	26	N/A	N/A	N/A
Arkansas	17	<b>27</b>	N/A	N/A	N/A
California	53	N/A	25	35	<b>83</b>
Georgia	21	24	<b>48</b>	N/A	N/A
Louisiana	22	21	N/A	N/A	<b>47</b>
Mississippi	45	<b>50</b>	N/A	N/A	N/A
North Carolina	27	<b>40</b>	<b>62</b>	N/A	N/A
Oklahoma	45	10	33	N/A	N/A
South Carolina	40	<b>56</b>	N/A	N/A	N/A
Texas	26	<b>57</b>	25	<b>36</b>	23
Virginia	48	48	N/A	N/A	N/A

\* We only listed averages when there were three or more approved applications. Cases in which there were less than three are listed as not applicable (N/A). During our review, we noted that data in the data base was not complete in some locations.

As presented above, there were some disparities noted in the number of days it took minorities and nonminorities to complete an approved application (from receipt to complete status). For further details on the number of approved, rejected, and withdrawn applications, see exhibit D.

We interviewed over 300 loan applicants and borrowers (minority and nonminorities). We were told by 113 of the interviewees that the application process could be improved. Specifically, applicants believed the process took too long and thought the process was cumbersome because of the amount of paper work required. The applicants felt more technical assistance was needed to help them complete their loan applications. Some commented that they made several trips to the offices only to be told that additional information was needed.

In all 11 States, FSA officials relied on technical assistance made available to minority farmers through the "2501 Program,"<sup>4</sup>, some to a greater degree than others. Several Ag Credit officials commented that applicants who received help from the 2501 Program representatives generally submitted completed applications with all the necessary information which shortened their processing time.

#### Eligibility Determinations

In 3 of 11 States reviewed, county office committee members review and evaluate loan applicants' credit history, past record of debt repayment and reliability. In these three States, Ag Credit officials give the county office committees the complete application package, including a credit report, so the committee may make a determination of eligibility, including creditworthiness. The county office committee in one county rejected two minority applicants on the basis of their credit histories. The committee in another county rejected a nonminority applicant on the basis of the applicant's farming experience and credit history.

Ag Credit officials in the three States said that since the county office committee is charged with the responsibility of determining eligibility, it should be presented with information, including credit reports, that cover all eligibility factors. However, National office guidance<sup>5</sup> provided for Ag Credit officials, not the county office committees, to be involved in determining creditworthiness and reviewing credit reports.

We concluded that allowing the members of the county office committee, who live and farm in the same communities as the applicants, to make decisions involving credit issues infringes upon the privacy of the applicants and is not necessary to determine whether an applicant has sufficient training or farming experience to operate a farm.

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<sup>4</sup>The "2501 Program" is a grant program of technical assistance authorized by section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990.

<sup>5</sup>FmHA AN Number 3148 dated April 10, 1995.

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**RECOMMENDATION NO. 6a**

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Establish pre-application interviews with prospective applicants to determine the nature of their request and help identify information needed to complete the application process.

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**RECOMMENDATION NO. 6b**

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Establish an assistance program that includes provisions for one-on-one attention between the loan officer and the farmer, and for farm visits, if necessary, to help farmers prepare information needed to complete application packages.

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**RECOMMENDATION NO. 6c**

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Discontinue county office committee involvement in determining creditworthiness of farm applicants.

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**GREATER TECHNICAL  
ASSISTANCE NEEDED WHEN  
SERVICING DELINQUENT  
BORROWER ACCOUNTS**

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**FINDING NO. 7**

In the 33 loan service centers visited, a disproportionate number of nonminority borrowers received two or more loan-servicing decisions, and a disproportionate number of minority borrowers received no more than one of these decisions. These decisions generally place borrowers in a more favorable position to overcome their financial hardships and continue their farming operations.

The Agricultural Credit Act of 1987 required FSA to restructure delinquent farm program loans to the maximum extent possible to avoid losses and allow borrowers to continue their operations. The Act required FSA to modify the amounts, rates, and terms of delinquent loans, using any combination of

primary loan-servicing, including consolidation, rescheduling, reamortization, reduction of interest rates, deferrals, and debt writedown. These provisions were further modified by the Food, Agriculture, Conservation, and Trade Act of 1990, and the Federal Agriculture Improvement and Reform Act of 1996.

For the 33 loan service centers in the 11 States visited, a total of 526 of the 5,465 borrowers listed on the FmHA Report Code 540, Status Report of Farmer Program Accounts, received two or more FmHA Instruction 1951-S Primary Loan Service Programs (PLSP) loan-servicing decisions during the period January 1, 1989, to March 3, 1997. The status of the 5,465 borrower accounts, as of March 3, 1997, for the 33 loan service centers reviewed was as follows:

<b>Status of Accounts</b>	<b>Total</b>	<b>Nonminority</b>	<b>Minority</b>
180 Days or More Delinquent	673	522 (11%)	151 (17%)
Less Than 180 Days Delinquent	748	591 (13%)	157 (17%)
May Require Attention	555	447 (10%)	108 (12%)
On or Ahead of Schedule	3,489	2,992 (66%)	497 (54%)
Totals	5,465	4,552 (100%)	913 (100%)

As indicated above, 66 percent of the universe of nonminority borrower accounts were on or ahead of schedule, and the remaining 34 percent were delinquent. In contrast, only 54 percent of the universe of minority borrower accounts were on or ahead of schedule, and 46 percent were delinquent.

The 526 multiple loan-servicing decisions previously mentioned included loan rescheduling, loan consolidation, restructuring, and debt writedown. Nonminority borrowers received 449 (85 percent) of the multiple decisions, and minority borrowers received 77 (15 percent) of them. (See Exhibit E.) What this shows is that nonminorities, who had 34 percent of their accounts in the delinquent or may require attention categories, received 85 percent of the PLSP multiple servicing decisions while minorities, with 46 percent of their accounts in these categories, received only 15 percent of the PLSP multiple decisions.



Another issue noted was the lack of followup with borrowers who did not respond to notices concerning availability of PLSP servicing. We found that borrowers were generally notified of the availability of loan service programs. However, in the absence of specific requirements to follow up, the Ag Credit staff did not actively recontact those borrowers who either did not respond or did not actively seek loan-servicing. We found that certain minority borrowers who did not actively seek loan-servicing based their lack of response on negative experiences with FSA during the early stages of the implementation of PLSP.

Presented below are examples of disparities in the number of multiple loan-servicing decisions given to nonminority and minority borrowers in two States.

- In the first State, we reviewed three loan service centers in which there were 301 nonminority borrowers and 33 minority borrowers. Nonminority borrowers received 70 (96 percent) of the 73 multiple servicing decisions while minority borrowers received only 3 (4 percent) of them. As an apparent parallel to this disparity, only 36 percent of the nonminority accounts were in the Over 180 Days Delinquent and May Require Attention categories, whereas 51 percent of the minority accounts were in these two categories.
- In the second State, we reviewed three loan service centers in which there were 364 nonminority borrowers and 95 minority borrowers. Nonminority borrowers received 38 (84 percent) of the 45 multiple servicing decisions while minority borrowers received only 7 (16 percent) of the multiple servicing decisions. As an apparent parallel to this disparity, only 15 percent of the nonminority accounts were in the Over 180 Days Delinquent and May Require Attention categories, whereas 27 percent of the minority accounts were in these two categories.

In the second State, we also noted that two nonminority borrowers in one county did not respond to notifications of availability of PLSP within the 60-day timeframe required by FmHA Instruction 1951-S. However, the Ag Credit staff did not initiate actions to accelerate these accounts, as required by the instructions. Instead, the Ag Credit staff rescheduled the borrowers' debts when they applied for new loans. As of the date of our review, each of the two accounts were on or ahead of schedule, and one of the two borrowers had received two additional servicing decisions.

In contrast, two minority borrowers in this county were sent notices regarding the availability of PLSP. As with the above-cited nonminority cases, neither of the two minority borrowers responded to the notifications within the 60-day timeframe required by FmHA Instruction 1951-S. Consequently, their accounts were accelerated.

FSA needs to be aware of and analyze any disparities in FSA's PLSP loan-servicing decisions particularly in comparison to delinquency rates for minorities and nonminorities. FSA also needs to be aware of borrowers with limited resources who may need personal contact and greater technical assistance to understand what FSA can do to help alleviate financial hardship.

We found that analyses are not periodically conducted by FSA to identify those States or counties where disparities may exist in the loan-making and loan-servicing processes. FSA has two formal review processes; one conducted by the National office, called the National Internal Review, and one conducted by State offices, called the County Operations Review. Additionally, district directors conduct periodic oversight visits to county offices. In the 11 States visited, we found that these reviews did not include an evaluation of civil rights issues to detect or specifically address any disparate treatment of minorities.

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**RECOMMENDATION NO. 7a**

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Establish and maintain a tracking system to monitor the servicing of farm loan accounts, especially in connection with delinquency rates and borrower responses to notification of availability of loan service programs, and to ensure equality in the servicing of all farm loan accounts.

### **RECOMMENDATION NO. 7b**

Make personal contact with those borrowers who do not respond to the notifications or the requests for information within the prescribed timeframes, and ensure that the borrowers fully understand the significance of the notifications and the requirements for acquiring loan-servicing.

### **RECOMMENDATION NO. 7c**

Incorporate a review of civil rights issues in FSA's formal National Internal Reviews and County Operations Reviews, and have district directors address civil rights issues when conducting periodic reviews of loan service centers and county offices.

### **FSA'S METHOD OF REDISTRIBUTING FUNDS NEEDS IMPROVEMENT**

#### **FINDING NO. 8**

Because FSA did not maintain documentation for direct loans funded out of the National office reserve account, we were unable to determine if minority applicants were excluded from this source of direct loan funds. Also, we determined that from FY 1992 through FY 1996, \$557 million of non-SDA and SDA direct operating loan funds had been available for loans but was allowed to expire. The bulk of these funds, \$542 million, was available in FY's 1992 and 1993.

The National office allocates direct loan funds to the States at the beginning of the fiscal year. The National office also maintains a direct loan reserve fund to fund loan applications when requested by the States. Some States use up their available direct loan allocations and others do not. Those States that have unfunded applications or residual accounts too small to cover any single loan application can request funds from the national reserve fund on a case-by-case basis.

On the other hand, States with residual direct loan funds return those funds to the National office, which "pools" the money into the reserve fund and redistributes the funds to other States. In addition to receiving funds through pooling or the national reserve, States can fund loan applications, with National Office approval, by moving funds between themselves. The only exception to pooling is SDA direct operating loan funds, which by law cannot be pooled.

### FSA's Practice of Redistributing Funds Is Questionable

In 9 of 11 States we reviewed, FY 1996 nationally allocated loan funds were maintained at State offices and not allocated to counties. Once a loan service center approves an application, a request to obligate funds is forwarded to the State office. We determined that there are times when FSA procedures may not be followed. State office Ag Credit officials told us that when State loan funds are exhausted and national reserves are used to supplement depleted State resources, the order in which loans are funded may not follow the rule of "first-in, first-processed."

FmHA Instruction 1910.4(b), effective May 24, 1990, and still currently followed by FSA, states that "completed applications will be processed in the order of date received," or in order of first-in, first-processed.

A State office Ag Credit official in one State stated that the obligation forms received on any particular day would be processed in the order of date received, unless the loan amount exceeded the State fund balance. If it did, then the next obligation request in line for funding would be processed, and the next, until available State funds were depleted. The State office Ag Credit official stated that the State could request direct loan funds from the national reserve to fund the loan that exceeded the State fund balance. The decision to request additional funding or fund the next application in line is at the discretion of the State office Ag Credit official.

For instance, if an applicant is awaiting funding for a \$200,000 direct operating loan and the redistribution from the national reserve totals only \$100,000, then the State would fund the next loan request for \$100,000 or less, regardless of when the loan applications were received. Another State office Ag Credit official explained that when State direct loan funds are depleted, the required "first-in, first-processed" rule was not followed to determine the order of funding. Instead, the State office would send the National office a list of unfunded loan requests and the National office would

determine which applications get funded. We confirmed this process with FSA National office officials.

We are concerned about the redistribution method described to us because it may result in an unfair distribution of loan proceeds across the country and because the National office did not retain any documentation showing how it had actually distributed reserve funds. Without this documentation, we could not determine which borrowers received loans funded outside the normal channels. Specifically, we were unable to determine whether minorities were excluded from distributions of pooled or reserve funds.

The FSA National office informed us that in the future they will retain the dollar amounts distributed from the reserve fund for the present fiscal year, and will retain them for a minimum of 3 fiscal years. In addition, lists of the names of applicants who have been funded with reserve funds will be maintained for the same time period. We believe supporting documentation is essential in all instances where loan applicants receive funding outside the normal channels.

In addition to national pooling, individual States are allowed, with National office approval, to move funds between themselves. Ag Credit officials told us this is an informal process by which State Ag Credit officials can directly solicit unused funds from other States. If enough funds are solicited, the National office is contacted and requested to transfer funds between states.

One Ag Credit official we spoke to believes this to be an effective way to expedite the funding of loans. However, National office Ag Credit officials stated they do not keep records of which loan applications are being funded through this funding process. Therefore, we were unable to determine whether or not this informal system between State Ag Credit officials resulted in the exclusion of minority loan applications. This informal process of reallocating funds should be discontinued.

### Operating Loan Funds Expired

By law, FSA is required to set aside a certain percentage of direct operating loan funds to fund operating loan requests by socially disadvantaged applicants, including minorities. This percentage is based on the number of socially disadvantaged farmers per State, as reported by the Agriculture Census data of 1992. The direct operating loan funds set aside are called SDA direct operating loan funds and specifically targeted to minority farmers. Each State receives an allocation based on the percentage of minority farmers in their State. These funds cannot be pooled or transferred to another State.

In April 1994, the Office of the General Counsel (OGC) interpreted the legislation governing SDA funds (section 356(c)(2) of Public Law 87-128) to mean that unobligated SDA operating funds cannot be pooled or moved from State to State. Based on the language of the statute and its legislative history, OGC determined that Congress intended the funds to remain within the targeted State.

Consequently, some SDA funds go unused at the end of the fiscal year and expire. Funds not used in the year of their appropriation are held in an expired account for 5 years then returned to the U.S. Treasury. These funds expire without the benefit of being pooled to the National office for redistribution to other States that have used up their funding. Since FY 1992, about \$18 million of targeted SDA operating loan funds that expired could have been available for loans, absent the legislative restriction.

In addition, FSA has allowed non-SDA direct loan funds to expire. Since FY 1992, about \$539 million in non-SDA direct loan funds have expired which could have been available to loan.

The following chart presents the non-SDA and SDA direct operating funds that expired for FY 1992 through FY 1996 which were available to loan.

Fiscal Year	NON-SDA	SDA	Total Additional Funds Available to Loan
FY 96	\$8,006,767	\$4,647,313	\$12,654,080
FY 95	1,472,198	\$280,147	1,752,345
FY 94	707,557	249,460	957,017
FY 93	242,229,845	5,607,869	247,837,714
FY 92	286,578,718	7,499,567	294,078,285
Totals	\$538,995,085	\$18,284,356	\$557,279,441

The FSA National office informed us that "It is **unrealistic** to expect to have \$0 subsidy [loan funds] left at the end of the fiscal year. This is due to loan funds allocated to States which do not get obligated, last-minute loan cancellations, and subsidy remaining for initially targeted funds remaining in States which cannot be pooled. Conversely, the limited amount of subsidy remaining in fiscal years 1994 and 1995 is evidence of a concerted effort by the Loan Making Division to utilize as much of the available loan funds as possible. In fiscal years 1992 and 1993, ample subsidy funds were available at fiscal years' end to obligate loans for any applicant with an approved loan."

The Department should seek legislation to allow FSA to pool unused SDA operating loan funds to States that have exhausted their available funds when there is clearly no further need to fund other SDA loans within the State that has residual funds. Agency officials agree that SDA direct operating loan funds should be pooled.

#### RECOMMENDATION NO. 8a

Seek legislation to "pool" SDA direct operating loan funds into the national reserve to redistribute to States with unfunded, approved direct operating loan applications.

#### **RECOMMENDATION NO. 8b**

Develop procedures to establish a recordkeeping system to retain, document, and justify funding of loan applications from the national reserve. Additionally, this recordkeeping system should be used to document loan requests that go unfunded and to determine if reallocation of State allocations is desirable to best utilize available funds.

#### **RECOMMENDATION NO. 8c**

Discontinue the process of informally transferring funds between States and return all unused funds to the National office for redistribution as appropriate.



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## GENERAL COMMENTS

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### MINORITY PARTICIPATION IN FARM LOAN PROGRAMS

We were asked by the Secretary of Agriculture to determine if participation by minorities in FSA's direct farm loan programs was proportional to the general population for the Nation, States, and counties. For this report, we reviewed the participation for the 11 States and 33 counties in our review. We obtained data from the 1990 General Population Census, the 1992 Agricultural Census, FSA's loan portfolio as of February 1997, and direct farm loan applications for fiscal year 1996. Census and FSA portfolio data for the Nation, States, and counties will be provided to the Secretary under separate cover.

We were unable to make direct correlations between FSA's portfolio data and either the General Population Census or Agricultural Census. The General Population Census reports the total population but does not identify that portion of the population engaged in the business of farming. The Agricultural Census shows the number of farms and land in farms for minorities, but it does not show the number of persons in the business of farming. Further, the FSA portfolio may contain borrowers who are still indebted to FSA but are no longer farming. Because of these limitations, we were unable to assess whether FSA's portfolio proportionately represents the minority population of the Nation, States, and counties. However, the following tables provide the census and FSA portfolio data for the 11 States in our review and exhibits D, F, and G provide further data for the States and counties visited.

### 1990 General Population Census

State	Total	Nonminority		Minority	
	Number	Number	Percent	Number	Percent
Alabama	4,040,587	2,960,167	73	1,080,420	27
Arkansas	2,350,725	1,933,082	82	417,643	18
California	29,760,021	17,029,126	57	12,730,895	43
Georgia	6,478,216	4,543,425	70	1,934,791	30
Louisiana	4,219,973	2,776,022	66	1,443,951	34
Mississippi	2,573,216	1,624,198	63	949,018	37
North Carolina	6,628,637	4,971,127	75	1,657,510	25
Oklahoma	3,145,585	2,547,588	81	597,997	19
South Carolina	3,486,703	2,390,056	69	1,096,647	31
Texas	16,986,510	10,291,680	61	6,694,830	39
Virginia	6,187,358	4,701,650	76	1,485,708	24
States Visited	85,857,531	55,768,121	65	30,089,410	35

### 1992 Agricultural Census (Farms)

State	Total	Nonminority		Minority	
	Number	Number	Percent	Number	Percent
Alabama	37,905	36,349	96	1,556	4
Arkansas	43,937	43,116	98	821	2
California	77,669	68,058	88	9,611	12
Georgia	40,759	39,690	97	1,069	3
Louisiana	25,652	24,361	95	1,291	5
Mississippi	31,998	29,462	92	2,536	8
North Carolina	51,854	49,374	95	2,480	5
Oklahoma	66,937	63,652	95	3,285	5
South Carolina	20,242	18,412	91	1,830	9
Texas	180,644	168,900	93	11,744	7
Virginia	42,222	40,840	97	1,382	3
States Visited	619,819	582,214	94	37,605	6

### FSA Direct Farm Loan Portfolio (Borrowers)

State	Total Portfolio	Nonminority		Minority	
		Portfolio	Percent	Portfolio	Percent
Alabama	2,041	1,799	88	242	12
Arkansas	4,231	3,876	92	355	8
California	1,937	1,679	87	258	13
Georgia	2,075	1,846	89	229	11
Louisiana	2,648	2,390	90	258	10
Mississippi	4,912	4,054	83	858	17
North Carolina	2,710	2,256	83	454	17
Oklahoma	5,787	5,222	90	565	10
South Carolina	1,508	1,211	80	297	20
Texas	8,151	7,447	91	704	9
Virginia	1,388	1,182	85	206	15
Total States Visited	37,388	32,962	88	4,426	12

### Delinquent FSA Direct Farm Borrowers

State	Total Delinquent	Nonminority		Minority	
		Delinquent	Percent	Delinquent	Percent
Alabama	519	432	83	87	17
Arkansas	1,184	1,030	87	154	13
California	801	688	86	113	14
Georgia	725	609	84	116	16
Louisiana	1,249	1,093	88	156	12
Mississippi	2,337	1,807	77	530	23
North Carolina	1,040	801	77	239	23
Oklahoma	2,235	2,043	91	192	9
South Carolina	575	429	75	146	25
Texas	4,011	3,615	90	396	10
Virginia	503	396	79	107	21
Total States Visited	15,179	12,943	85	2,236	15

FSA's APPL data base of loan application data presents the number of direct loan applications approved, rejected, and withdrawn during fiscal year 1996. For the 11 States visited, 7,428 applications were received, of which 4,906 were approved, 801 were rejected, and 1,721 were withdrawn. The following table presents only applications that were approved in the 11 States we reviewed.

**Fiscal Year 1996 Approved Direct Farm Loan Applications**

State	Total	Nonminority		Minority	
	Number	Number	Percent	Number	Percent
Alabama	136	120	88	16	12
Arkansas	593	514	87	79	13
California	217	180	83	37	17
Georgia	234	199	85	35	15
Louisiana	362	313	86	49	14
Mississippi	562	478	85	84	15
North Carolina	355	300	84	55	15
Oklahoma	499	455	91	44	9
South Carolina	136	108	79	28	21
Texas	1,629	1,449	89	180	11
Virginia	183	168	92	15	8
States Visited	4,906	4,284	87	622	13

During fiscal year 1996, 1,416 applications for direct loans were received by the 33 loan service centers that serviced the 33 targeted counties in our review. Of the 1,416 applications, 317 (22 percent) were from minority applicants and 1,099 (78 percent) were from nonminority applicants. Of the 317 minority applications, 190 (60 percent) were approved and 127 (40 percent) were rejected or withdrawn. Of the 1,099 nonminority applications, 729 (66 percent) were approved and 370 (34 percent) were rejected or withdrawn. (See exhibit D.)

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## ORGANIZATION AND FUNCTIONS OF FSA

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The Consolidated Farm Service Agency was established by the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994, P.L. 103-354, enacted October 13, 1994. The agency name was changed to the Farm Service Agency on December 15, 1995. As a result of the reorganization, FSA incorporated programs from several agencies, including the Agricultural Stabilization and Conservation Service, and the Farmers Home Administration (FmHA).

The Agricultural Stabilization and Conservation Service had been responsible for administering the farm support programs, such as the deficiency payment program, the disaster payment program, and the conservation reserve program. FmHA had been responsible for administering farm loan programs. Under the reorganization of the agencies, the Agricultural Stabilization and Conservation Service functions were transferred to county office personnel, who are not Federal employees, and FmHA's functions were transferred to teams of agriculture credit (Ag Credit) managers and technicians, who are Federal employees. The Ag Credit teams work out of loan service centers (co-located with county office employees) and in most instances serve more than one county. Farm loan applicants, who were accustomed to dealing with the former FmHA personnel housed in most counties, must now travel in some instances to an adjoining county to apply for a loan.

Loan eligibility decisions lie with each of FSA's county office committees. The county office committee generally consists of three regular and two alternate members who are elected by producers in the county to 3-year terms. The committee is responsible for overseeing the FSA county office operations, including the loan programs, and has a hand in shaping policies followed by the county office. However, county office committees must rely on the county executive director to interpret National and State procedures and apply them to county operations. Also, the county office committees hire the county executive director, and the director hires the county office staff.

### FSA Farm Loans

FSA makes or guarantees loans to help family farmers who are temporarily unable to obtain private, commercial credit. In many cases, these are beginning farmers who have insufficient net worth to qualify for commercial credit. In other cases, these are farmers who have suffered financial setbacks from natural disasters, or who have limited resources with which to establish and maintain profitable farming operations.

Some farmers obtain their credit needs through the use of loan guarantees. Under a guaranteed loan, a local lender makes and services the loan, and FSA guarantees it against loss up to a maximum of 95 percent. FSA (the Ag Credit manager) has the responsibility of approving all loan guarantees and providing oversight of lenders' activities.

For those unable to qualify for a loan guarantee from a commercial lender, FSA also makes direct loans, which are serviced by an FSA official (the Ag Credit manager). FSA supervises its direct borrowers by making a thorough assessment of the farming operation. The agency evaluates the adequacy of the real estate and facilities, machinery and equipment, financial and production management, and the farmer's goal. The following types of farm loans must be fully secured and can only be approved for those who have repayment ability.

#### *Farm Ownership Loans*

Eligible applicants may obtain a direct loan for up to \$200,000, and a guaranteed loan for up to \$300,000. The maximum repayment term is 40 years. Loan funds may be used to purchase farm real estate, to enlarge an existing farm, to construct new buildings and/or improve structures.

#### *Farm Ownership Down Payment*

Eligible beginning farmers may obtain a direct loan for up to 30 percent of the purchase price of a family-size farm, or the farm's appraised value (maximum of \$250,000), whichever is less. The applicants must provide at least a 10-percent down payment; the interest rate is fixed at 4 percent and it must be repaid in 10 years or less. The remaining balance may be guaranteed by FSA.

#### *Farm Operating Loans*

Eligible applicants may obtain a direct loan for up to \$200,000, and a guaranteed loan for up to \$400,000. The repayment term may vary but typically will not exceed 7 years for intermediate-term purposes. Annual operating loans are generally repaid within 12 months or when the commodities produced are sold. The general purposes of this type of loan include normal operating expenses, family living expenses, machinery and equipment, real estate repairs and improvements, and the refinancing of debt.

#### *Emergency Loss Loans*

These types of loans are available only as direct loans from FSA. These loans assist farmers who have suffered physical or production losses in areas designated disaster areas by the President, the Secretary of Agriculture, or the FSA Administrator. For production loss loans, applicants must demonstrate a 30-percent loss in a single farming or ranching enterprise and may receive loans up to a maximum of 80 percent of total production losses. The maximum indebtedness is \$500,000.

### *Rural Youth Loans*

These loans are available as direct loans only and have a maximum loan amount of \$5,000. The loans are made to individuals who are sponsored by a project advisor, such as a 4-H club. Individuals must be at least 10 but not more than 20 years old to be eligible.

### FSA Loan-Servicing

To help keep borrowers on the farm, FSA can provide certain loan-servicing benefits (available through Primary Loan Servicing Programs (PLSP)) to borrowers whose accounts are delinquent due to circumstances beyond their control:

- Re-amortization, restructuring and/or deferral of loans,
- rescheduling at the limited resource (lower interest) rate,
- acceptance of conservation easements on environmentally sensitive land in exchange for a writedown of debt, or
- writedown of the debt to its current market value.

If none of these options result in a feasible farming operation, borrowers are offered the opportunity to purchase their debt at its current market value. If this is not possible, FSA may exercise other options:

- FSA may offer debt settlement based on the borrower's inability to pay the debt, or
- in some cases, where a successful operation cannot be developed, FSA may work with the borrower to help him or her retain the homestead and up to 10 acres of land.

Farms that come into FSA ownership are sold at market value, with a preference to beginning farmers and ranchers.

### Socially Disadvantaged Applicants (SDA) and Outreach

It is the current FSA policy to seek participation by minority and "socially disadvantaged" farmers in the farm loan programs. FSA defines a socially disadvantaged applicant (SDA) as an applicant who has been subjected to racial, ethnic, or gender prejudice because of his or her identity as a member of a group, without regard to his or her individual qualities.

FSA makes and guarantees loans to minority applicants to buy and operate family-size farms and ranches. Funds specifically for these loans are reserved each year.

FSA' loan service centers and county offices perform outreach activities (public announcements, meetings, etc.) in order to broaden awareness in the minority community of the availability of FSA loans to all farmers. FSA offices in counties with a sizable minority population also retain a minority advisor to keep the county committee informed of the concerns of the minority farmers. Grantees, usually 1890 land grant colleges, provide technical assistance to minority farmers under the authority of section 2501 of the Food, Agriculture, Conservation and Trade Act (FACT) of 1990. These "2501 Program" technicians collect the farmer's financial papers and perform year-end analyses to prepare the farmer to complete the FSA documents needed to apply for a loan. The technicians also offer advice on farm husbandry and methods of improving efficiency.

Outreach has been a required activity of farm loan programs since it was instituted by the former FmHA. Minority advisors have been added to the county office committees as a result of concerns about the lack of minority representation on committees that have historically held to the same ethnicity as the majority farm populations that elect them. The "2501 Program," originally administered by the former FmHA, was placed by the Secretary under the control of the Natural Resources and Conservation Service in 1996.

### **Enforcement of Civil Rights Protection in Farm Loan Programs**

Two key pieces of legislation prohibit discrimination against minorities: the Civil Rights Act of 1964, and the Equal Credit Opportunity Act.

#### Civil Rights Act of 1964

On July 2, 1964, Congress enacted the Civil Rights Act of 1964, the most comprehensive piece of civil rights legislation since Reconstruction. One provision of the Civil Rights Act offers protection to numerous individuals excluded from participation in, denied the benefits of, or otherwise subjected to discrimination under federally funded programs or activities. That provision, Title VI of the Civil Rights Act, provides that: *No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.* To implement the Title VI enforcement, Congress vested the President with the authority to approve all rules, regulations, and orders issued by Federal agencies. The President has delegated his Title VI coordination functions to the Attorney General in a series of Executive orders.

Title VI remains the broadest instrument available to eliminate racial and ethnic discrimination. Title VI applies to approximately 27 Federal agencies administering more than 1,000 programs and distributing annually an estimated \$900 billion in Federal financial assistance.

#### Equal Credit Opportunity Act



The Equal Credit Opportunity Act, as amended, prohibits discrimination in credit based on sex, marital status, race, color, religion, national origin, age (provided the applicant has the capacity to contract), because all or part of the applicant's income is derived from public assistance of any kind, or because the applicant has, in good faith, exercised any right under the Consumer Credit Protection Act.

Enforcement of these laws in their application to FSA's farm loan programs is the joint responsibility of the Department of Agriculture and the Department of Justice.

## ***EXHIBIT A - SECRETARY'S REQUEST FOR REVIEW***



DEPARTMENT OF AGRICULTURE  
OFFICE OF THE SECRETARY  
WASHINGTON, D.C. 20250

DEC 9 1996

Honorable Roger Viadero  
Inspector General  
U.S. Department of Agriculture  
Washington, D.C. 20250

Dear Roger:

I have had a growing concern regarding the effectiveness of the Department of Agriculture's (USDA) work with socially disadvantaged and minority farmers and ranchers. Part of this concern is based on recent allegations that USDA discriminates against African American farmers in its delivery of its farm loan programs, as well as by concerns about the adequacy of our programmatic civil rights complaint systems.

I will not tolerate any discrimination during my tenure as Secretary of Agriculture, and I am committed to doing everything in my power to address these issues. Accordingly, I am requesting that your office begin an immediate investigation into the Farm Service Agency (FSA) delivery of its farm loan programs to minority and socially disadvantaged farmers as well as its civil rights complaint systems.

I ask that you address the following issues:

1. Determine the number of outstanding complaints which allege discrimination in farm loan programs, including the dates filed and status in complaint investigation and resolution process; determine the number of full time equivalents committed to resolving these complaints; and recommend a plan of action for prompt resolution of these complaints.
2. Assess participation of minorities and socially disadvantaged persons in FSA's farm loan programs; determine whether the percentage of participation correlates to the total population, by Nation, State, and county.
3. Determine if FSA offices provide sufficient technical assistance to help these farmers apply for and receive program benefits and if FSA processes minority farm loan applications and servicing requests in the same manner as loan applications and servicing requests from white farmers.


AN EQUAL OPPORTUNITY EMPLOYER

## ***EXHIBIT A - SECRETARY'S REQUEST FOR REVIEW***

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These issues are of very high priority to me and I respectfully request your assistance in expediting the Office of Inspector General's investigation of these issues. I would appreciate having a preliminary report on your findings as soon as possible.

Please let me know if you have any questions or concerns regarding this request.

Sincerely,  
  
DAN GLICKMAN  
Secretary

## ***EXHIBIT B - SITES VISITED***

State	Target County	County Where Service Center is Located	Counties Served by Servicing Center
Alabama	Geneva	Geneva	Geneva Henry Houston Barbour Dale
	Madison	Jackson	Madison Limestone Jackson Marshall
	Montgomery	Elmore	Montgomery Elmore Macon Bullock Lee Russell Chambers
Arkansas	Poinsett	Poinsett	Poinsett Crittenden Mississippi Jackson
	Phillips	Phillips	Phillips
	Lee	Cross	Cross Lee Woodruff St. Francis
California	Riverside	Riverside	Riverside Imperial San Diego San Bernardino
	Fresno	Fresno	Fresno Madera
	San Joaquin	San Joaquin	San Joaquin Alameda Contra Costa Sacramento Amador Calaveras El Dorado Placer Nevada

## EXHIBIT B - SITES VISITED

State	Target County	County Where Service Center is Located	Counties Served by Servicing Center
Georgia	Tattnall	Bullock	Tattnall Bryan Bullock Candler Chatham Effingham Emanuel Evans Jenkins Liberty Long McIntosh Screven Toombs
	Worth	Terrell	Worth Baker Calhoun Clay Dougherty Early Lee Quitman Randolph Terrell Tift
	Brooks	Colquitt	Brooks Colquitt Cook Mitchell Thomas
Louisiana	St. Landry	St. Landry	St. Landry
	Richland	Richland	Richland
	Caddo	Caddo	Caddo Bossier Webster

## ***EXHIBIT B - SITES VISITED***

State	Target County	County Where Service Center is Located	Counties Served by Servicing Center
Mississippi	Hinds	Warren	Hinds Warren Sharkey Issaquena
	Marshall	Panola	Marshall Panola Tate
	Winston	Noxubee	Winston Noxubee
North Carolina	Granville	Wake	Granville Chatham Wake Harnett Johnston Lee Vance
	Duplin	Sampson	Duplin Pender Wayne Sampson New Hanover
	Columbus	Columbus	Columbus Brunswick Bladen Cumberland Hoke Robeson Scotland
Oklahoma	Choctaw	Choctaw	Choctaw McCurtain
	Cherokee	Cherokee	Cherokee Adair Sequoyah Muskogee Wagoner
	Grady	Grady	Grady Caddo

## ***EXHIBIT B - SITES VISITED***

State	Target County	County Where Service Center is Located	Counties Served by Servicing Center
South Carolina	Orangeburg	Orangeburg	Orangeburg Calhoun Lexington Richland
	Clarendon	Clarendon	Clarendon Williamsburg
	Anderson	Anderson	Anderson Greenville Oconee Pickens Abbeville Greenwood McCormick
Texas	Guadalupe	Guadalupe	Guadalupe Atascosa Bexar Blanco Comel Hayes Travis Wilson
	Nacogdoches	Nacogdoches	Nacogdoches Angelina Gregg Rush Trinity
	Hidalgo	Willacy	Hidalgo Cameron Starr Willacy
Virginia	Franklin	Franklin	Franklin Patrick Henry Bedford Campbell Amherst
	Halifax	Pittsylvania	Halifax Pittsylvania Charlotte
	Mecklenburg	Lunenburg	Mecklenburg Lunenburg Brunswick

**EXHIBIT C - RACIAL MAKEUP OF COUNTY OFFICE EMPLOYEES AND AG CREDIT STAFF**

State	County Office	Total	White	African American	Hispanic	Asian	Native American
Alabama	Geneva	10	9	0	0	0	1
	Madison	9	8	1	0	0	0
	Montgomery	4	3	1	0	0	0
Arkansas	Poinsett	12	11	1	0	0	0
	Phillips	10	9	1	0	0	0
	Lee	9	5	4	0	0	0
California	Fresno	16	11	1	2	2	0
	Riverside	8	6	0	2	0	0
	San Joaquin	12	9	1	1	1	0
Georgia	Tattnall	8	7	1	0	0	0
	Worth	12	10	2	0	0	0
	Brooks	12	10	2	0	0	0
Louisiana	Caddo	6	3	3	0	0	0
	Richland	13	12	1	0	0	0
	St. Landry	10	10	0	0	0	0
Mississippi	Hinds	7	4	3	0	0	0
	Marshall	8	7	1	0	0	0
	Winston	6	6	0	0	0	0
North Carolina	Columbus	16	14	1	0	0	1
	Duplin	12	10	2	0	0	0
	Granville	10	9	1	0	0	0
Oklahoma	Cherokee	6	5	0	0	0	1
	Grady	7	7	0	0	0	0
	Choctaw	6	5	0	0	0	1



**EXHIBIT C - RACIAL MAKEUP OF COUNTY OFFICE EMPLOYEES AND AG CREDIT STAFF**

State	County Office	Total	White	African American	Hispanic	Asian	Native American
South Carolina	Anderson	5	5	0	0	0	0
	Clarendon	9	5	4	0	0	0
	Orangeburg	10	9	1	0	0	0
Texas	Guadalupe	6	6	0	0	0	0
	Hidalgo	14	5	0	9	0	0
	Nacogdoches	7	7	0	0	0	0
Virginia	Franklin	7	6	1	0	0	0
	Halifax	10	9	1	0	0	0
	Mecklenburg	10	7	3	0	0	0
Totals		307	249	37	14	3	4

# **EXHIBIT D - FISCAL YEAR 1996 AVERAGE APPLICATION PROCESSING DAYS - STATES**

	Decision	Average Days	Total	White	African American	Native American	Asian	Hispanic					
State of Alabama	Approved	No. of Applications	136	120	88%	16	12%	0	0%	0	0%	0	0%
		Receipt to Completion		25		26		0		0		0	
		Completion to Approval		19		13		0		0		0	
		Approval to Loan Closing		21		16		0		0		0	
	Rejected	No. of Applications	24	21	88%	2	8%	1	4%	0	0%	0	0%
		Receipt to Completion		17		18		0		0		0	
		Completion to Rejected		3		0		0		0		0	
	Withdrawn	No. of Applications	38	29	76%	8	21%	1	3%	0	0%	0	0%
		Receipt to Completion		3		5		0		0		0	
		Completion to Withdrawn		6		0		0		0		0	
State of Arkansas	Approved	No. of Applications	593	514	87%	77	13%	2	0%	0	0%	0	0%
		Receipt to Completion		17		27		0		0		0	
		Completion to Approval		11		12		12		0		0	
		Approval to Loan Closing		20		18		14		0		0	
	Rejected	No. of Applications	56	40	71%	16	29%	0	0%	0	0%	0	0%
		Receipt to Completion		9		25		0		0		0	
		Completion to Rejected		7		3		0		0		0	
	Withdrawn	No. of Applications	229	206	90%	23	10%	0	0%	0	0%	0	0%
		Receipt to Completion		12		16		0		0		0	
		Completion to Withdrawn		11		6		0		0		0	
State of California	Approved	No. of Applications	217	180	83%	1	0%	9	4%	18	8%	9	4%
		Receipt to Completion		53		99		25		35		83	
		Completion to Approval		30		0		50		37		32	
		Approval to Loan Closing		33		21		32		24		47	
	Rejected	No. of Applications	32	29	91%	1	3%	0	0%	2	6%	0	0%
		Receipt to Completion		39		37		0		16		0	
		Completion to Rejected		31		97		0		0		0	
	Withdrawn	No. of Applications	74	60	81%	1	1%	0	0%	12	16%	1	1%
		Receipt to Completion		11		0		0		0		0	
		Completion to Withdrawn		18		0		0		0		0	

# **EXHIBIT D - FISCAL YEAR 1996 AVERAGE APPLICATION PROCESSING DAYS - STATES**

	Decision	Average Days	Total	White		African American		Native American		Asian		Hispanic	
State of Georgia	Approved	No. of Applications	234	199	85%	31	13%	4	2%	0	0%	0	0%
		Receipt to Completion		21		24		48		0		0	
		Completion to Approval		22		36		24		0		0	
		Approval to Loan Closing		27		38		26		0		0	
	Rejected	No. of Applications	64	44	69%	19	30%	1	2%	0	0%	0	0%
		Receipt to Completion		18		29		0		0		0	
		Completion to Rejected		27		23		0		0		0	
	Withdrawn	No. of Applications	68	52	76%	16	24%	0	0%	0	0%	0	0%
		Receipt to Completion		9		2		0		0		0	
		Completion to Withdrawn		24		0		0		0		0	
State of Louisiana	Approved	No. of Applications	362	313	86%	44	12%	2	1%	0	0%	3	1%
		Receipt to Completion		22		21		19		0		47	
		Completion to Approval		21		26		13		0		14	
		Approval to Loan Closing		29		30		25		0		21	
	Rejected	No. of Applications	113	92	81%	21	19%	0	0%	0	0%	0	0%
		Receipt to Completion		19		26		0		0		0	
		Completion to Rejected		22		17		0		0		0	
	Withdrawn	No. of Applications	174	135	78%	35	20%	4	2%	0	0%	0	0%
		Receipt to Completion		7		9		0		0		0	
		Completion to Withdrawn		19		12		0		0		0	
State of Mississippi	Approved	No. of Applications	562	478	85%	82	15%	0	0%	0	0%	2	0%
		Receipt to Completion		45		50		0		0		13	
		Completion to Approval		14		20		0		0		9	
		Approval to Loan Closing		31		28		0		0		15	
	Rejected	No. of Applications	38	29	76%	9	24%	0	0%	0	0%	0	0%
		Receipt to Completion		11		11		0		0		0	
		Completion to Rejected		9		6		0		0		0	
	Withdrawn	No. of Applications	111	82	74%	29	26%	0	0%	0	0%	0	0%
		Receipt to Completion		18		20		0		0		0	
		Completion to Withdrawn		13		21		0		0		0	

# ***EXHIBIT D - FISCAL YEAR 1996 AVERAGE APPLICATION PROCESSING DAYS - STATES***

	Decision	Average Days	Total	White		African American		Native American		Asian		Hispanic	
State of North Carolina	Approved	No. of Applications	355	300	85%	50	14%	5	1%	0	0%	0	0%
		Receipt to Completion		27		40		62		0		0	
		Completion to Approval		18		14		14		0		0	
		Approval to Loan Closing		24		19		17		0		0	
	Rejected	No. of Applications	40	30	75%	7	18%	1	3%	0	0%	2	5%
		Receipt to Completion		35		34		85		0		31	
		Completion to Rejected		16		9		6		0		25	
	Withdrawn	No. of Applications	76	70	92%	4	5%	0	0%	0	0%	2	3%
		Receipt to Completion		11		0		0		0		44	
		Completion to Withdrawn		19		31		0		0		0	
State of Oklahoma	Approved	No. of Applications	499	455	91%	7	1%	35	7%	0	0%	2	0%
		Receipt to Completion		45		10		33		0		20	
		Completion to Approval		21		45		16		0		0	
		Approval to Loan Closing		39		21		56		0		71	
	Rejected	No. of Applications	66	60	91%	6	9%	0	0%	0	0%	0	0%
		Receipt to Completion		16		12		0		0		0	
		Completion to Rejected		13		4		0		0		0	
	Withdrawn	No. of Applications	139	120	86%	7	5%	12	9%	0	0%	0	0%
		Receipt to Completion		17		7		32		0		0	
		Completion to Withdrawn		23		1		20		0		0	
State of South Carolina	Approved	No. of Applications	136	108	79%	26	19%	2	1%	0	0%	0	0%
		Receipt to Completion		40		56		0		0		0	
		Completion to Approval		20		11		26		0		0	
		Approval to Loan Closing		19		20		11		0		0	
	Rejected	No. of Applications	35	31	89%	4	11%	0	0%	0	0%	0	0%
		Receipt to Completion		15		15		0		0		0	
		Completion to Rejected		8		11		0		0		0	
	Withdrawn	No. of Applications	54	35	65%	18	33%	1	2%	0	0%	0	0%
		Receipt to Completion		24		27		0		0		0	
		Completion to Withdrawn		12		8		0		0		0	

## EXHIBIT D - FISCAL YEAR 1996 AVERAGE APPLICATION PROCESSING DAYS - STATES

	Decision	Average Days	Total	White	African American	Native American	Asian	Hispanic					
State of Texas	Approved	No. of Applications	1629	1449	89%	31	2%	3	0%	6	0%	140	9%
		Receipt to Completion		26		57		25		36		23	
		Completion to Approval		46		34		27		71		41	
		Approval to Loan Closing		21		20		26		34		21	
	Rejected	No. of Applications	301	246	82%	11	4%	5	2%	0	0%	39	13%
		Receipt to Completion		36		34		7		0		29	
		Completion to Rejected		37		41		44		0		63	
	Withdrawn	No. of Applications	706	636	90%	19	3%	4	1%	3	0%	44	6%
		Receipt to Completion		19		14		13		51		21	
		Completion to Withdrawn		40		15		59		80		46	
State of Virginia	Approved	No. of Applications	183	168	92%	15	8%	0	0%	0	0%	0	0%
		Receipt to Completion		48		48		0		0		0	
		Completion to Approval		21		26		0		0		0	
		Approval to Loan Closing		40		34		0		0		0	
	Rejected	No. of Applications	32	24	75%	8	25%	0	0%	0	0%	0	0%
		Receipt to Completion		24		15		0		0		0	
		Completion to Rejected		22		17		0		0		0	
	Withdrawn	No. of Applications	52	40	77%	12	23%	0	0%	0	0%	0	0%
		Receipt to Completion		13		39		0		0		0	
		Completion to Withdrawn		17		16		0		0		0	
11-State Averages	Approved	No. of Applications	4906	4284	87%	380	8%	62	1%	24	0%	156	3%
		Receipt to Completion		31		38		32		35		27	
		Completion to Approval		28		20		22		46		39	
		Approval to Loan Closing		26		24		42		27		23	
		Receipt to Loan Closing (a)		85		83		96		107		89	
	Rejected	No. of Applications	801	646	81%	104	13%	8	1%	2	0%	41	5%
		Receipt to Completion		26		24		15		16		29	
		Completion to Rejected		25		16		28		0		61	
	Withdrawn	No. of Applications	1721	1465	85%	172	10%	22	1%	15	1%	47	3%
		Receipt to Completion		15		15		20		10		22	
		Completion to Withdrawn		27		11		22		16		43	
		Total Applications	7428	6395	86%	656	9%	92	1%	41	1%	244	3%

(a) Combined average number of days to process a minority loan from receipt to loan closing is 87 days.

# EXHIBIT D - FISCAL YEAR 1996 AVERAGE APPLICATION PROCESSING DAYS - COUNTIES

State	County Where Service Office is Located	Decision	Average Days	Total	White	African American	Native American	Asian	Hispanic			
AL	ELMORE	Approved	No. of Applications	27	22	81%	5	19%	0	0%	0	0%
			Receipt to Completion		35		5		0		0	
			Completion to Approval		30		4		0		0	
			Approval to Loan Closing		22		17		0		0	
		Rejected	No. of Applications	3	2	67%	1	33%	0	0%	0	0%
			Receipt to Completion		53		0		0		0	
			Completion to Rejected		8		0		0		0	
		Withdrawn	No. of Applications	9	5	56%	4	44%	0	0%	0	0%
			Receipt to Completion		0		0		0		0	
			Completion to Withdrawn		0		0		0		0	
AL	GENEVA	Approved	No. of Applications	5	3	60%	2	40%	0	0%	0	0%
			Receipt to Completion		19		7		0		0	
			Completion to Approval		14		2		0		0	
			Approval to Loan Closing		12		17		0		0	
		Rejected	No. of Applications	6	6	100%	0	0%	0	0%	0	0%
			Receipt to Completion		0		0		0		0	
			Completion to Rejected		0		0		0		0	
		Withdrawn	No. of Applications	5	5	100%	0	0%	0	0%	0	0%
			Receipt to Completion		0		0		0		0	
			Completion to Withdrawn		0		0		0		0	
AL	JACKSON	Approved	No. of Applications	13	13	100%	0	0%	0	0%	0	0%
			Receipt to Completion		23		0		0		0	
			Completion to Approval		21		0		0		0	
			Approval to Loan Closing		17		0		0		0	
		Rejected	No. of Applications	0	0	0%	0	0%	0	0%	0	0%
			Receipt to Completion		0		0		0		0	
			Completion to Rejected		0		0		0		0	
		Withdrawn	No. of Applications	0	0	0%	0	0%	0	0%	0	0%
			Receipt to Completion		0		0		0		0	
			Completion to Withdrawn		0		0		0		0	

# ***EXHIBIT D - FISCAL YEAR 1996 AVERAGE APPLICATION PROCESSING DAYS - COUNTIES***

County Where Service																
State	Office is Located	Decision	Average Days	Total	White	African American	Native American	Asian	Hispanic							
AR	CROSS	Approved	No. of Applications	63	48	76%	15	24%	0	0%	0	0%	0	0%		
			Receipt to Completion		32		41		0		0		0			
			Completion to Approval		15		9		0		0		0			
			Approval to Loan Closing		14		23		0		0		0			
		Rejected	No. of Applications	2	1	50%	1	50%	0	0%	0	0%	0	0%		
			Receipt to Completion		14		64		0		0		0			
			Completion to Rejected		0		18		0		0		0			
			Withdrawn	No. of Applications	32	26	81%	6	19%	0	0%	0	0%	0	0%	
		Receipt to Completion			24		13		0		0		0			
		Completion to Withdrawn			14		0		0		0		0			
		AR		PHILLIPS	Approved	No. of Applications	44	24	55%	20	45%	0	0%	0	0%	0
			Receipt to Completion				31		29		0		0		0	
			Completion to Approval				7		10		0		0		0	
			Approval to Loan Closing				17		14		0		0		0	
			Rejected		No. of Applications	5	1	20%	4	80%	0	0%	0	0%	0	0%
Receipt to Completion					0		0		0		0		0			
Completion to Rejected					28		0		0		0		0			
Withdrawn	No. of Applications				14	9	64%	5	36%	0	0%	0	0%	0	0%	
	Receipt to Completion				31		43		0		0		0			
	Completion to Withdrawn				6		20		0		0		0			
	AR		POINSETT		Approved	No. of Applications	66	55	83%	11	17%	0	0%	0	0%	0
Receipt to Completion							20		21		0		0		0	
Completion to Approval				13			5		0		0		0			
Approval to Loan Closing				18			16		0		0		0			
Rejected		No. of Applications		1	1	100%	0	0%	0	0%	0	0%	0	0%		
		Receipt to Completion			0		0		0		0		0			
		Completion to Rejected			0		0		0		0		0			
		Withdrawn		No. of Applications	37	33	89%	4	11%	0	0%	0	0%	0	0%	
Receipt to Completion					11		7		0		0		0			
Completion to Withdrawn					10		5		0		0		0			

# EXHIBIT D - FISCAL YEAR 1996 AVERAGE APPLICATION PROCESSING DAYS - COUNTIES

County Where Service															
State	Office is Located	Decision	Average Days	Total	White	African American	Native American	Asian	Hispanic						
CA	FRESNO	Approved	No. of Applications	26	21	81%	1	4%	0	0%	3	12%	1	4%	
			Receipt to Completion		73		99		0		22		143		
			Completion to Approval		50		0		0		47		39		
			Approval to Loan Closing		36		21		0		23		106		
		Rejected	No. of Applications	9	7	78%	0	0%	0	0%	2	22%	0	0%	
			Receipt to Completion		17		0		0		16		0		
			Completion to Rejected		23		0		0		0		0		
		Withdrawn	No. of Applications	19	15	79%	0	0%	0	0%	4	21%	0	0%	
			Receipt to Completion		21		0		0		0		0		
			Completion to Withdrawn		39		0		0		0		0		
		RIVERSIDE	Approved	No. of Applications	5	4	80%	0	0%	0	0%	0	0%	1	20%
				Receipt to Completion		91		0		0		0		91	
				Completion to Approval		22		0		0		0		0	
				Approval to Loan Closing		18		0		0		0		14	
			Rejected	No. of Applications	0	0	0%	0	0%	0	0%	0	0%	0	0%
	Receipt to Completion				0		0		0		0		0		
	Completion to Rejected			0		0		0		0		0			
	Withdrawn	No. of Applications	0	0	0%	0	0%	0	0%	0	0%	0	0%		
		Receipt to Completion		0		0		0		0		0			
		Completion to Withdrawn		0		0		0		0		0			
		This county was not using FSA's automated application tracking system; therefore this data was not obtained from the APPL Database. Data obtained during fieldwork in servicing office.													
CA	SAN JOAQUIN	Approved	No. of Applications	14	14	100%	0	0%	0	0%	0	0%	0	0%	
			Receipt to Completion		52		0		0		0		0		
			Completion to Approval		21		0		0		0		0		
			Approval to Loan Closing		27		0		0		0		0		
	Rejected	No. of Applications	5	5	100%	0	0%	0	0%	0	0%	0	0%		
		Receipt to Completion		32		0		0		0		0			
		Completion to Rejected		0		0		0		0		0			
	Withdrawn	No. of Applications	5	4	80%	0	0%	0	0%	1	20%	0	0%		
		Receipt to Completion		0		0		0		0		0			
		Completion to Withdrawn		0		0		0		0		0			



# **EXHIBIT D - FISCAL YEAR 1996 AVERAGE APPLICATION PROCESSING DAYS - COUNTIES**

County Where Service																
State	Office is Located	Decision	Average Days	Total	White	African American	Native American	Asian			Hispanic					
GA	TERRELL	Approved	No. of Applications	46	44	96%	2	4%	0	0%	0	0%	0	0%		
			Receipt to Completion		23		42		0		0		0			
			Completion to Approval		24		89		0		0		0			
			Approval to Loan Closing		35		20		0		0		0			
		Rejected	No. of Applications	11	4	36%	7	64%	0	0%	0	0%	0	0%		
			Receipt to Completion		56		35		0		0		0			
			Completion to Rejected		15		34		0		0		0			
		Withdrawn	No. of Applications	1	1	100%	0	0%	0	0%	0	0%	0	0%		
			Receipt to Completion		0		0		0		0		0			
			Completion to Withdrawn		259		0		0		0		0			
		GA	COLQUITT	Approved	No. of Applications	49	41	84%	8	16%	0	0%	0	0%	0	0%
					Receipt to Completion		23		40		0		0		0	
					Completion to Approval		27		26		0		0		0	
					Approval to Loan Closing		25		17		0		0		0	
				Rejected	No. of Applications	3	3	100%	0	0%	0	0%	0	0%	0	0%
Receipt to Completion					0		0		0		0		0			
Completion to Rejected					0		0		0		0		0			
Withdrawn	No. of Applications			12	9	75%	3	25%	0	0%	0	0%	0	0%		
	Receipt to Completion				12		0		0		0		0			
	Completion to Withdrawn				7		0		0		0		0			
GA	BULLOCK			Approved	No. of Applications	47	37	79%	10	21%	0	0%	0	0%	0	0%
					Receipt to Completion		19		16		0		0		0	
					Completion to Approval		16		31		0		0		0	
					Approval to Loan Closing		23		42		0		0		0	
				Rejected	No. of Applications	20	14	70%	6	30%	0	0%	0	0%	0	0%
		Receipt to Completion			17		28		0		0		0			
		Completion to Rejected			17		15		0		0		0			
		Withdrawn	No. of Applications	18	13	72%	5	28%	0	0%	0	0%	0	0%		
			Receipt to Completion		13		0		0		0		0			
			Completion to Withdrawn		25		0		0		0		0			

# **EXHIBIT D - FISCAL YEAR 1996 AVERAGE APPLICATION PROCESSING DAYS - COUNTIES**

County Where Service																
State	Office is Located	Decision	Average Days	Total	White	African American	Native American		Asian		Hispanic					
LA	CADD0	Approved	No. of Applications	9	9	100%	0	0%	0	0%	0	0%	0	0%		
			Receipt to Completion		17		0		0		0		0			
			Completion to Approval		16		0		0		0		0			
			Approval to Loan Closing		36		0		0		0		0			
		Rejected	No. of Applications	0	0	0%	0	0%	0	0%	0	0%	0	0%		
			Receipt to Completion		0		0		0		0		0			
			Completion to Rejected		0		0		0		0		0			
		Withdrawn	No. of Applications	0	0	0%	0	0%	0	0%	0	0%	0	0%		
			Receipt to Completion		0		0		0		0		0			
			Completion to Withdrawn		0		0		0		0		0			
		LA	RICHLAND	Approved	No. of Applications	60	59	98%	1	2%	0	0%	0	0%	0	0%
					Receipt to Completion		17		9		0		0		0	
Completion to Approval					40		21		0		0		0			
Approval to Loan Closing					25		19		0		0		0			
Rejected	No. of Applications			14	10	71%	4	29%	0	0%	0	0%	0	0%		
	Receipt to Completion				22		50		0		0		0			
	Completion to Rejected				68		27		0		0		0			
Withdrawn	No. of Applications			40	33	83%	7	18%	0	0%	0	0%	0	0%		
	Receipt to Completion				9		5		0		0		0			
	Completion to Withdrawn				37		30		0		0		0			
LA	ST. LANDRY			Approved	No. of Applications	11	9	82%	2	18%	0	0%	0	0%	0	0%
					Receipt to Completion		26		5		0		0		0	
		Completion to Approval			4		38		0		0		0			
		Approval to Loan Closing			33		15		0		0		0			
		Rejected	No. of Applications	1	1	100%	0	0%	0	0%	0	0%	0	0%		
			Receipt to Completion		0		0		0		0		0			
			Completion to Rejected		0		0		0		0		0			
		Withdrawn	No. of Applications	3	2	67%	1	33%	0	0%	0	0%	0	0%		
			Receipt to Completion		0		0		0		0		0			
			Completion to Withdrawn		0		0		0		0		0			

# EXHIBIT D - FISCAL YEAR 1996 AVERAGE APPLICATION PROCESSING DAYS - COUNTIES

County Where Service						African	Native								
State	Office is Located	Decision	Average Days	Total	White	American	American		Asian		Hispanic				
MS	NOXUBEE	Approved	No. of Applications	32	30	94%	2	6%	0	0%	0	0%	0	0%	
			Receipt to Completion		46		39		0		0		0		
			Completion to Approval		15		2		0		0		0		
			Approval to Loan Closing		30		25		0		0		0		
		Rejected	No. of Applications	0	0	0%	0	0%	0	0%	0	0%	0	0%	
			Receipt to Completion		0		0		0		0		0		
			Completion to Rejected		0		0		0		0		0		
		Withdrawn	No. of Applications	4	3	75%	1	25%	0	0%	0	0%	0	0%	
			Receipt to Completion		0		0		0		0		0		
			Completion to Withdrawn		0		0		0		0		0		
		PANOLA	Approved	No. of Applications	7	6	86%	1	14%	0	0%	0	0%	0	0%
				Receipt to Completion		4		22		0		0		0	
	Completion to Approval				15		25		0		0		0		
	Approval to Loan Closing				26		15		0		0		0		
	Rejected		No. of Applications	0	0	0%	0	0%	0	0%	0	0%	0	0%	
Receipt to Completion				0		0		0		0		0			
Completion to Rejected				0		0		0		0		0			
Withdrawn	No. of Applications		2	2	100%	0	0%	0	0%	0	0%	0	0%		
	Receipt to Completion			0		0		0		0		0			
	Completion to Withdrawn		0		0		0		0		0				
This county was not using FSA's automated application tracking system; therefore this data was not obtained from the APPL Database. Data obtained during fieldwork in servicing office.															
MS	WARREN	Approved	No. of Applications	3	3	100%	0	0%	0	0%	0	0%	0	0%	
			Receipt to Completion		47		0		0		0		0		
			Completion to Approval		12		0		0		0		0		
			Approval to Loan Closing		17		0		0		0		0		
		Rejected	No. of Applications	1	1	100%	0	0%	0	0%	0	0%	0	0%	
			Receipt to Completion		0		0		0		0		0		
			Completion to Rejected		0		0		0		0		0		
		Withdrawn	No. of Applications	0	0	0%	0	0%	0	0%	0	0%	0	0%	
			Receipt to Completion		0		0		0		0		0		
	Completion to Withdrawn			0		0		0		0		0			

# **EXHIBIT D - FISCAL YEAR 1996 AVERAGE APPLICATION PROCESSING DAYS - COUNTIES**

County Where Service															
State	Office is Located	Decision	Average Days	Total	White	African American	Native American	Asian	Hispanic						
NC	COLUMBUS	Approved	No. of Applications	41	29	71%	7	17%	5	12%	0	0%	0	0%	
			Receipt to Completion		40		26		62		0		0		
			Completion to Approval		37		19		14		0		0		
			Approval to Loan Closing		14		16		17		0		0		
		Rejected	No. of Applications	6	2	33%	3	50%	1	17%	0	0%	0	0%	
			Receipt to Completion		111		68		85		0		0		
			Completion to Rejected		45		20		6		0		0		
		Withdrawn	No. of Applications	5	5	100%	0	0%	0	0%	0	0%	0	0%	
			Receipt to Completion		21		0		0		0		0		
			Completion to Withdrawn		20		0		0		0		0		
		WAKE	Approved	No. of Applications	24	20	83%	4	17%	0	0%	0	0%	0	0%
				Receipt to Completion		29		76		0		0		0	
	Completion to Approval				29		11		0		0		0		
	Approval to Loan Closing			28		17		0		0		0			
	Rejected	No. of Applications	1	1	100%	0	0%	0	0%	0	0%	0	0%		
Receipt to Completion			0		0		0		0		0				
Completion to Rejected			0		0		0		0		0				
Withdrawn	No. of Applications	5	4	80%	1	20%	0	0%	0	0%	0	0%			
	Receipt to Completion		0		0		0		0		0				
	Completion to Withdrawn		0		0		0		0		0				
NC	SAMPSON	Approved	No. of Applications	27	22	81%	5	19%	0	0%	0	0%	0	0%	
			Receipt to Completion		20		10		0		0		0		
			Completion to Approval		24		5		0		0		0		
			Approval to Loan Closing		17		31		0		0		0		
		Rejected	No. of Applications	8	8	100%	0	0%	0	0%	0	0%	0	0%	
			Receipt to Completion		24		0		0		0		0		
			Completion to Rejected		21		0		0		0		0		
		Withdrawn	No. of Applications	5	5	100%	0	0%	0	0%	0	0%	0	0%	
			Receipt to Completion		1		0		0		0		0		
Completion to Withdrawn			6		0		0		0		0				

# **EXHIBIT D - FISCAL YEAR 1996 AVERAGE APPLICATION PROCESSING DAYS - COUNTIES**

County Where Service																
State	Office is Located	Decision	Average Days	Total	White	African American	Native American	Asian	Hispanic							
OK	CHEROKEE	Approved	No. of Applications	37	26	70%	0	0%	11	30%	0	0%	0	0%		
			Receipt to Completion		50		0		49		0		0			
			Completion to Approval		23		0		13		0		0			
			Approval to Loan Closing		17		0		25		0		0			
		Rejected	No. of Applications	6	4	67%	2	33%	0	0%	0	0%	0	0%		
			Receipt to Completion		23		21		0		0		0			
			Completion to Rejected		4		1		0		0		0			
		Withdrawn	No. of Applications	3	2	67%	1	33%	0	0%	0	0%	0	0%		
			Receipt to Completion		80		47		0		0		0			
			Completion to Withdrawn		32		0		0		0		0			
		OK	CHOCTAW	Approved	No. of Applications	8	6	75%	0	0%	2	25%	0	0%	0	0%
					Receipt to Completion		42		0		31		0		0	
Completion to Approval					13		0		5		0		0			
Approval to Loan Closing					14		0		10		0		0			
Rejected	No. of Applications			1	1	100%	0	0%	0	0%	0	0%	0	0%		
	Receipt to Completion				32		0		0		0		0			
	Completion to Rejected				28		0		0		0		0			
Withdrawn	No. of Applications			1	1	100%	0	0%	0	0%	0	0%	0	0%		
	Receipt to Completion				0		0		0		0		0			
	Completion to Withdrawn				2		0		0		0		0			
OK	GRADY			Approved	No. of Applications	12	9	75%	0	0%	3	25%	0	0%	0	0%
					Receipt to Completion		119		0		65		0		0	
		Completion to Approval			17		0		35		0		0			
		Approval to Loan Closing			39		0		14		0		0			
		Rejected	No. of Applications	5	5	100%	0	0%	0	0%	0	0%	0	0%		
			Receipt to Completion		13		0		0		0		0			
			Completion to Rejected		0		0		0		0		0			
		Withdrawn	No. of Applications	5	5	100%	0	0%	0	0%	0	0%	0	0%		
			Receipt to Completion		0		0		0		0		0			
			Completion to Withdrawn		0		0		0		0		0			

# **EXHIBIT D - FISCAL YEAR 1996 AVERAGE APPLICATION PROCESSING DAYS - COUNTIES**

County Where Service																
State	Office is Located	Decision	Average Days	Total	White	African American	Native American	Asian			Hispanic					
SC	ANDERSON	Approved	No. of Applications	22	19	86%	3	14%	0	0%	0	0%	0	0%		
			Receipt to Completion		56		78		0		0		0			
			Completion to Approval		23		0		0		0		0			
			Approval to Loan Closing		30		42		0		0		0			
		Rejected	No. of Applications	6	6	100%	0	0%	0	0%	0	0%	0	0%		
			Receipt to Completion		27		0		0		0		0			
			Completion to Rejected		1		0		0		0		0			
		Withdrawn	No. of Applications	10	8	80%	2	20%	0	0%	0	0%	0	0%		
			Receipt to Completion		66		31		0		0		0			
			Completion to Withdrawn		11		38		0		0		0			
		SC	CLARENDON	Approved	No. of Applications	20	13	65%	7	35%	0	0%	0	0%	0	0%
					Receipt to Completion		20		24		0		0		0	
					Completion to Approval		1		2		0		0		0	
					Approval to Loan Closing		10		11		0		0		0	
				Rejected	No. of Applications	4	3	75%	1	25%	0	0%	0	0%	0	0%
Receipt to Completion					0		0		0		0		0			
Completion to Rejected					0		0		0		0		0			
Withdrawn	No. of Applications			12	6	50%	6	50%	0	0%	0	0%	0	0%		
	Receipt to Completion				5		0		0		0		0			
	Completion to Withdrawn				3		0		0		0		0			
SC	ORANGEBURG			Approved	No. of Applications	17	12	71%	5	29%	0	0%	0	0%	0	0%
					Receipt to Completion		42		131		0		0		0	
					Completion to Approval		17		38		0		0		0	
					Approval to Loan Closing		15		23		0		0		0	
				Rejected	No. of Applications	7	6	86%	1	14%	0	0%	0	0%	0	0%
		Receipt to Completion			0		59		0		0		0			
		Completion to Rejected			0		11		0		0		0			
		Withdrawn	No. of Applications	7	7	100%	0	0%	0	0%	0	0%	0	0%		
			Receipt to Completion		0		0		0		0		0			
			Completion to Withdrawn		0		0		0		0		0			

# EXHIBIT D - FISCAL YEAR 1996 AVERAGE APPLICATION PROCESSING DAYS - COUNTIES

County Where Service																
State	Office is Located	Decision	Average Days	Total	White	African American	Native American	Asian			Hispanic					
TX	GUADALUPE	Approved	No. of Applications	48	42	88%	1	2%	0	0%	1	2%	4	8%		
			Receipt to Completion		80		31		0		138		57			
			Completion to Approval		55		235		0		133		6			
			Approval to Loan Closing		15		44		0		13		14			
		Rejected	No. of Applications	22	20	91%	1	5%	0	0%	0	0%	1	5%		
			Receipt to Completion		89		55		0		0		71			
			Completion to Rejected		41		22		0		0		0			
		Withdrawn	No. of Applications	12	9	75%	1	8%	0	0%	1	8%	1	8%		
			Receipt to Completion		16		0		0		140		0			
			Completion to Withdrawn		2		0		0		168		0			
		TX	NACOGDOCHES	Approved	No. of Applications	8	5	63%	3	38%	0	0%	0	0%	0	0%
					Receipt to Completion		26		79		0		0		0	
Completion to Approval					30		1		0		0		0			
Approval to Loan Closing					24		59		0		0		0			
Rejected	No. of Applications			1	0	0%	0	0%	0	0%	0	0%	1	100%		
	Receipt to Completion				0		0		0		0		31			
	Completion to Rejected				0		0		0		0		4			
Withdrawn	No. of Applications			1	1	100%	0	0%	0	0%	0	0%	0	0%		
	Receipt to Completion				0		0		0		0		0			
	Completion to Withdrawn				0		0		0		0		0			
TX	WILLACY			Approved	No. of Applications	72	34	47%	0	0%	0	0%	0	0%	38	53%
					Receipt to Completion		40		0		0		0		32	
		Completion to Approval			69		0		0		0		43			
		Approval to Loan Closing			42		0		0		0		28			
		Rejected	No. of Applications	27	18	67%	0	0%	0	0%	0	0%	9	33%		
			Receipt to Completion		45		0		0		0		28			
			Completion to Rejected		62		0		0		0		45			
		Withdrawn	No. of Applications	31	12	39%	0	0%	0	0%	1	3%	18	58%		
			Receipt to Completion		22		0		0		0		22			
			Completion to Withdrawn		73		0		0		62		27			

# **EXHIBIT D - FISCAL YEAR 1996 AVERAGE APPLICATION PROCESSING DAYS - COUNTIES**

County Where Service																
State	Office is Located	Decision	Average Days	Total	White	African American	Native American	Asian			Hispanic					
VA	PITTSYLVANIA	Approved	No. of Applications	19	18	95%	1	5%	0	0%	0	0%	0	0%		
			Receipt to Completion		42		4		0		0		0			
			Completion to Approval		12		23		0		0		0			
			Approval to Loan Closing		37		21		0		0		0			
		Rejected	No. of Applications	0	0	0%	0	0%	0	0%	0	0%	0	0%		
			Receipt to Completion		0		0		0		0		0			
			Completion to Rejected		0		0		0		0		0			
			Withdrawn	No. of Applications	0	0	0%	0	0%	0	0%	0	0%	0	0%	
		Receipt to Completion			0		0		0		0		0			
		Completion to Withdrawn			0		0		0		0		0			
		VA		LUNENBURG	Approved	No. of Applications	20	16	80%	4	20%	0	0%	0	0%	0
			Receipt to Completion				17		62		0		0		0	
Completion to Approval			33				17		0		0		0			
Approval to Loan Closing			37				57		0		0		0			
Rejected	No. of Applications		8		3	38%	5	63%	0	0%	0	0%	0	0%		
	Receipt to Completion				13		4		0		0		0			
	Completion to Rejected				1		18		0		0		0			
	Withdrawn		No. of Applications		9	6	67%	3	33%	0	0%	0	0%	0	0%	
Receipt to Completion					25		0		0		0		0			
Completion to Withdrawn					10		0		0		0		0			
VA			FRANKLIN		Approved	No. of Applications	17	16	94%	1	6%	0	0%	0	0%	0
	Receipt to Completion						91		168		0		0		0	
	Completion to Approval			67			5		0		0		0			
	Approval to Loan Closing			20			13		0		0		0			
	Rejected	No. of Applications		1	1	100%	0	0%	0	0%	0	0%	0	0%		
		Receipt to Completion			0		0		0		0		0			
		Completion to Rejected			0		0		0		0		0			
		Withdrawn		No. of Applications	6	5	83%	1	17%	0	0%	0	0%	0	0%	
	Receipt to Completion				0		50		0		0		0			
	Completion to Withdrawn				0		0		0		0		0			



# ***EXHIBIT D - FISCAL YEAR 1996 AVERAGE APPLICATION PROCESSING DAYS - COUNTIES***

County Where Service														
State	Office is Located	Decision	Average Days	Total	White	African American	Native American		Asian		Hispanic			
33 County Summary:		Approved	No. of Applications	919	729	79%	121	13%	21	2%	4	0%	44	5%
			Receipt to Completion		37		37		53		51		38	
			Completion to Approval		28		16		16		69		39	
			Approval to Loan Closing		24		23		20		21		28	
		Rejected	No. of Applications	184	134	73%	36	20%	1	1%	2	1%	11	6%
			Receipt to Completion		33		29		85		16		32	
			Completion to Rejected		26		18		6		0		37	
		Withdrawn	No. of Applications	313	236	75%	51	16%	0	0%	7	2%	19	6%
			Receipt to Completion		15		10		0		20		21	
			Completion to Withdrawn		19		8		0		33		26	
			Total Applications	1416	1099	78%	208	15%	22	2%	13	1%	74	5%

# EXHIBIT E - 1951-S SERVICING ACTIONS IN THE COUNTIES REVIEWED

STATE	SERVICE CENTER	ACCOUNT STATUS	UNIVERSE			NO DECISION			ONE DECISION			2 PLUS DECISIONS		
			WHITE	MINORITY	TOTAL	WHITE	MINORITY	TOTAL	WHITE	MINORITY	TOTAL	WHITE	MINORITY	TOTAL
ALABAMA	GENEVA	+180	5	0	5	2	0	2	3	0	3	0	0	0
		-180	44	7	51	31	6	37	12	1	13	1	0	1
		MRA	7	3	10	2	2	4	5	1	6	0	0	0
		OAH	137	7	144	120	6	126	16	1	17	1	0	1
		TOTAL	193	17	210	155	14	169	36	3	39	2	0	2
	MADISON	+180	5	2	7	3	2	5	1	0	1	1	0	1
		-180	26	2	28	13	1	14	7	0	7	6	0	6
		MRA	8	1	9	4	1	5	3	0	3	1	0	1
		OAH	161	9	170	127	9	136	22	0	22	12	0	12
		TOTAL	200	14	214	147	13	160	33	0	33	20	0	20
	MONTGOMERY	+180	2	0	2		0	0	1	0	1	1	0	1
		-180	4	0	4	0	0	0	1	0	1	3	0	3
		MRA	0	1	1	0	0	0	0	1	1	0	0	0
		OAH	127	16	143	112	14	126	12	2	14	4	0	4
		TOTAL	133	17	150	112	14	126	14	3	17	8	0	8
ALABAMA STATE TOTAL			526	48	574	414	41	455	83	6	89	30	0	30
ARKANSAS	LEE/PHILLIPS	+180	20	2	22	10	0	10	6	1	7	4	1	5
		-180	20	5	25	9	2	11	7	0	7	4	3	7
		MRA	23	11	34	16	9	25	5	1	6	2	1	3
		OAH	105	35	140	63	15	78	28	9	37	14	11	25
		TOTAL	168	53	221	98	26	124	46	11	57	24	16	40
	POINSETT	+180	1	0	1	0	0	0	0	0	0	1	0	1
		-180	7	0	7	4	0	4	2	0	2	1	0	1
		MRA	9	0	9	4	0	4	2	0	2	3	0	3
		OAH	126	4	130	76	1	77	27	0	27	23	3	26
		TOTAL	143	4	147	84	1	85	31	0	31	28	3	31
ARKANSAS STATE TOTAL			311	57	368	182	27	209	77	11	88	52	19	71

+90=90 days or more delinquent; -90=less than 90 days delinquent;+180=180 days or more delinquent;-180=less than 180 days delinquent;MRA=May Require Attention;OAH=On or Ahead of Schedule

# EXHIBIT E - 1951-S SERVICING ACTIONS IN THE COUNTIES REVIEWED

STATE	SERVICE CENTER	ACCOUNT STATUS	UNIVERSE			NO DECISION			ONE DECISION			2 PLUS DECISIONS			
			WHITE	MINORITY	TOTAL	WHITE	MINORITY	TOTAL	WHITE	MINORITY	TOTAL	WHITE	MINORITY	TOTAL	
CALIFORNIA	FRESNO	+180	11	0	11	7	0	7	3	0	3	1	0	1	
		-180	20	10	30	11	5	16	4	4	8	5	1	6	
		MRA	23	2	25	16	0	16	5	1	6	2	1	3	
		OAH	90	15	105	66	13	79	16	2	18	8	0	8	
		TOTAL	144	27	171	100	18	118	28	7	35	16	2	18	
	RIVERSIDE	+180	25	11	36	19	7	26	4	3	7	2	1	3	
		-180	5	1	6	4	0	4	1	1	2	0	0	0	
		MRA	25	4	29	20	2	22	4	2	6	1	0	1	
		OAH	27	9	36	22	6	28	4	3	7	1	0	1	
		TOTAL	82	25	107	65	15	80	13	9	22	4	1	5	
	SAN JOAQUIN	+180	16	3	19	9	3	12	7	0	7	0	0	0	
		-180	24	2	26	13	2	15	6	0	6	5	0	5	
		MRA	17	0	17	10	0	10	5	0	5	2	0	2	
		OAH	69	4	73	46	3	49	17	0	17	6	1	7	
		TOTAL	126	9	135	78	8	86	35	0	35	13	1	14	
	CALIFORNIA STATE TOTAL			352	61	413	243	41	284	76	16	92	33	4	37
	GEORGIA	BROOKS	+180	14	5	19	5	4	9	6	0	6	3	1	4
			-180	28	1	29	17	1	18	9	0	9	2	0	2
			MRA	22	3	25	13	3	16	6	0	6	3	0	3
			OAH	112	15	127	77	6	83	27	8	35	8	1	9
TOTAL			176	24	200	112	14	126	48	8	56	16	2	18	
TATTNALL		+180	1	0	1	0	0	0	1	0	1	0	0	0	
		-180	25	6	31	11	4	15	10	1	11	4	1	5	
		MRA	12	6	18	6	4	10	5	2	7	1	0	1	
		OAH	146	18	164	104	11	115	28	6	34	14	1	15	
		TOTAL	184	30	214	121	19	140	44	9	53	19	2	21	
WORTH		+180	3	9	12	2	4	6	1	2	3	0	3	3	
		-180	15	9	24	4	5	9	5	1	6	6	3	9	
		MRA	13	2	15	11	2	13	1	0	1	1	0	1	
		OAH	123	19	142	88	12	100	29	6	35	6	1	7	
		TOTAL	154	39	193	105	23	128	36	9	45	13	7	20	
GEORGIA STATE TOTAL			514	93	607	338	56	394	128	26	154	48	11	59	

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# EXHIBIT E - 1951-S SERVICING ACTIONS IN THE COUNTIES REVIEWED

STATE	SERVICE CENTER	ACCOUNT STATUS	UNIVERSE			NO DECISION			ONE DECISION			2 PLUS DECISIONS		
			WHITE	MINORITY	TOTAL	WHITE	MINORITY	TOTAL	WHITE	MINORITY	TOTAL	WHITE	MINORITY	TOTAL
LOUISIANA	CADD0	+180	6	1	7	2	0	2	2	1	3	2	0	2
		-180	7	0	7	2	0	2	4	0	4	1	0	1
		MRA	17	2	19	9	1	10	7	1	8	1	0	1
		OAH	28	0	28	7	0	7	12	0	12	9	0	9
		TOTAL	58	3	61	20	1	21	25	2	27	13	0	13
	RICHLAND	+180	32	4	36	13	4	17	14	0	14	5	0	5
		-180	6	1	7	5	0	5	1	1	2	0	0	0
		MRA	24	3	27	10	3	13	11	0	11	3	0	3
		OAH	86	2	88	43	1	44	21	0	21	22	1	23
		TOTAL	148	10	158	71	8	79	47	1	48	30	1	31
	ST. LANDRY	+180	14	3	17	5	2	7	8	1	9	1	0	1
		-180	7	2	9	3	2	5	2	0	2	2	0	2
		MRA	14	4	18	7	2	9	6	2	8	1	0	1
		OAH	60	11	71	15	7	22	21	3	24	23	2	25
		TOTAL	95	20	115	30	13	43	37	6	43	27	2	29
	LOUISIANA STATE TOTAL		301	33	334	121	22	143	109	9	118	70	3	73
MISSISSIPPI	HINDS	+180	40	13	53	22	8	30	9	4	13	9	1	10
		-180	20	5	25	14	3	17	2	0	2	4	2	6
		MRA	8	0	8	6	0	6	2	0	2	0	0	0
		OAH	37	7	44	27	6	33	7	1	8	3	0	3
		TOTAL	105	25	130	69	17	86	20	5	25	16	3	19
	MARSHALL	+180	10	5	15	6	4	10	2	0	2	2	1	3
		-180	12	10	22	10	10	20	2	0	2	0	0	0
		MRA	42	8	50	28	7	35	9	0	9	5	1	6
		OAH	123	30	153	94	30	124	25	0	25	4	0	4
		TOTAL	187	53	240	138	51	189	38	0	38	11	2	13
	WINSTON	+180	7	4	11	5	0	5	0	4	4	2	0	2
		-180	43	13	56	34	13	47	9	0	9	0	0	0
		MRA	6	2	8	2	1	3	3	0	3	1	1	2
		OAH	136	32	168	121	32	153	12	0	12	3	0	3
		TOTAL	192	51	243	162	46	208	24	4	28	6	1	7
	MISSISSIPPI STATE TOTAL		484	129	613	369	114	483	82	9	91	33	6	39

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# EXHIBIT E - 1951-S SERVICING ACTIONS IN THE COUNTIES REVIEWED

STATE	SERVICE CENTER	ACCOUNT STATUS	UNIVERSE			NO DECISION			ONE DECISION			2 PLUS DECISIONS		
			WHITE	MINORITY	TOTAL	WHITE	MINORITY	TOTAL	WHITE	MINORITY	TOTAL	WHITE	MINORITY	TOTAL
NORTH CAROLINA	COLUMBUS	+180	2	4	6	0	3	3	2	0	2	0	1	1
		-180	37	12	49	27	12	39	8	0	8	2	0	2
		MRA	13	1	14	7	1	8	4	0	4	2	0	2
		OAH	110	29	139	86	24	110	20	5	25	4	0	4
		TOTAL	162	46	208	120	40	160	34	5	39	8	1	9
	DUPLIN	+180	2	0	2	2	0	2	0	0	0	0	0	0
		-180	10	7	17	6	4	10	4	3	7	0	0	0
		MRA	3	2	5	1	1	2	2	1	3	0	0	0
		OAH	56	2	58	51	1	52	5	1	6	0	0	0
		TOTAL	71	11	82	60	6	66	11	5	16	0	0	0
	GRANVILLE	+180	7	1	8	3	1	4	2	0	2	2	0	2
		-180	17	1	18	14	1	15	3	0	3	0	0	0
		MRA	10	3	13	4	2	6	4	1	5	2	0	2
		OAH	69	1	70	54	0	54	13	0	13	2	1	3
		TOTAL	103	6	109	75	4	79	22	1	23	6	1	7
	NORTH CAROLINA STATE TOTAL		336	63	399	255	50	305	67	11	78	14	2	16
OKLAHOMA	CHEROKEE	+180	24	9	33	14	8	22	9	1	10	1	0	1
		-180	14	5	19	10	5	15	3	0	3	1	0	1
		MRA	14	3	17	8	2	10	6	1	7	0	0	0
		OAH	160	63	223	131	53	184	22	9	31	7	1	8
		TOTAL	212	80	292	163	68	231	40	11	51	9	1	10
	CHOCTAW	+180	27	5	32	17	5	22	9	0	9	1	0	1
		-180	31	4	35	19	2	21	10	2	12	2	0	2
		MRA	28	4	32	18	2	20	10	0	10	0	2	2
		OAH	92	11	103	66	8	74	19	2	21	7	1	8
		TOTAL	178	24	202	120	17	137	48	4	52	10	3	13
	GRADY	+180	27	1	28	10	1	11	14	0	14	3	0	3
		-180	26	0	26	16	0	16	7	0	7	3	0	3
		MRA	18	0	18	7	0	7	8	0	8	3	0	3
		OAH	133	3	136	88	2	90	26	1	27	19	0	19
		TOTAL	204	4	208	121	3	124	55	1	56	28	0	28
	OKLAHOMA STATE TOTAL		594	108	702	404	88	492	143	16	159	47	4	51

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# EXHIBIT E - 1951-S SERVICING ACTIONS IN THE COUNTIES REVIEWED

STATE	SERVICE CENTER	ACCOUNT STATUS	UNIVERSE			NO DECISION			ONE DECISION			2 PLUS DECISIONS		
			WHITE	MINORITY	TOTAL	WHITE	MINORITY	TOTAL	WHITE	MINORITY	TOTAL	WHITE	MINORITY	TOTAL
SOUTH CAROLINA	ANDERSON	+180	5	1	6	3	1	4	1	0	1	1	0	1
		-180	20	0	20	16	0	16	4	0	4	0	0	0
		MRA	6	1	7	2	0	2	3	1	4	1	0	1
		OAH	85	10	95	59	9	68	18	1	19	8	0	8
		TOTAL	116	12	128	80	10	90	26	2	28	10	0	10
	CLARENDON	+180	16	0	16	9	0	9	5	0	5	2	0	2
		-180	15	13	28	7	7	14	5	3	8	3	3	6
		MRA	17	16	33	6	11	17	9	5	14	2	0	2
		OAH	95	21	116	77	13	90	12	4	16	6	4	10
		TOTAL	143	50	193	99	31	130	31	12	43	13	7	20
	ORANGEBURG	+180	6	1	7	4	0	4	1	1	2	1	0	1
		-180	18	8	26	10	6	16	3	2	5	5	0	5
		MRA	6	8	14	2	4	6	2	4	6	2	0	2
		OAH	77	14	91	54	10	64	16	3	19	7	1	8
		TOTAL	107	31	138	70	20	90	22	10	32	15	1	16
SOUTH CAROLINA STATE TOTAL			366	93	459	249	61	310	79	24	103	38	8	46
TEXAS	GUADALUPE	+180	71	5	76	31	1	32	23	4	27	17	0	17
		-180	9	4	13	3	1	4	4	1	5	2	2	4
		MRA	14	0	14	8	0	8	3	0	3	3	0	3
		OAH	54	5	59	35	2	37	12	3	15	7	0	7
		TOTAL	148	14	162	77	4	81	42	8	50	29	2	31
	HIDALGO	+90	28	51	79	25	36	61	2	13	15	1	2	3
		-90	9	9	18	6	4	10	3	5	8	0	0	0
		MRA	6	7	13	4	6	10	2	1	3	0	0	0
		OAH	47	40	87	45	34	79	2	6	8	0	0	0
		TOTAL	90	107	197	80	80	160	9	25	34	1	2	3
	NACOGDOCHES	+90	71	2	73	37	0	37	31	1	32	3	1	4
		-90	22	1	23	16	0	16	5	0	5	1	1	2
		MRA	13	1	14	9	1	10	3	0	3	1	0	1
		OAH	87	2	89	58	0	58	17	1	18	12	1	13
		TOTAL	193	6	199	120	1	121	56	2	58	17	3	20
TEXAS STATE TOTAL			431	127	558	277	85	362	107	35	142	47	7	54

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# EXHIBIT E - 1951-S SERVICING ACTIONS IN THE COUNTIES REVIEWED

STATE	SERVICE CENTER	ACCOUNT STATUS	UNIVERSE			NO DECISION			ONE DECISION			2 PLUS DECISIONS		
			WHITE	MINORITY	TOTAL	WHITE	MINORITY	TOTAL	WHITE	MINORITY	TOTAL	WHITE	MINORITY	TOTAL
VIRGINIA	FRANKLIN	+180	17	4	21	4	2	6	10	1	11	3	1	4
		-180	17	4	21	13	3	16	4	1	5	0	0	0
		MRA	15	2	17	5	1	6	8	1	9	2	0	2
		OAH	65	11	76	52	9	61	7	1	8	6	1	7
	TOTAL		114	21	135	74	15	89	29	4	33	11	2	13
	HALIFAX	+180	3	2	5	1	0	1	1	2	3	1	0	1
		-180	18	10	28	8	6	14	7	2	9	3	2	5
		MRA	6	2	8	1	0	1	4	1	5	1	1	2
		OAH	89	33	122	64	27	91	10	5	15	15	1	16
	TOTAL		116	47	163	74	33	107	22	10	32	20	4	24
	MECKLENBURG	+180	4	3	7	1	1	2	2	1	3	1	1	2
		-180	15	5	20	8	3	11	6	0	6	1	2	3
		MRA	8	6	14	6	3	9	2	2	4	0	1	1
		OAH	80	19	99	57	12	69	19	4	23	4	3	7
	TOTAL		107	33	140	72	19	91	29	7	36	6	7	13
VIRGINIA STATE TOTAL			337	101	438	220	67	287	80	21	101	37	13	50
11-STATE TOTAL			4552	913	5465	3072	652	3724	1031	184	1215	449	77	526

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# EXHIBIT F - DEMOGRAPHICS OF SITES VISITED

		White			African American		Native American		Asian		Other		Hispanic		
		Total	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Alabama															
Geneva County	Population	23,647	20,604	87%	2,817	12%	90	0%	13	0%	2	0%	121	1%	
	Borrowers	75	74	99%	1	1%	0	0%	0	0%	0	0%	0	0%	
	Farms	806	791	98%	12	1%	3	0%	0	0%	0	0%	0	0%	
	Land-in-Farms	195,536	194,064	99%	1,103	1%	369	0%	0	0%	0	0%	0	0%	
Geneva Servicing Office	Population	195,402	144,459	74%	47,008	24%	678	0%	1,213	1%	28	0%	2,016	1%	
	Borrowers	177	167	94%	9	5%	1	1%	0	0%	0	0%	0	0%	
	Farms	2,740	2,650	97%	80	3%	7	0%	3	0%	0	0%	0	0%	
	Land-in-Farms	866,039	859,266	99%	6,404	1%	369	0%	0	0%	0	0%	0	0%	
Madison County	Population	238,912	182,334	76%	47,826	20%	1,564	1%	4,140	2%	64	0%	2,984	1%	
	Borrowers	41	35	85%	6	15%	0	0%	0	0%	0	0%	0	0%	
	Farms	871	813	93%	52	6%	3	0%	0	0%	0	0%	3	0%	
	Land-in-Farms	224,370	218,909	98%	5,311	2%	0	0%	0	0%	0	0%	150	0%	
Jackson Servicing Office	Population	411,675	342,451	83%	57,975	14%	2,943	1%	4,492	1%	72	0%	3,742	1%	
	Borrowers	220	207	94%	11	5%	0	0%	0	0%	1	0%	1	0%	
	Farms	4,284	4,166	97%	73	2%	32	1%	0	0%	0	0%	13	0%	
	Land-in-Farms	778,956	760,151	98%	14,799	2%	2,869	0%	0	0%	0	0%	1,137	0%	
Montgomery County	Population	209,085	118,480	57%	87,050	42%	403	0%	1,477	1%	51	0%	1,624	1%	
	Borrowers	37	31	84%	5	14%	0	0%	0	0%	1	3%	0	0%	
	Farms	598	529	88%	63	11%	3	1%	0	0%	0	0%	3	1%	
	Land-in-Farms	231,243	223,770	97%	7,420	3%	53	0%	0	0%	0	0%	0	0%	
Elmore Servicing Office	Population	465,147	278,955	60%	178,870	38%	812	0%	3,378	1%	90	0%	3,042	1%	
	Borrowers	155	138	89%	16	10%	0	0%	0	0%	1	1%	0	0%	
	Farms	2,591	2,362	91%	220	8%	3	0%	0	0%	0	0%	6	0%	
	Land-in-Farms	908,980	891,365	98%	17,096	2%	53	0%	0	0%	0	0%	466	0%	
Arkansas															
Poinsett County	Population	24,664	22,700	92%	1,770	7%	43	0%	23	0%	4	0%	124	1%	
	Borrowers	58	57	98%	1	2%	0	0%	0	0%	0	0%	0	0%	
	Farms	619	619	100%	0	0%	0	0%	0	0%	0	0%	0	0%	
	Land-in-Farms	404,585	404,585	100%	0	0%	0	0%	0	0%	0	0%	0	0%	
Poinsett Servicing Office	Population	151,072	107,033	71%	41,824	28%	350	0%	559	0%	35	0%	1,271	1%	
	Borrowers	181	161	89%	20	11%	0	0%	0	0%	0	0%	0	0%	
	Farms	1,905	1,852	97%	53	3%	0	0%	0	0%	0	0%	0	0%	
	Land-in-Farms	1,584,113	1,575,236	99%	8,877	1%	0	0%	0	0%	0	0%	0	0%	

Source: Ag Census/PLAS  
USDA/OIG-A/50801-3-Hq

THIS DATA IS PRESENTED AS SUPPLIED AND HAS NOT BEEN AUDITED

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# EXHIBIT F - DEMOGRAPHICS OF SITES VISITED

		White			African American		Native American		Asian		Other		Hispanic	
		Total	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Phillips County  (Only county serviced)	Population	28,838	12,793	44%	15,705	54%	36	0%	65	0%	2	0%	237	1%
	Borrowers	112	50	45%	62	55%	0	0%	0	0%	0	0%	0	0%
	Farms	352	304	86%	48	14%	0	0%	0	0%	0	0%	0	0%
	Land-in-Farms	357,416	339,032	95%	18,384	5%	0	0%	0	0%	0	0%	0	0%
Lee County	Population	13,053	5,375	41%	7,447	57%	11	0%	46	0%	0	0%	174	1%
	Borrowers	112	61	54%	51	46%	0	0%	0	0%	0	0%	0	0%
	Farms	313	263	84%	50	16%	0	0%	0	0%	0	0%	0	0%
	Land-in-Farms	298,547	289,608	97%	8,939	3%	0	0%	0	0%	0	0%	0	0%
Cross Servicing Office	Population	70,295	40,807	58%	28,660	41%	111	0%	206	0%	9	0%	502	1%
	Borrowers	216	133	62%	83	38%	0	0%	0	0%	0	0%	0	0%
	Farms	1,358	1,241	91%	117	9%	0	0%	0	0%	0	0%	0	0%
	Land-in-Farms	1,203,330	1,189,873	99%	13,457	1%	0	0%	0	0%	0	0%	0	0%
California														
Riverside County	Population	1,170,413	754,140	64%	59,966	5%	8,393	1%	38,349	3%	2,051	0%	307,514	26%
	Borrowers	40	31	78%	1	3%	1	3%	1	3%	0	0%	6	15%
	Farms	3,511	2,975	85%	19	1%	22	1%	140	4%	119	3%	236	7%
	Land-in-Farms	423,602	352,857	83%	236	0%	42,356	10%	7,026	2%	6,695	2%	14,432	3%
Riverside Servicing Office	Population	5,196,112	3,281,276	63%	321,298	6%	35,024	1%	280,512	5%	9,190	0%	1,268,812	24%
	Borrowers	111	85	77%	1	1%	3	3%	8	7%	0	0%	14	13%
	Farms	12,386	10,881	88%	45	0%	83	1%	377	3%	300	2%	700	6%
	Land-in-Farms	2,761,385	2,495,837	90%	523	0%	141,792	5%	17,414	1%	17,942	1%	87,877	3%
Fresno County	Population	667,490	338,595	51%	31,311	5%	5,070	1%	54,110	8%	1,770	0%	236,634	35%
	Borrowers	124	98	79%	2	2%	1	1%	11	9%	0	0%	12	10%
	Farms	7,021	5,353	76%	25	0%	31	0%	749	11%	326	5%	537	8%
	Land-in-Farms	1,774,664	1,621,871	91%	797	0%	4,617	0%	76,981	4%	26,024	1%	44,374	3%
Fresno Servicing Office	Population	755,580	391,569	52%	33,605	4%	6,235	1%	55,194	7%	1,943	0%	267,034	35%
	Borrowers	175	146	83%	2	1%	1	1%	12	7%	0	0%	14	8%
	Farms	8,730	6,861	79%	39	0%	47	1%	827	9%	352	4%	604	7%
	Land-in-Farms	2,524,129	2,276,506	90%	3,207	0%	6,397	0%	83,425	3%	28,810	1%	125,784	5%
San Joaquin County	Population	480,628	282,766	59%	24,791	5%	3,807	1%	55,774	12%	817	0%	112,673	23%
	Borrowers	55	49	89%	1	2%	2	4%	3	5%	0	0%	0	0%
	Farms	4,097	3,667	90%	13	0%	17	0%	174	4%	62	2%	164	4%
	Land-in-Farms	783,715	726,518	93%	376	0%	1,177	0%	32,134	4%	3,748	0%	19,762	3%

# EXHIBIT F - DEMOGRAPHICS OF SITES VISITED

		White			African American		Native American		Asian		Other		Hispanic	
		Total	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
San Joaquin	Population	4,044,099	2,638,629	65%	418,021	10%	29,482	1%	413,483	10%	7,029	0%	537,455	13%
Servicing	Borrowers	137	128	93%	1	1%	2	1%	5	4%	0	0%	1	1%
Office	Farms	9,716	8,850	91%	33	0%	53	1%	323	3%	107	1%	350	4%
	Land-in-Farms	2,406,604	2,283,800	95%	576	0%	2,811	0%	55,536	2%	6,474	0%	57,407	2%
<b>Georgia</b>														
Tattnall	Population	17,722	11,950	67%	5,155	29%	23	0%	45	0%	2	0%	547	3%
County	Borrowers	64	51	80%	12	19%	0	0%	0	0%	0	0%	1	2%
	Farms	539	516	96%	23	4%	0	0%	0	0%	0	0%	0	0%
	Land-in-Farms	119,873	116,579	97%	3,294	3%	0	0%	0	0%	0	0%	0	0%
Bullock	Population	265,531	183,724	69%	73,252	28%	530	0%	1,783	1%	156	0%	6,086	2%
Servicing	Borrowers	223	191	86%	30	13%	0	0%	0	0%	1	0%	1	0%
Office	Farms	3,476	3,333	96%	140	4%	0	0%	0	0%	0	0%	3	0%
	Land-in-Farms	939,849	926,891	99%	12,958	1%	0	0%	0	0%	0	0%	0	0%
Worth	Population	19,745	13,404	68%	6,029	31%	53	0%	37	0%	0	0%	222	1%
County	Borrowers	44	37	84%	7	16%	0	0%	0	0%	0	0%	0	0%
	Farms	454	441	97%	13	3%	0	0%	0	0%	0	0%	0	0%
	Land-in-Farms	200,061	200,061	100%	0	0%	0	0%	0	0%	0	0%	0	0%
Terrell	Population	209,826	116,418	55%	89,646	43%	419	0%	746	0%	42	0%	2,555	1%
Servicing	Borrowers	194	155	80%	37	19%	1	1%	0	0%	0	0%	1	1%
Office	Farms	2,053	1,924	94%	129	6%	0	0%	0	0%	0	0%	0	0%
	Land-in-Farms	1,178,667	1,154,698	98%	23,969	2%	0	0%	0	0%	0	0%	0	0%
Brooks	Population	15,398	8,725	57%	6,365	41%	27	0%	27	0%	1	0%	253	2%
County	Borrowers	27	15	56%	12	44%	0	0%	0	0%	0	0%	0	0%
	Farms	441	407	92%	30	7%	0	0%	0	0%	0	0%	4	1%
	Land-in-Farms	168,861	163,352	97%	3,760	2%	0	0%	0	0%	0	0%	1,749	1%
Colquitt	Population	124,760	78,189	63%	43,513	35%	269	0%	165	0%	17	0%	2,607	2%
Servicing	Borrowers	194	173	89%	20	10%	1	1%	0	0%	0	0%	0	0%
Office	Farms	2,328	2,249	97%	75	3%	0	0%	0	0%	0	0%	4	0%
	Land-in-Farms	819,274	813,581	99%	3,944	0%	0	0%	0	0%	0	0%	1,749	0%
<b>Louisiana</b>														
St. Landry	Population	80,331	47,185	59%	32,183	40%	61	0%	174	0%	89	0%	639	1%
Parish	Borrowers	116	93	80%	22	19%	0	0%	0	0%	1	1%	0	0%
(Only county	Farms	1,144	1,006	88%	121	11%	4	0%	0	0%	0	0%	13	1%
served)	Land-in-Farms	283,135	270,890	96%	9,981	4%	0	0%	0	0%	0	0%	2,264	1%

# EXHIBIT F - DEMOGRAPHICS OF SITES VISITED

		White			African American		Native American		Asian		Other		Hispanic	
		Total	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Richland Parish (Only county serviced)	Population	20,629	12,910	63%	7,492	36%	14	0%	13	0%	1	0%	199	1%
	Borrowers	159	149	94%	9	6%	1	1%	0	0%	0	0%	0	0%
	Farms	570	545	96%	21	4%	0	0%	0	0%	0	0%	4	1%
	Land-in-Farms	247,106	244,157	99%	0	0%	0	0%	0	0%	0	0%	2,949	1%
Caddo Parish	Population	248,253	144,885	58%	99,101	40%	516	0%	1,095	0%	61	0%	2,595	1%
	Borrowers	21	18	86%	3	14%	0	0%	0	0%	0	0%	0	0%
	Farms	472	417	88%	55	12%	0	0%	0	0%	0	0%	0	0%
	Land-in-Farms	170,353	170,353	100%	0	0%	0	0%	0	0%	0	0%	0	0%
Caddo Servicing Office	Population	376,330	239,086	64%	129,645	34%	866	0%	2,013	1%	97	0%	4,623	1%
	Borrowers	62	59	95%	3	5%	0	0%	0	0%	0	0%	0	0%
	Farms	1,229	1,135	92%	91	7%	3	0%	0	0%	0	0%	0	0%
	Land-in-Farms	339,780	336,372	99%	3,256	1%	152	0%	0	0%	0	0%	0	0%
Mississippi														
Hinds County	Population	254,441	122,614	48%	129,216	51%	212	0%	1,216	0%	35	0%	1,148	0%
	Borrowers	30	23	77%	6	20%	0	0%	0	0%	0	0%	1	3%
	Farms	740	626	85%	111	15%	0	0%	0	0%	0	0%	3	0%
	Land-in-Farms	230,838	230,838	100%	0	0%	0	0%	0	0%	0	0%	0	0%
Warren Servicing Office	Population	311,296	154,527	50%	153,544	49%	264	0%	1,463	0%	42	0%	1,456	0%
	Borrowers	140	109	78%	29	21%	0	0%	0	0%	1	1%	1	1%
	Farms	1,167	1,005	86%	159	14%	0	0%	0	0%	0	0%	3	0%
	Land-in-Farms	640,601	635,175	99%	5,426	1%	0	0%	0	0%	0	0%	0	0%
Marshall County	Population	30,361	14,797	49%	15,331	50%	59	0%	36	0%	5	0%	133	0%
	Borrowers	73	59	81%	14	19%	0	0%	0	0%	0	0%	0	0%
	Farms	527	419	80%	108	20%	0	0%	0	0%	0	0%	0	0%
	Land-in-Farms	182,009	166,584	92%	15,425	8%	0	0%	0	0%	0	0%	0	0%
Panola Servicing Office	Population	81,789	44,011	54%	37,144	45%	126	0%	95	0%	6	0%	407	0%
	Borrowers	244	202	83%	42	17%	0	0%	0	0%	0	0%	0	0%
	Farms	1,648	1,436	87%	212	13%	0	0%	0	0%	0	0%	0	0%
	Land-in-Farms	541,408	514,652	95%	26,756	5%	0	0%	0	0%	0	0%	0	0%
Winston County	Population	19,433	11,121	57%	8,064	41%	162	1%	16	0%	0	0%	70	0%
	Borrowers	151	120	79%	30	20%	1	1%	0	0%	0	0%	0	0%
	Farms	486	444	91%	39	8%	0	0%	0	0%	0	0%	3	1%
	Land-in-Farms	83,445	79,414	95%	3,715	4%	0	0%	0	0%	0	0%	316	0%

# EXHIBIT F - DEMOGRAPHICS OF SITES VISITED

		White			African American		Native American		Asian		Other		Hispanic	
		Total	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Noxubee	Population	32,037	15,073	47%	16,639	52%	206	1%	22	0%	0	0%	97	0%
Servicing	Borrowers	236	184	78%	50	21%	2	1%	0	0%	0	0%	0	0%
Office	Farms	912	823	90%	80	9%	0	0%	0	0%	0	0%	9	1%
	Land-in-Farms	285,204	279,105	98%	3,715	1%	0	0%	0	0%	0	0%	2,384	1%
North Carolina														
Granville	Population	38,345	22,913	60%	14,872	39%	93	0%	99	0%	12	0%	356	1%
County	Borrowers	24	23	96%	1	4%	0	0%	0	0%	0	0%	0	0%
	Farms	724	654	90%	70	10%	0	0%	0	0%	0	0%	0	0%
	Land-in-Farms	156,027	150,530	96%	5,497	4%	0	0%	0	0%	0	0%	0	0%
Wake	Population	729,878	540,985	74%	167,568	23%	2,324	0%	8,901	1%	292	0%	9,808	1%
Servicing	Borrowers	195	172	88%	22	11%	0	0%	0	0%	1	1%	0	0%
Office	Farms	5,233	5,043	96%	182	3%	0	0%	0	0%	0	0%	8	0%
	Land-in-Farms	847,460	835,414	99%	11,498	1%	0	0%	0	0%	0	0%	548	0%
Duplin	Population	39,995	25,635	64%	13,200	33%	97	0%	44	0%	4	0%	1,015	3%
County	Borrowers	85	70	82%	14	16%	0	0%	0	0%	1	1%	0	0%
	Farms	1,359	1,232	91%	127	9%	0	0%	0	0%	0	0%	0	0%
	Land-in-Farms	248,518	240,836	97%	7,682	3%	0	0%	0	0%	0	0%	0	0%
Sampson	Population	341,097	238,191	70%	95,235	28%	1,685	0%	1,583	0%	108	0%	4,295	1%
Servicing	Borrowers	287	234	82%	45	16%	3	1%	2	1%	3	1%	0	0%
Office	Farms	4,002	3,662	92%	315	8%	17	0%	0	0%	0	0%	8	0%
	Land-in-Farms	762,761	742,768	97%	17,591	2%	0	0%	0	0%	0	0%	2,402	0%
Columbus	Population	49,587	32,816	66%	15,122	30%	1,350	3%	51	0%	6	0%	242	0%
County	Borrowers	96	81	84%	12	13%	3	3%	0	0%	0	0%	0	0%
	Farms	1,109	980	88%	95	9%	30	3%	0	0%	0	0%	4	0%
	Land-in-Farms	162,634	154,164	95%	7,756	5%	0	0%	0	0%	0	0%	714	0%
Columbus	Population	565,590	322,126	57%	169,713	30%	52,051	9%	6,032	1%	362	0%	15,306	3%
Servicing	Borrowers	325	213	66%	57	18%	41	13%	5	2%	1	0%	8	2%
Office	Farms	3,869	3,044	79%	302	8%	514	13%	0	0%	0	0%	9	0%
	Land-in-Farms	831,127	743,085	89%	18,063	2%	67,818	8%	0	0%	0	0%	2,161	0%
Oklahoma														
Choctaw	Population	15,302	10,837	71%	1,954	13%	2,286	15%	24	0%	6	0%	195	1%
County	Borrowers	206	182	88%	5	2%	17	8%	1	0%	0	0%	1	0%
	Farms	833	761	91%	25	3%	41	5%	0	0%	0	0%	6	1%
	Land-in-Farms	300,829	285,246	95%	0	0%	11,518	4%	0	0%	0	0%	4,065	1%

# EXHIBIT F - DEMOGRAPHICS OF SITES VISITED

		White			African American		Native American		Asian		Other		Hispanic	
		Total	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Choctaw Servicing Office	Population	48,735	35,496	73%	5,382	11%	7,084	15%	108	0%	11	0%	654	1%
	Borrowers	393	351	89%	11	3%	29	7%	1	0%	0	0%	1	0%
	Farms	2,147	1,991	93%	47	2%	96	4%	0	0%	0	0%	13	1%
	Land-in-Farms	615,816	583,313	95%	2,772	0%	23,007	4%	0	0%	0	0%	6,724	1%
Cherokee County	Population	34,049	21,900	64%	377	1%	11,232	33%	66	0%	4	0%	470	1%
	Borrowers	77	65	84%	0	0%	12	16%	0	0%	0	0%	0	0%
	Farms	977	836	86%	6	1%	131	13%	0	0%	0	0%	4	0%
	Land-in-Farms	218,803	199,526	91%	0	0%	18,927	9%	0	0%	0	0%	350	0%
Cherokee Servicing Office	Population	202,259	147,033	73%	12,635	6%	39,443	20%	575	0%	48	0%	2,525	1%
	Borrowers	297	218	73%	11	4%	66	22%	1	0%	0	0%	1	0%
	Farms	4,984	4,376	88%	100	2%	474	10%	0	0%	6	0%	28	1%
	Land-in-Farms	1,205,476	1,113,486	92%	5,597	0%	80,666	7%	0	0%	0	0%	5,727	0%
Grady County	Population	41,747	37,286	89%	1,524	4%	2,086	5%	117	0%	6	0%	728	2%
	Borrowers	98	96	98%	0	0%	2	2%	0	0%	0	0%	0	0%
	Farms	1,432	1,386	97%	0	0%	30	2%	0	0%	5	0%	11	1%
	Land-in-Farms	566,152	555,645	98%	0	0%	6,113	1%	0	0%	113	0%	4,281	1%
Grady Servicing Office	Population	71,297	58,317	82%	2,262	3%	8,360	12%	184	0%	16	0%	2,158	3%
	Borrowers	207	205	99%	0	0%	2	1%	0	0%	0	0%	0	0%
	Farms	2,873	2,774	97%	0	0%	68	2%	0	0%	10	0%	21	1%
	Land-in-Farms	1,292,633	1,258,602	97%	0	0%	27,557	2%	0	0%	113	0%	6,361	0%
<b>South Carolina</b>														
Orangeburg County	Population	84,803	34,830	41%	49,109	58%	210	0%	315	0%	8	0%	331	0%
	Borrowers	88	60	68%	28	32%	0	0%	0	0%	0	0%	0	0%
	Farms	910	771	85%	139	15%	0	0%	0	0%	0	0%	0	0%
	Land-in-Farms	262,093	248,337	95%	13,756	5%	0	0%	0	0%	0	0%	0	0%
Orangeburg Servicing Office	Population	550,887	345,468	63%	192,753	35%	1,200	0%	4,995	1%	152	0%	6,319	1%
	Borrowers	137	103	75%	34	25%	0	0%	0	0%	0	0%	0	0%
	Farms	2,228	2,007	90%	217	10%	0	0%	0	0%	0	0%	4	0%
	Land-in-Farms	502,077	487,742	97%	13,756	3%	0	0%	0	0%	0	0%	579	0%
Clarendon County	Population	28,450	12,223	43%	16,021	56%	31	0%	27	0%	4	0%	144	1%
	Borrowers	109	77	71%	31	28%	0	0%	0	0%	1	1%	0	0%
	Farms	372	265	71%	107	29%	0	0%	0	0%	0	0%	0	0%
	Land-in-Farms	135,766	135,766	100%	0	0%	0	0%	0	0%	0	0%	0	0%

# EXHIBIT F - DEMOGRAPHICS OF SITES VISITED

		White			African American		Native American		Asian		Other		Hispanic	
		Total	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Clarendon Servicing Office	Population	65,265	25,305	39%	39,581	61%	46	0%	52	0%	8	0%	273	0%
	Borrowers	195	127	65%	67	34%	0	0%	0	0%	1	1%	0	0%
	Farms	1,077	766	71%	307	29%	0	0%	0	0%	0	0%	4	0%
	Land-in-Farms	308,954	290,187	94%	18,767	6%	0	0%	0	0%	0	0%	0	0%
Anderson County	Population	145,196	120,013	83%	24,097	17%	163	0%	334	0%	30	0%	559	0%
	Borrowers	36	33	92%	3	8%	0	0%	0	0%	0	0%	0	0%
	Farms	1,076	1,063	99%	13	1%	0	0%	0	0%	0	0%	0	0%
	Land-in-Farms	160,659	159,140	99%	1,519	1%	0	0%	0	0%	0	0%	0	0%
Anderson Servicing Office	Population	709,048	575,325	81%	123,993	17%	896	0%	3,634	1%	139	0%	5,061	1%
	Borrowers	134	116	87%	13	10%	1	1%	0	0%	4	3%	0	0%
	Farms	3,867	3,785	98%	76	2%	0	0%	0	0%	0	0%	6	0%
	Land-in-Farms	521,263	516,549	99%	4,217	1%	0	0%	0	0%	0	0%	497	0%
Texas														
Guadalupe County	Population	64,873	41,454	64%	3,451	5%	171	0%	403	1%	148	0%	19,246	30%
	Borrowers	20	16	80%	4	20%	0	0%	0	0%	0	0%	0	0%
	Farms	1,698	1,553	91%	68	4%	0	0%	0	0%	27	2%	50	3%
	Land-in-Farms	347,313	328,036	94%	6,383	2%	0	0%	0	0%	3,908	1%	8,986	3%
Guadalupe Servicing Office	Population	2,003,275	1,030,281	51%	148,716	7%	4,602	0%	30,753	2%	3,737	0%	785,186	39%
	Borrowers	184	163	89%	5	3%	3	2%	2	1%	1	1%	10	5%
	Farms	9,409	8,494	90%	140	1%	7	0%	6	0%	233	2%	529	6%
	Land-in-Farms	3,372,538	3,257,073	97%	10,552	0%	276	0%	87	0%	29,882	1%	74,668	2%
Nacogdoches County	Population	54,753	42,575	78%	8,948	16%	125	0%	283	1%	34	0%	2,788	5%
	Borrowers	169	165	98%	4	2%	0	0%	0	0%	0	0%	0	0%
	Farms	1,132	1,080	95%	25	2%	3	0%	0	0%	4	0%	20	2%
	Land-in-Farms	220,355	213,606	97%	2,644	1%	586	0%	0	0%	98	0%	3,421	2%
Nacogdoches Servicing Office	Population	284,765	218,094	77%	49,900	18%	863	0%	1,092	0%	173	0%	14,643	5%
	Borrowers	208	200	96%	8	4%	0	0%	0	0%	0	0%	0	0%
	Farms	3,821	3,645	95%	124	3%	6	0%	0	0%	7	0%	39	1%
	Land-in-Farms	748,307	730,925	98%	10,357	1%	586	0%	0	0%	369	0%	6,070	1%
Hidalgo County	Population	383,545	54,259	14%	518	0%	229	0%	847	0%	720	0%	326,972	85%
	Borrowers	51	27	53%	1	2%	2	4%	0	0%	0	0%	21	41%
	Farms	1,565	719	46%	0	0%	0	0%	12	1%	254	16%	580	37%
	Land-in-Farms	660,412	434,342	66%	0	0%	0	0%	11,655	2%	59,890	9%	154,525	23%

# EXHIBIT F - DEMOGRAPHICS OF SITES VISITED

		White			African American		Native American		Asian		Other		Hispanic	
		Total	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Willacy Servicing Office	Population	701,888	103,262	15%	1,167	0%	427	0%	1,473	0%	1,265	0%	594,294	85%
	Borrowers	209	94	45%	1	0%	8	4%	2	1%	1	0%	103	49%
	Farms	3,419	1,337	39%	0	0%	6	0%	25	1%	614	18%	1,437	42%
	Land-in-Farms	1,883,214	1,238,482	66%	0	0%	0	0%	16,753	1%	84,662	4%	543,317	29%
<b>Virginia</b>														
Franklin County	Population	39,549	35,057	89%	4,225	11%	39	0%	61	0%	30	0%	137	0%
	Borrowers	34	26	76%	8	24%	0	0%	0	0%	0	0%	0	0%
	Farms	935	891	95%	44	5%	0	0%	0	0%	0	0%	0	0%
	Land-in-Farms	166,477	162,038	97%	4,439	3%	0	0%	0	0%	0	0%	0	0%
Franklin Servicing Office	Population	235,770	198,954	84%	34,753	15%	339	0%	531	0%	56	0%	1,137	0%
	Borrowers	135	119	88%	16	12%	0	0%	0	0%	0	0%	0	0%
	Farms	4,035	3,907	97%	123	3%	0	0%	0	0%	0	0%	5	0%
	Land-in-Farms	720,171	707,890	98%	11,441	2%	0	0%	0	0%	0	0%	840	0%
Halifax County	Population	29,033	17,440	60%	11,333	39%	71	0%	23	0%	2	0%	164	1%
	Borrowers	43	24	56%	19	44%	0	0%	0	0%	0	0%	0	0%
	Farms	1,042	862	83%	175	17%	0	0%	0	0%	0	0%	5	0%
	Land-in-Farms	232,852	214,848	92%	17,482	8%	0	0%	0	0%	0	0%	522	0%
Pittsylvania Servicing Office	Population	96,376	65,255	68%	30,458	32%	132	0%	89	0%	6	0%	436	0%
	Borrowers	167	120	72%	47	28%	0	0%	0	0%	0	0%	0	0%
	Farms	2,882	2,571	89%	297	10%	0	0%	0	0%	0	0%	14	0%
	Land-in-Farms	642,860	609,905	95%	28,395	4%	0	0%	0	0%	0	0%	4,560	1%
Mecklenburg County	Population	29,241	17,873	61%	11,192	38%	20	0%	47	0%	1	0%	108	0%
	Borrowers	65	50	77%	15	23%	0	0%	0	0%	0	0%	0	0%
	Farms	645	585	91%	60	9%	0	0%	0	0%	0	0%	0	0%
	Land-in-Farms	167,858	157,168	94%	10,690	6%	0	0%	0	0%	0	0%	0	0%
Lunenburg Servicing Office	Population	56,647	31,507	56%	24,779	44%	40	0%	78	0%	5	0%	238	0%
	Borrowers	144	111	77%	33	23%	0	0%	0	0%	0	0%	0	0%
	Farms	1,345	1,194	89%	148	11%	0	0%	0	0%	0	0%	3	0%
	Land-in-Farms	338,135	323,492	96%	14,643	4%	0	0%	0	0%	0	0%	0	0%

## EXHIBIT F - DEMOGRAPHICS OF SITES VISITED

		White			African American		Native American		Asian		Other		Hispanic	
		Total	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Totals Target Counties	Population	4,641,511	2,652,489	57%	763,562	16%	38,747	1%	159,397	3%	5,970	0%	1,021,346	22%
	Borrowers	2,540	2,046	81%	390	15%	42	2%	16	1%	4	0%	42	2%
	Farms	39,370	33,773	86%	1,757	4%	318	1%	1,075	3%	797	2%	1,650	4%
	Land-in-Farms	10,386,107	9,652,670	93%	156,589	2%	85,716	1%	127,796	1%	100,476	1%	262,860	3%
Service Centers	Population	19,483,526	12,064,694	62%	2,824,919	14%	197,918	1%	825,656	4%	25,226	0%	3,545,113	18%
	Borrowers	6,269	5,076	81%	817	13%	165	3%	38	1%	17	0%	156	2%
	Farms	113,780	101,219	89%	4,114	4%	1,420	1%	1,561	1%	1,629	1%	3,837	3%
	Land-in-Farms	33,258,768	31,285,500	94%	340,977	1%	354,353	1%	173,215	1%	168,252	1%	936,471	3%

Note: Phillips County, AR, St. Landry Parish, LA, and Richland Parish, LA, are in both the Target Counties totals and Service Center totals as these counties are the only counties serviced by those service centers.



# EXHIBIT F - DEMOGRAPHICS OF SITES VISITED

		White			African American		Native American		Asian		Other		Hispanic	
		Total	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Alabama	Population	4,040,587	2,960,167	73%	1,017,713	25%	16,221	0%	21,217	1%	640	0%	24,629	1%
	Borrowers	2,041	1,799	88%	229	11%	4	0%	0	0%	7	0%	2	0%
	Farms	37,905	36,349	96%	1,371	4%	105	0%	6	0%	0	0%	74	0%
	Land-in-Farms	8,450,823	8,313,850	98%	118,971	1%	8,813	0%	202	0%	0	0%	8,987	0%
Arkansas	Population	2,350,725	1,933,082	82%	372,762	16%	12,393	1%	12,144	1%	468	0%	19,876	1%
	Borrowers	4,231	3,876	92%	318	8%	14	0%	2	0%	13	0%	8	0%
	Farms	43,937	43,116	98%	634	1%	106	0%	0	0%	0	0%	81	0%
	Land-in-Farms	14,127,711	14,042,499	99%	66,825	0%	7,059	0%	0	0%	0	0%	11,328	0%
California	Population	29,760,021	17,029,126	57%	2,092,446	7%	184,065	1%	2,710,353	9%	56,093	0%	7,687,938	26%
	Borrowers	1,937	1,679	87%	16	1%	27	1%	85	4%	5	0%	125	6%
	Farms	77,669	68,058	88%	233	0%	470	1%	3,281	4%	1,751	2%	3,876	5%
	Land-in-Farms	28,978,997	26,967,742	93%	10,985	0%	247,463	1%	400,850	1%	202,044	1%	1,149,913	4%
Georgia	Population	6,478,216	4,543,425	70%	1,737,165	27%	12,621	0%	73,725	1%	2,358	0%	108,922	2%
	Borrowers	2,075	1,846	89%	218	11%	3	0%	0	0%	5	0%	3	0%
	Farms	40,759	39,690	97%	1,038	3%	0	0%	0	0%	0	0%	31	0%
	Land-in-Farms	10,025,581	9,925,343	99%	96,083	1%	0	0%	0	0%	0	0%	4,155	0%
Louisiana	Population	4,219,973	2,776,022	66%	1,291,470	31%	17,539	0%	39,302	1%	2,596	0%	93,044	2%
	Borrowers	2,648	2,390	90%	236	9%	8	0%	0	0%	6	0%	8	0%
	Farms	25,652	24,361	95%	1,085	4%	37	0%	5	0%	0	0%	164	1%
	Land-in-Farms	7,837,545	7,712,313	98%	81,125	1%	651	0%	0	0%	0	0%	43,456	1%
Mississippi	Population	2,573,216	1,624,198	63%	911,891	35%	8,316	0%	12,543	0%	337	0%	15,931	1%
	Borrowers	4,912	4,054	83%	826	17%	5	0%	1	0%	23	0%	3	0%
	Farms	31,998	29,462	92%	2,474	8%	10	0%	0	0%	0	0%	52	0%
	Land-in-Farms	10,188,362	9,983,743	98%	196,719	2%	0	0%	0	0%	0	0%	7,900	0%
North Carolina	Population	6,628,637	4,971,127	75%	1,449,142	22%	78,930	1%	50,593	1%	2,119	0%	76,726	1%
	Borrowers	2,710	2,256	83%	379	14%	50	2%	8	0%	9	0%	8	0%
	Farms	51,854	49,374	95%	1,846	4%	565	1%	0	0%	0	0%	69	0%
	Land-in-Farms	8,936,015	8,729,117	98%	127,671	1%	69,731	1%	0	0%	0	0%	9,496	0%
Oklahoma	Population	3,145,585	2,547,588	81%	231,462	7%	246,631	8%	32,366	1%	1,378	0%	86,160	3%
	Borrowers	5,787	5,222	90%	96	2%	428	7%	7	0%	11	0%	23	0%
	Farms	66,937	63,652	95%	528	1%	2,485	4%	9	0%	36	0%	227	0%
	Land-in-Farms	32,143,030	31,407,752	98%	62,099	0%	607,158	2%	295	0%	2,148	0%	63,578	0%

## EXHIBIT F - DEMOGRAPHICS OF SITES VISITED

		Total	White		African American		Native American		Asian		Other		Hispanic	
			Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
South Carolina	Population	3,486,703	2,390,056	69%	1,035,947	30%	8,004	0%	21,304	1%	841	0%	30,551	1%
	Borrowers	1,508	1,211	80%	286	19%	2	0%	0	0%	8	1%	1	0%
	Farms	20,242	18,412	91%	1,765	9%	18	0%	5	0%	0	0%	42	0%
	Land-in-Farms	4,472,569	4,363,711	98%	103,081	2%	664	0%	323	0%	0	0%	4,790	0%
Texas	Population	16,986,510	10,291,680	61%	1,976,360	12%	52,803	0%	303,825	2%	21,937	0%	4,339,905	26%
	Borrowers	8,151	7,447	91%	175	2%	49	1%	14	0%	47	1%	419	5%
	Farms	180,644	168,900	93%	2,802	2%	330	0%	77	0%	2,465	1%	6,070	3%
	Land-in-Farms	129,728,731	125,614,210	97%	237,964	0%	36,512	0%	19,435	0%	535,515	0%	3,285,095	3%
Virginia	Population	6,187,358	4,701,650	76%	1,153,133	19%	14,347	0%	154,183	2%	3,757	0%	160,288	3%
	Borrowers	1,388	1,182	85%	201	14%	1	0%	0	0%	4	0%	0	0%
	Farms	42,222	40,840	97%	1,278	3%	0	0%	0	0%	0	0%	104	0%
	Land-in-Farms	8,288,180	8,150,033	98%	124,404	2%	0	0%	0	0%	0	0%	13,743	0%
States Visited	Population	85,857,531	55,768,121	65%	13,269,491	15%	651,870	1%	3,431,555	4%	92,524	0%	12,643,970	15%
	Borrowers	37,388	32,962	88%	2,980	8%	591	2%	117	0%	138	0%	600	2%
	Farms	619,819	582,214	94%	15,054	2%	4,126	1%	3,383	1%	4,252	1%	10,790	2%
	Land-in-Farms	263,177,544	255,210,313	97%	1,225,927	0%	978,051	0%	421,105	0%	739,707	0%	4,602,441	2%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Geneva County, Alabama				Geneva Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	75		24		177		62	
	Loans	111		36		308		123	
	Principal and Interest	5,399,408		187,303		12,938,056		721,774	
White	Borrowers	74	99%	24	100%	167	94%	55	89%
	Loans	109	98%	36	100%	289	94%	110	89%
	Principal and Interest	5,387,913	100%	187,303	100%	12,323,050	95%	637,323	88%
African American	Borrowers	1	1%	0	0%	9	5%	7	11%
	Loans	2	2%	0	0%	18	6%	13	11%
	Principal and Interest	11,495	0%	0	0%	536,236	4%	84,451	12%
Native American	Borrowers	0	0%	0	0%	1	1%	0	0%
	Loans	0	0%	0	0%	1	0%	0	0%
	Principal and Interest	0	0%	0	0%	78,770	1%	0	0%
Asian	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Other	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Madison County, Alabama				Jackson Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	41		9		220		52	
	Loans	109		25		474		101	
	Principal and Interest	4,488,253		65,472		19,194,617		716,748	
White	Borrowers	35	85%	7	78%	207	94%	48	92%
	Loans	91	83%	18	72%	448	95%	92	91%
	Principal and Interest	4,224,607	94%	46,626	71%	18,260,431	95%	681,913	95%
African American	Borrowers	6	15%	2	22%	11	5%	4	8%
	Loans	18	17%	7	28%	24	5%	9	9%
	Principal and Interest	263,645	6%	18,845	29%	734,346	4%	34,834	5%
Native American	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Asian	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Other	Borrowers	0	0%	0	0%	1	0%	0	0%
	Loans	0	0%	0	0%	1	0%	0	0%
	Principal and Interest	0	0%	0	0%	61,872	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%	1	0%	0	0%
	Loans	0	0%	0	0%	1	0%	0	0%
	Principal and Interest	0	0%	0	0%	137,967	1%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Montgomery County, Alabama				Elmore Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	37		8		155		34	
	Loans	57		17		279		79	
	Principal and Interest	2,933,042		53,046		12,862,244		947,308	
White	Borrowers	31	84%	6	75%	138	89%	28	82%
	Loans	47	82%	11	65%	253	91%	66	84%
	Principal and Interest	2,716,939	93%	51,641	97%	12,300,927	96%	901,708	95%
African American	Borrowers	5	14%	2	25%	16	10%	6	18%
	Loans	9	16%	6	35%	25	9%	13	16%
	Principal and Interest	183,147	6%	1,405	3%	528,360	4%	45,600	5%
Native American	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Asian	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Other	Borrowers	1	3%	0	0%	1	1%	0	0%
	Loans	1	2%	0	0%	1	0%	0	0%
	Principal and Interest	32,955	1%	0	0%	32,955	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Poinsett County, Arkansas				Poinsett Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	58		3		181		33	
	Loans	126		5		418		97	
	Principal and Interest	7,326,207		421,246		23,819,593		3,191,598	
White	Borrowers	57	98%	3	100%	161	89%	26	79%
	Loans	124	98%	5	100%	356	85%	70	72%
	Principal and Interest	7,049,422	96%	421,246	100%	21,225,823	89%	2,538,373	80%
African American	Borrowers	1	2%	0	0%	20	11%	7	21%
	Loans	2	2%	0	0%	62	15%	27	28%
	Principal and Interest	276,785	4%	0	0%	2,593,770	11%	653,225	20%
Native American	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Asian	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Other	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

## Phillips County, Arkansas

(Only County Serviced by the Service Center.)

		Portfolio	Percent	Delinquent	Percent
Total	Borrowers	112		46	
	Loans	400		239	
	Principal and Interest	17,865,022		7,075,861	
White	Borrowers	50	45%	14	30%
	Loans	154	39%	77	32%
	Principal and Interest	8,904,037	50%	2,827,956	40%
African American	Borrowers	62	55%	32	70%
	Loans	246	62%	162	68%
	Principal and Interest	8,960,985	50%	4,247,905	60%
Native American	Borrowers	0	0%	0	0%
	Loans	0	0%	0	0%
	Principal and Interest	0	0%	0	0%
Asian	Borrowers	0	0%	0	0%
	Loans	0	0%	0	0%
	Principal and Interest	0	0%	0	0%
Other	Borrowers	0	0%	0	0%
	Loans	0	0%	0	0%
	Principal and Interest	0	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%
	Loans	0	0%	0	0%
	Principal and Interest	0	0%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Lee County, Arkansas				Cross Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	112		55		216		91	
	Loans	432		257		771		445	
	Principal and Interest	18,580,764		4,888,633		36,661,768		10,543,907	
White	Borrowers	61	54%	32	58%	133	62%	53	58%
	Loans	195	45%	118	46%	396	51%	217	49%
	Principal and Interest	11,936,773	64%	2,580,016	53%	25,243,083	69%	6,406,300	61%
African American	Borrowers	51	46%	23	42%	83	38%	38	42%
	Loans	237	55%	139	54%	375	49%	228	51%
	Principal and Interest	6,643,991	36%	2,308,617	47%	11,418,686	31%	4,137,608	39%
Native American	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Asian	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Other	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%



# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Riverside County, California				Riverside Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	40		29		111		78	
	Loans	92		75		236		182	
	Principal and Interest	40,758,449		24,579,924		72,424,470		41,052,907	
White	Borrowers	31	78%	23	79%	85	77%	60	77%
	Loans	73	79%	62	83%	189	80%	149	82%
	Principal and Interest	38,783,687	95%	24,369,713	99%	64,410,710	89%	39,723,942	97%
African American	Borrowers	1	3%	1	3%	1	1%	1	1%
	Loans	3	3%	3	4%	3	1%	3	2%
	Principal and Interest	653,399	2%	48,256	0%	653,399	1%	48,256	0%
Native American	Borrowers	1	3%	1	3%	3	3%	3	4%
	Loans	1	1%	1	1%	6	3%	4	2%
	Principal and Interest	33,860	0%	3,532	0%	204,226	0%	95,411	0%
Asian	Borrowers	1	3%	0	0%	8	7%	5	6%
	Loans	2	2%	0	0%	12	0%	7	0%
	Principal and Interest	241,418	1%	0	0%	3,490,397	5%	501,512	1%
Other	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Hispanic	Borrowers	6	15%	4	14%	14	13%	9	12%
	Loans	13	14%	9	12%	26	11%	19	10%
	Principal and Interest	1,046,086	3%	158,424	1%	3,665,739	5%	683,787	2%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

## Fresno County, California

## Fresno Servicing Office

		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	124		49		175		75	
	Loans	239		116		394		196	
	Principal and Interest	52,678,062		17,491,374		75,708,272		28,724,868	
White	Borrowers	98	79%	38	78%	146	83%	62	83%
	Loans	187	78%	91	78%	335	85%	167	85%
	Principal and Interest	47,726,952	91%	16,702,030	95%	69,043,291	91%	27,098,640	94%
African American	Borrowers	2	2%	1	2%	2	1%	1	1%
	Loans	8	3%	4	3%	8	2%	4	2%
	Principal and Interest	350,435	1%	135,811	1%	350,435	0%	135,811	0%
Native American	Borrowers	1	1%	1	2%	1	1%	1	1%
	Loans	2	1%	1	1%	2	1%	1	1%
	Principal and Interest	242,257	0%	1,962	0%	242,257	0%	1,962	0%
Asian	Borrowers	11	9%	4	8%	12	7%	4	5%
	Loans	15	6%	5	4%	17	0%	5	0%
	Principal and Interest	1,828,322	3%	19,878	0%	2,173,319	3%	19,878	0%
Other	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Hispanic	Borrowers	12	10%	5	10%	14	8%	7	9%
	Loans	27	11%	15	13%	32	8%	19	10%
	Principal and Interest	2,530,096	5%	631,692	4%	3,898,970	5%	1,468,576	5%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		San Joaquin County, California				San Joaquin Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	55		19		137		62	
	Loans	141		47		351		162	
	Principal and Interest	18,755,063		3,677,118		42,311,216		8,355,757	
White	Borrowers	49	89%	16	84%	128	93%	57	92%
	Loans	121	86%	36	77%	325	93%	148	91%
	Principal and Interest	15,740,635	84%	3,179,916	86%	38,763,717	92%	7,851,966	94%
African American	Borrowers	1	2%	1	5%	1	1%	1	2%
	Loans	7	5%	7	15%	7	2%	7	4%
	Principal and Interest	1,683,052	9%	341,644	9%	1,683,052	4%	341,644	4%
Native American	Borrowers	2	4%	1	5%	2	1%	1	2%
	Loans	6	4%	3	6%	6	2%	3	2%
	Principal and Interest	608,322	3%	154,673	4%	608,322	1%	154,673	2%
Asian	Borrowers	3	5%	1	5%	5	4%	3	5%
	Loans	7	5%	1	2%	12	0%	4	0%
	Principal and Interest	723,054	4%	886	0%	1,235,942	3%	7,475	0%
Other	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%	1	1%	0	0%
	Loans	0	0%	0	0%	1	0%	0	0%
	Principal and Interest	0	0%	0	0%	20,182	0%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Tattnall County, Georgia				Bullock Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	64		17		223		63	
	Loans	170		71		580		235	
	Principal and Interest	9,118,091		2,290,010		30,287,764		5,955,838	
White	Borrowers	51	80%	13	76%	191	86%	48	76%
	Loans	122	72%	39	55%	483	83%	174	74%
	Principal and Interest	6,799,258	75%	1,251,864	55%	25,479,519	84%	4,072,160	68%
African American	Borrowers	12	19%	4	24%	30	13%	14	22%
	Loans	47	28%	32	45%	95	16%	60	26%
	Principal and Interest	2,275,299	25%	1,038,147	45%	4,760,900	16%	1,882,130	32%
Native American	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Asian	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Other	Borrowers	0	0%	0	0%	1	0%	1	2%
	Loans	0	0%	0	0%	1	0%	1	0%
	Principal and Interest	0	0%	0	0%	3,809	0%	1,549	0%
Hispanic	Borrowers	1	2%	0	0%	1	0%	0	0%
	Loans	1	1%	0	0%	1	0%	0	0%
	Principal and Interest	43,534	0%	0	0%	43,534	0%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Worth County, Georgia				Terrell Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	44		15		194		70	
	Loans	117		42		474		213	
	Principal and Interest	8,081,110		1,106,767		30,230,328		4,690,967	
White	Borrowers	37	84%	10	67%	155	80%	46	66%
	Loans	96	82%	27	64%	353	74%	133	62%
	Principal and Interest	6,369,630	79%	418,559	38%	23,094,353	76%	2,849,505	61%
African American	Borrowers	7	16%	5	33%	37	19%	23	33%
	Loans	21	18%	15	36%	118	25%	78	37%
	Principal and Interest	1,711,481	21%	688,208	62%	6,725,939	22%	1,821,148	39%
Native American	Borrowers	0	0%	0	0%	1	1%	0	0%
	Loans	0	0%	0	0%	1	0%	0	0%
	Principal and Interest	0	0%	0	0%	96,898	0%	0	0%
Asian	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Other	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%	1	1%	1	1%
	Loans	0	0%	0	0%	2	0%	2	1%
	Principal and Interest	0	0%	0	0%	313,137	1%	20,315	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Brooks County, Georgia				Colquitt Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	27		12		194		84	
	Loans	82		60		541		306	
	Principal and Interest	4,461,235		1,560,493		39,852,615		11,009,202	
White	Borrowers	15	56%	5	42%	173	89%	73	87%
	Loans	31	38%	16	27%	465	86%	254	83%
	Principal and Interest	2,853,682	64%	784,588	50%	37,229,703	93%	10,180,666	92%
African American	Borrowers	12	44%	7	58%	20	10%	10	12%
	Loans	51	62%	44	73%	75	14%	51	17%
	Principal and Interest	1,607,553	36%	775,905	50%	2,547,800	6%	824,718	7%
Native American	Borrowers	0	0%	0	0%	1	1%	1	1%
	Loans	0	0%	0	0%	1	0%	1	0%
	Principal and Interest	0	0%	0	0%	75,111	0%	3,818	0%
Asian	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Other	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		St. Landry Parish, Louisiana				(Only County Serviced by the Service Center.)
		Portfolio	Percent	Delinquent	Percent	
Total	Borrowers	116		54		
	Loans	352		213		
	Principal and Interest	16,918,382		6,391,144		
White	Borrowers	93	80%	41	76%	
	Loans	284	81%	156	73%	
	Principal and Interest	14,502,818	86%	4,886,927	76%	
African American	Borrowers	22	19%	12	22%	
	Loans	66	19%	55	26%	
	Principal and Interest	2,413,562	20%	1,503,572	24%	
Native American	Borrowers	0	0%	0	0%	
	Loans	0	0%	0	0%	
	Principal and Interest	0	0%	0	0%	
Asian	Borrowers	0	0%	0	0%	
	Loans	0	0%	0	0%	
	Principal and Interest	0	0%	0	0%	
Other	Borrowers	1	1%	1	2%	
	Loans	2	1%	2	1%	
	Principal and Interest	2,002	0%	646	0%	
Hispanic	Borrowers	0	0%	0	0%	
	Loans	0	0%	0	0%	
	Principal and Interest	0	0%	0	0%	

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

## Richland Parish, Louisiana

(Only County Serviced by the Service Center.)

		Portfolio	Percent	Delinquent	Percent
Total	Borrowers	159		77	
	Loans	580		371	
	Principal and Interest	28,308,188		8,289,125	
White	Borrowers	149	94%	70	91%
	Loans	551	95%	350	94%
	Principal and Interest	26,930,233	95%	7,916,097	95%
African American	Borrowers	9	6%	7	9%
	Loans	26	4%	21	6%
	Principal and Interest	833,796	3%	373,028	5%
Native American	Borrowers	1	1%	0	0%
	Loans	3	1%	0	0%
	Principal and Interest	544,159	2%	0	0%
Asian	Borrowers	0	0%	0	0%
	Loans	0	0%	0	0%
	Principal and Interest	0	0%	0	0%
Other	Borrowers	0	0%	0	0%
	Loans	0	0%	0	0%
	Principal and Interest	0	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%
	Loans	0	0%	0	0%
	Principal and Interest	0	0%	0	0%



# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Caddo Parish, Louisiana				Caddo Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	21		10		62		35	
	Loans	61		36		169		111	
	Principal and Interest	4,196,479		1,193,531		10,588,367		3,028,784	
White	Borrowers	18	86%	7	70%	59	95%	32	91%
	Loans	47	77%	22	61%	155	92%	97	87%
	Principal and Interest	3,546,813	85%	893,471	75%	9,938,701	94%	2,728,724	90%
African American	Borrowers	3	14%	3	30%	3	5%	3	9%
	Loans	14	23%	14	39%	14	8%	14	13%
	Principal and Interest	649,667	15%	300,060	25%	649,667	6%	300,060	10%
Native American	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Asian	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Other	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Hinds County, Mississippi				Warren Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	30		22		140		94	
	Loans	135		119		476		381	
	Principal and Interest	14,600,712		7,614,412		43,650,057		18,956,268	
White	Borrowers	23	77%	16	73%	109	78%	73	78%
	Loans	125	93%	111	93%	378	79%	303	80%
	Principal and Interest	14,201,394	97%	7,582,288	100%	39,865,209	91%	17,266,775	91%
African American	Borrowers	6	20%	5	23%	29	21%	20	21%
	Loans	8	6%	7	6%	95	20%	77	20%
	Principal and Interest	307,808	2%	29,824	0%	3,633,863	8%	1,687,193	9%
Native American	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Asian	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Other	Borrowers	0	0%	0	0%	1	1%	0	0%
	Loans	0	0%	0	0%	1	0%	0	0%
	Principal and Interest	0	0%	0	0%	59,475	0%	0	0%
Hispanic	Borrowers	1	3%	1	5%	1	1%	1	1%
	Loans	2	1%	1	1%	2	0%	1	0%
	Principal and Interest	91,510	1%	2,300	0%	91,510	0%	2,300	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Marshall County, Mississippi				Panola Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	73		35		244		103	
	Loans	189		129		619		411	
	Principal and Interest	16,463,064		9,020,733		44,914,687		26,835,193	
White	Borrowers	59	81%	24	69%	202	83%	80	78%
	Loans	152	80%	100	78%	500	81%	337	82%
	Principal and Interest	15,268,674	93%	8,453,660	94%	42,607,991	95%	25,598,702	95%
African American	Borrowers	14	19%	11	31%	42	17%	23	22%
	Loans	37	20%	29	22%	119	19%	74	18%
	Principal and Interest	1,194,390	7%	567,073	6%	2,306,696	5%	1,236,490	5%
Native American	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Asian	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Other	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Winston County, Mississippi				Noxubee Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	151		51		236		86	
	Loans	314		94		508		176	
	Principal and Interest	3,306,680		168,546		11,811,019		1,198,570	
White	Borrowers	120	79%	34	67%	184	78%	62	72%
	Loans	249	79%	58	62%	400	79%	122	69%
	Principal and Interest	2,868,084	87%	79,562	47%	10,577,319	90%	977,744	82%
African American	Borrowers	30	20%	17	33%	50	21%	24	28%
	Loans	64	20%	36	38%	106	21%	54	31%
	Principal and Interest	437,922	13%	88,984	53%	1,136,767	10%	220,827	18%
Native American	Borrowers	1	1%	0	0%	2	1%	0	0%
	Loans	1	0%	0	0%	2	0%	0	0%
	Principal and Interest	674	0%	0	0%	96,932	1%	0	0%
Asian	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Other	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Granville County, North Carolina				Wake Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	24		11		195		82	
	Loans	44		26		403		184	
	Principal and Interest	4,456,522		1,230,181		26,674,712		5,142,060	
White	Borrowers	23	96%	10	91%	172	88%	69	84%
	Loans	38	86%	20	77%	358	89%	159	86%
	Principal and Interest	3,277,388	74%	513,805	42%	24,098,488	90%	4,282,937	83%
African American	Borrowers	1	4%	1	9%	22	11%	12	15%
	Loans	6	14%	6	23%	44	11%	24	13%
	Principal and Interest	1,179,134	26%	716,376	58%	2,540,646	10%	856,798	17%
Native American	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Asian	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Other	Borrowers	0	0%	0	0%	1	1%	1	1%
	Loans	0	0%	0	0%	1	0%	1	1%
	Principal and Interest	0	0%	0	0%	35,578	0%	2,326	0%
Hispanic	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Duplin County, North Carolina				Sampson Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	85		29		287		135	
	Loans	175		72		657		308	
	Principal and Interest	6,817,032		889,527		31,474,636		7,082,826	
White	Borrowers	70	82%	20	69%	234	82%	102	76%
	Loans	132	75%	46	64%	507	77%	233	76%
	Principal and Interest	5,468,941	80%	789,794	89%	27,467,633	87%	6,355,341	90%
African American	Borrowers	14	16%	9	31%	45	16%	27	20%
	Loans	42	24%	26	36%	133	20%	62	20%
	Principal and Interest	1,111,824	16%	99,734	11%	2,790,347	9%	530,380	7%
Native American	Borrowers	0	0%	0	0%	3	1%	3	2%
	Loans	0	0%	0	0%	4	1%	4	1%
	Principal and Interest	0	0%	0	0%	185,844	1%	66,092	1%
Asian	Borrowers	0	0%	0	0%	2	1%	2	1%
	Loans	0	0%	0	0%	9	0%	8	0%
	Principal and Interest	0	0%	0	0%	550,549	2%	118,269	2%
Other	Borrowers	1	1%	0	0%	3	1%	1	1%
	Loans	1	1%	0	0%	4	1%	1	0%
	Principal and Interest	236,266	3%	0	0%	480,260	2%	12,745	0%
Hispanic	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Columbus County, North Carolina				Columbus Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	96		44		325		162	
	Loans	198		93		788		382	
	Principal and Interest	9,136,046		936,285		27,783,519		4,629,458	
White	Borrowers	81	84%	36	82%	213	66%	97	60%
	Loans	171	86%	82	88%	490	62%	215	56%
	Principal and Interest	8,697,406	95%	906,199	97%	20,448,339	74%	2,793,120	60%
African American	Borrowers	12	13%	7	16%	57	18%	35	22%
	Loans	24	12%	10	11%	170	22%	98	26%
	Principal and Interest	402,826	4%	29,202	3%	3,146,067	11%	876,944	19%
Native American	Borrowers	3	3%	1	2%	41	13%	24	15%
	Loans	3	2%	1	1%	97	12%	57	15%
	Principal and Interest	35,814	0%	884	0%	3,014,998	11%	851,146	18%
Asian	Borrowers	0	0%	0	0%	5	2%	1	1%
	Loans	0	0%	0	0%	11	0%	1	0%
	Principal and Interest	0	0%	0	0%	506,575	2%	76,059	2%
Other	Borrowers	0	0%	0	0%	1	0%	0	0%
	Loans	0	0%	0	0%	2	0%	0	0%
	Principal and Interest	0	0%	0	0%	56,202	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%	8	2%	5	3%
	Loans	0	0%	0	0%	18	2%	11	3%
	Principal and Interest	0	0%	0	0%	611,337	2%	32,191	1%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Choctaw County, Oklahoma				Choctaw Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	206		111		393		193	
	Loans	534		306		871		482	
	Principal and Interest	48,169,867		20,972,673		63,746,239		26,275,193	
White	Borrowers	182	88%	97	87%	351	89%	167	87%
	Loans	448	84%	257	84%	760	87%	419	87%
	Principal and Interest	43,697,259	91%	19,949,880	95%	58,424,287	92%	25,125,766	96%
African American	Borrowers	5	2%	4	4%	11	3%	8	4%
	Loans	17	3%	10	3%	26	3%	15	3%
	Principal and Interest	400,365	1%	57,219	0%	871,055	1%	166,889	1%
Native American	Borrowers	17	8%	9	8%	29	7%	17	9%
	Loans	66	12%	38	12%	82	9%	47	10%
	Principal and Interest	3,851,116	8%	895,393	4%	4,229,770	7%	912,356	3%
Asian	Borrowers	1	0%	1	1%	1	0%	1	1%
	Loans	2	0%	1	0%	2	0%	1	0%
	Principal and Interest	140,862	0%	70,181	0%	140,862	0%	70,181	0%
Other	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Hispanic	Borrowers	1	0%	0	0%	1	0%	0	0%
	Loans	1	0%	0	0%	1	0%	0	0%
	Principal and Interest	80,265	0%	0	0%	80,265	0%	0	0%



# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Cherokee County, Oklahoma				Cherokee Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	77		20		297		90	
	Loans	152		47		549		215	
	Principal and Interest	8,580,327		783,664		28,893,345		4,070,368	
White	Borrowers	65	84%	19	95%	218	73%	70	78%
	Loans	128	84%	46	98%	422	77%	173	80%
	Principal and Interest	6,655,515	78%	780,062	100%	21,088,619	73%	3,386,202	83%
African American	Borrowers	0	0%	0	0%	11	4%	5	6%
	Loans	0	0%	0	0%	24	4%	16	7%
	Principal and Interest	0	0%	0	0%	615,988	2%	99,399	2%
Native American	Borrowers	12	16%	1	5%	66	22%	14	16%
	Loans	24	16%	1	2%	98	18%	22	10%
	Principal and Interest	1,924,812	22%	3,602	0%	6,737,071	23%	350,090	9%
Asian	Borrowers	0	0%	0	0%	1	0%	1	1%
	Loans	0	0%	0	0%	4	0%	4	0%
	Principal and Interest	0	0%	0	0%	423,958	1%	234,677	6%
Other	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%	1	0%	0	0%
	Loans	0	0%	0	0%	1	0%	0	0%
	Principal and Interest	0	0%	0	0%	27,709	0%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Grady County, Oklahoma				Grady Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	98		31		207		75	
	Loans	241		81		527		209	
	Principal and Interest	13,827,630		1,148,444		35,722,421		5,302,850	
White	Borrowers	96	98%	30	97%	205	99%	74	99%
	Loans	238	99%	79	98%	524	99%	207	99%
	Principal and Interest	13,523,893	98%	1,128,671	98%	35,418,684	99%	5,283,077	100%
African American	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Native American	Borrowers	2	2%	1	3%	2	1%	1	1%
	Loans	3	1%	2	2%	3	1%	2	1%
	Principal and Interest	303,736	2%	19,773	2%	303,736	1%	19,773	0%
Asian	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Other	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Orangeburg County, South Carolina				Orangeburg Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	88		41		137		60	
	Loans	250		138		392		214	
	Principal and Interest	12,464,017		2,662,612		33,148,576		6,883,788	
White	Borrowers	60	68%	23	56%	103	75%	40	67%
	Loans	154	62%	75	54%	285	73%	149	70%
	Principal and Interest	9,668,882	78%	1,867,746	70%	29,508,716	89%	6,011,336	87%
African American	Borrowers	28	32%	18	44%	34	25%	20	33%
	Loans	96	38%	63	46%	107	27%	65	30%
	Principal and Interest	2,795,135	22%	794,865	30%	3,639,860	11%	872,451	13%
Native American	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Asian	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Other	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Clarendon County, South Carolina				Clarendon Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	109		44		195		94	
	Loans	223		99		537		327	
	Principal and Interest	13,009,345		1,063,462		27,005,340		6,101,086	
White	Borrowers	77	71%	28	64%	127	65%	57	61%
	Loans	155	70%	61	62%	313	58%	180	55%
	Principal and Interest	10,141,702	78%	483,592	45%	20,374,619	75%	3,804,385	62%
African American	Borrowers	31	28%	16	36%	67	34%	37	39%
	Loans	67	30%	38	38%	223	42%	147	45%
	Principal and Interest	2,847,434	22%	579,870	55%	6,610,512	24%	2,296,701	38%
Native American	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Asian	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Other	Borrowers	1	1%	0	0%	1	1%	0	0%
	Loans	1	0%	0	0%	1	0%	0	0%
	Principal and Interest	20,208	0%	0	0%	20,208	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Anderson County, South Carolina				Anderson Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	36		12		134		44	
	Loans	63		22		278		90	
	Principal and Interest	2,570,989		265,169		16,033,366		2,121,148	
White	Borrowers	33	92%	11	92%	116	87%	38	86%
	Loans	58	92%	21	95%	243	87%	76	84%
	Principal and Interest	2,479,119	96%	265,166	100%	14,568,044	91%	2,028,965	96%
African American	Borrowers	3	8%	1	8%	13	10%	6	14%
	Loans	5	8%	1	5%	29	10%	14	16%
	Principal and Interest	91,870	4%	3	0%	1,135,576	7%	92,182	4%
Native American	Borrowers	0	0%	0	0%	1	1%	0	0%
	Loans	0	0%	0	0%	1	0%	0	0%
	Principal and Interest	0	0%	0	0%	47,894	0%	0	0%
Asian	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Other	Borrowers	0	0%	0	0%	4	3%	0	0%
	Loans	0	0%	0	0%	5	2%	0	0%
	Principal and Interest	0	0%	0	0%	281,852	2%	0	0%
Hispanic	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

## Guadalupe County, Texas

## Guadalupe Servicing Office

		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	20		15		184		123	
	Loans	34		21		567		390	
	Principal and Interest	2,180,230		383,606		38,035,497		10,541,923	
White	Borrowers	16	80%	13	87%	163	89%	111	90%
	Loans	29	85%	19	90%	495	87%	341	87%
	Principal and Interest	2,129,464	98%	381,038	99%	33,814,160	89%	9,635,410	91%
African American	Borrowers	4	20%	2	13%	5	3%	3	2%
	Loans	5	15%	2	10%	9	2%	6	2%
	Principal and Interest	50,766	2%	2,568	1%	160,088	0%	45,978	0%
Native American	Borrowers	0	0%	0	0%	3	2%	1	1%
	Loans	0	0%	0	0%	13	2%	9	2%
	Principal and Interest	0	0%	0	0%	781,598	2%	242,759	2%
Asian	Borrowers	0	0%	0	0%	2	1%	2	2%
	Loans	0	0%	0	0%	11	0%	7	0%
	Principal and Interest	0	0%	0	0%	588,152	2%	89,940	1%
Other	Borrowers	0	0%	0	0%	1	1%	0	0%
	Loans	0	0%	0	0%	1	0%	0	0%
	Principal and Interest	0	0%	0	0%	190,814	1%	0	0%
Hispanic	Borrowers	0	0%	0	0%	10	5%	6	5%
	Loans	0	0%	0	0%	38	7%	27	7%
	Principal and Interest	0	0%	0	0%	2,500,684	7%	527,836	5%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Nacogdoches County, Texas				Nacogdoches Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	169		97		208		121	
	Loans	462		292		551		352	
	Principal and Interest	32,485,056		6,180,490		38,802,264		7,395,330	
White	Borrowers	165	98%	95	98%	200	96%	116	96%
	Loans	452	98%	287	98%	531	96%	340	97%
	Principal and Interest	31,487,285	97%	6,123,017	99%	37,225,970	96%	7,245,775	98%
African American	Borrowers	4	2%	2	2%	8	4%	5	4%
	Loans	10	2%	5	2%	20	4%	12	3%
	Principal and Interest	997,771	3%	57,472	1%	1,576,294	4%	149,554	2%
Native American	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Asian	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Other	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Hidalgo County, Texas				Willacy Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	51		27		209		124	
	Loans	101		72		369		251	
	Principal and Interest	9,660,520		3,138,004		27,800,756		8,820,208	
White	Borrowers	27	53%	17	63%	94	45%	55	44%
	Loans	48	48%	36	50%	178	48%	122	49%
	Principal and Interest	6,376,844	66%	2,517,683	80%	18,144,151	65%	6,826,763	77%
African American	Borrowers	1	2%	0	0%	1	0%	0	0%
	Loans	1	1%	0	0%	1	0%	0	0%
	Principal and Interest	96,705	1%	0	0%	96,705	0%	0	0%
Native American	Borrowers	2	4%	3	11%	8	4%	8	6%
	Loans	7	7%	7	10%	20	5%	19	8%
	Principal and Interest	517,860	5%	225,667	7%	1,655,047	6%	799,606	9%
Asian	Borrowers	0	0%	0	0%	2	1%	2	2%
	Loans	0	0%	0	0%	2	0%	2	0%
	Principal and Interest	0	0%	0	0%	150,576	1%	6,815	0%
Other	Borrowers	0	0%	0	0%	1	0%	1	1%
	Loans	0	0%	0	0%	1	0%	1	0%
	Principal and Interest	0	0%	0	0%	66,869	0%	28,043	0%
Hispanic	Borrowers	21	41%	8	30%	103	49%	58	47%
	Loans	45	45%	29	40%	167	45%	107	43%
	Principal and Interest	2,669,111	28%	394,653	13%	7,687,408	28%	1,158,980	13%



# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

## Franklin County, Virginia

## Franklin Servicing Office

		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	34		19		135		62	
	Loans	81		41		324		144	
	Principal and Interest	5,835,585		1,394,707		16,660,111		2,639,360	
White	Borrowers	26	76%	15	79%	119	88%	53	85%
	Loans	51	63%	31	76%	278	86%	123	85%
	Principal and Interest	4,852,607	83%	1,362,347	98%	14,926,752	90%	2,502,736	95%
African American	Borrowers	8	24%	4	21%	16	12%	9	15%
	Loans	30	37%	10	24%	46	14%	21	15%
	Principal and Interest	982,978	17%	32,360	2%	1,733,359	10%	136,624	5%
Native American	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Asian	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Other	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Halifax County, Virginia				Pittsylvania Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	43		18		167		41	
	Loans	85		40		428		96	
	Principal and Interest	4,790,894		579,826		17,039,281		802,971	
White	Borrowers	24	56%	10	56%	120	72%	25	61%
	Loans	51	60%	29	73%	319	75%	65	68%
	Principal and Interest	3,579,275	75%	551,802	95%	14,575,593	86%	713,844	89%
African American	Borrowers	19	44%	8	44%	47	28%	16	39%
	Loans	34	40%	11	28%	109	25%	31	32%
	Principal and Interest	1,211,619	25%	28,024	5%	2,463,689	14%	89,128	11%
Native American	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Asian	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Other	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Mecklenburg County, Virginia				Lunenburg Servicing Office			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	65		21		144		44	
	Loans	165		62		391		173	
	Principal and Interest	6,534,999		634,631		19,645,839		4,923,306	
White	Borrowers	50	77%	13	62%	111	77%	30	68%
	Loans	119	72%	36	58%	298	76%	126	73%
	Principal and Interest	5,300,472	81%	535,514	84%	16,859,838	86%	4,573,190	93%
African American	Borrowers	15	23%	8	38%	33	23%	14	32%
	Loans	46	28%	26	42%	93	24%	47	27%
	Principal and Interest	1,234,527	19%	99,117	16%	2,786,001	14%	350,115	7%
Native American	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Asian	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Other	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%
Hispanic	Borrowers	0	0%	0	0%	0	0%	0	0%
	Loans	0	0%	0	0%	0	0%	0	0%
	Principal and Interest	0	0%	0	0%	0	0%	0	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		Target County Subtotals				Servicing Center Subtotals			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	2,540		1,075		6,269		2,649	
	Loans	6,515		3,364		15,562		7,858	
	Principal and Interest	454,757,270		138,338,019		1,018,812,567		290,417,694	
White	Borrowers	2,046	81%	820	76%	5,076	81%	2,032	77%
	Loans	5,030	77%	2,458	73%	12,315	79%	5,950	76%
	Principal and Interest	393,147,603	86%	120,789,779	87%	887,644,808	87%	255,714,268	88%
African American	Borrowers	390	15%	213	20%	817	13%	430	16%
	Loans	1,249	19%	789	23%	2,516	16%	1,508	19%
	Principal and Interest	43,861,366	10%	14,964,094	11%	82,634,446	8%	26,141,643	9%
Native American	Borrowers	42	2%	18	2%	165	3%	74	3%
	Loans	116	2%	54	2%	340	2%	169	2%
	Principal and Interest	8,062,610	2%	1,305,486	1%	18,902,633	2%	3,497,686	1%
Asian	Borrowers	16	1%	6	1%	38	1%	21	1%
	Loans	26	0%	7	0%	80	1%	39	0%
	Principal and Interest	2,933,656	1%	90,945	0%	9,260,330	1%	1,124,806	0%
Other	Borrowers	4	0%	1	0%	17	0%	5	0%
	Loans	5	0%	2	0%	21	0%	6	0%
	Principal and Interest	291,431	0%	646	0%	1,291,896	0%	45,309	0%
Hispanic	Borrowers	42	2%	18	2%	156	2%	87	3%
	Loans	89	1%	54	2%	290	2%	186	2%
	Principal and Interest	6,460,602	1%	1,187,069	1%	19,078,442	2%	3,893,985	1%

Note: Phillips County, AR, St. Landry Parish, LA, and Richland Parish, LA, are in both Target County Subtotals and Servicing Center Subtotals since these are the only counties serviced by the Servicing Center.

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		State of Alabama				State of Arkansas			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	2,041		519		4,231		1,184	
	Loans	3,807		995		9,872		3,392	
	Principal and Interest	133,887,592		6,722,409		455,207,241		63,279,791	
White	Borrowers	1,799	88%	432	83%	3,876	92%	1,030	87%
	Loans	3,421	90%	862	87%	8,628	87%	2,700	80%
	Principal and Interest	126,025,940	94%	6,076,197	90%	409,987,929	90%	49,483,848	78%
African American	Borrowers	229	11%	85	16%	318	8%	147	12%
	Loans	358	9%	131	13%	1,176	12%	683	20%
	Principal and Interest	6,845,649	5%	643,160	10%	41,396,328	9%	13,753,433	22%
Native American	Borrowers	4	0%	2	0%	14	0%	1	0%
	Loans	12	0%	2	0%	27	0%	1	0%
	Principal and Interest	403,396	0%	3,050	0%	1,747,004	0%	3,859	0%
Asian	Borrowers	0	0%	0	0%	2	0%	1	0%
	Loans	0	0%	0	0%	2	0%	1	0%
	Principal and Interest	0	0%	0	0%	7,769	0%	300	0%
Other	Borrowers	7	0%	0	0%	13	0%	1	0%
	Loans	9	0%	0	0%	26	0%	1	0%
	Principal and Interest	325,989	0%	0	0%	1,328,129	0%	3,380	0%
Hispanic	Borrowers	2	0%	0	0%	8	0%	4	0%
	Loans	7	0%	0	0%	13	0%	6	0%
	Principal and Interest	286,620	0%	0	0%	740,084	0%	34,970	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		State of California				State of Georgia			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	1,937		801		2,075		725	
	Loans	4,611		2,226		5,398		2,446	
	Principal and Interest	826,301,722		289,599,859		367,155,403		81,551,629	
White	Borrowers	1,679	87%	688	86%	1,846	89%	609	84%
	Loans	4,063	88%	1,969	88%	4,618	86%	1,947	80%
	Principal and Interest	758,169,907	92%	275,801,356	95%	324,337,507	88%	67,027,755	82%
African American	Borrowers	16	1%	12	1%	218	11%	112	15%
	Loans	47	1%	38	2%	756	14%	486	20%
	Principal and Interest	4,187,420	1%	967,464	0%	41,305,014	11%	14,330,247	18%
Native American	Borrowers	27	1%	12	1%	3	0%	1	0%
	Loans	60	1%	21	1%	4	0%	1	0%
	Principal and Interest	4,910,602	1%	595,403	0%	357,492	0%	3,818	0%
Asian	Borrowers	85	4%	33	4%	0	0%	0	0%
	Loans	179	0%	75	0%	0	0%	0	0%
	Principal and Interest	24,806,667	3%	3,071,519	1%	0	0%	0	0%
Other	Borrowers	5	0%	0	0%	5	0%	1	0%
	Loans	6	0%	0	0%	8	0%	1	0%
	Principal and Interest	323,502	0%	0	0%	469,389	0%	1,549	0%
Hispanic	Borrowers	125	6%	56	7%	3	0%	2	0%
	Loans	256	6%	123	6%	12	0%	11	0%
	Principal and Interest	33,903,622	4%	9,164,117	3%	685,998	0%	188,264	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		State of Louisiana				State of Mississippi			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	2,648		1,249		4,912		2,337	
	Loans	7,905		4,992		14,227		8,721	
	Principal and Interest	399,906,688		135,514,746		794,921,456		302,496,259	
White	Borrowers	2,390	90%	1,093	88%	4,054	83%	1,807	77%
	Loans	6,877	87%	4,222	85%	11,725	82%	7,084	81%
	Principal and Interest	360,708,803	90%	119,037,983	88%	728,899,318	92%	280,750,255	93%
African American	Borrowers	236	9%	147	12%	826	17%	520	22%
	Loans	972	12%	741	15%	2,425	17%	1,611	18%
	Principal and Interest	35,093,635	9%	15,058,131	11%	63,022,416	8%	21,573,398	7%
Native American	Borrowers	8	0%	2	0%	5	0%	2	0%
	Loans	13	0%	4	0%	18	0%	12	0%
	Principal and Interest	1,033,859	0%	32,999	0%	789,099	0%	46,799	0%
Asian	Borrowers	0	0%	0	0%	1	0%	1	0%
	Loans	0	0%	0	0%	1	0%	1	0%
	Principal and Interest	0	0%	0	0%	82,759	0%	12,633	0%
Other	Borrowers	6	0%	3	0%	23	0%	5	0%
	Loans	11	0%	8	0%	53	0%	11	0%
	Principal and Interest	312,294	0%	23,751	0%	1,839,922	0%	61,793	0%
Hispanic	Borrowers	8	0%	4	0%	3	0%	2	0%
	Loans	32	0%	17	0%	5	0%	2	0%
	Principal and Interest	2,758,102	1%	1,361,884	1%	287,939	0%	51,373	0%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		State of North Carolina				State of Oklahoma			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	2,710		1,040		5,787		2,235	
	Loans	6,406		2,690		13,537		6,036	
	Principal and Interest	318,110,124		60,067,702		804,263,590		149,178,752	
White	Borrowers	2,256	83%	801	77%	5,222	90%	2,043	91%
	Loans	5,218	81%	2,106	78%	12,426	92%	5,581	92%
	Principal and Interest	280,862,529	88%	50,919,148	85%	744,242,949	93%	140,717,087	94%
African American	Borrowers	379	14%	201	19%	96	2%	59	3%
	Loans	1,020	16%	500	19%	275	2%	170	3%
	Principal and Interest	30,492,553	10%	7,985,311	13%	10,751,640	1%	2,862,148	2%
Native American	Borrowers	50	2%	28	3%	428	7%	117	5%
	Loans	116	2%	62	2%	749	6%	250	4%
	Principal and Interest	3,935,487	1%	921,653	2%	41,189,502	5%	4,187,356	3%
Asian	Borrowers	8	0%	3	0%	7	0%	5	0%
	Loans	22	0%	9	0%	12	0%	8	0%
	Principal and Interest	1,347,537	0%	194,328	0%	725,464	0%	375,740	0%
Other	Borrowers	9	0%	2	0%	11	0%	4	0%
	Loans	12	0%	2	0%	17	0%	6	0%
	Principal and Interest	860,680	0%	15,071	0%	4,419,477	1%	803,652	1%
Hispanic	Borrowers	8	0%	5	0%	23	0%	7	0%
	Loans	18	0%	11	0%	58	0%	21	0%
	Principal and Interest	611,337	0%	32,191	0%	2,934,552	0%	232,768	0%



# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		State of South Carolina				State of Texas			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	1,508		575		8,151		4,011	
	Loans	4,109		1,864		24,321		13,273	
	Principal and Interest	223,823,740		51,566,134		1,496,394,708		425,620,532	
White	Borrowers	1,211	80%	429	75%	7,447	91%	3,615	90%
	Loans	3,246	79%	1,372	74%	22,381	92%	12,063	91%
	Principal and Interest	197,431,631	88%	42,477,246	82%	1,397,487,076	93%	400,671,174	94%
African American	Borrowers	286	19%	145	25%	175	2%	115	3%
	Loans	847	21%	491	26%	486	2%	353	3%
	Principal and Interest	25,235,724	11%	9,086,261	18%	21,099,649	1%	6,666,554	2%
Native American	Borrowers	2	0%	0	0%	49	1%	33	1%
	Loans	5	0%	0	0%	154	1%	111	1%
	Principal and Interest	130,087	0%	0	0%	8,922,885	1%	2,793,446	1%
Asian	Borrowers	0	0%	0	0%	14	0%	13	0%
	Loans	0	0%	0	0%	84	0%	77	1%
	Principal and Interest	0	0%	0	0%	4,734,676	0%	1,817,306	0%
Other	Borrowers	8	1%	1	0%	47	1%	8	0%
	Loans	10	0%	1	0%	65	0%	9	0%
	Principal and Interest	718,225	0%	2,623	0%	3,859,697	0%	82,495	0%
Hispanic	Borrowers	1	0%	0	0%	419	5%	227	6%
	Loans	1	0%	0	0%	1,151	5%	660	5%
	Principal and Interest	308,072	0%	0	0%	60,290,715	4%	13,589,556	3%

# EXHIBIT G - FSA'S LOAN PORTFOLIO OF SITES VISITED

		State of Virginia				States Visited			
		Portfolio	Percent	Delinquent	Percent	Portfolio	Percent	Delinquent	Percent
Total	Borrowers	1,388		503		37,388		15,179	
	Loans	3,459		1,456		97,652		48,091	
	Principal and Interest	190,950,298		34,901,783		6,010,922,562		1,600,499,596	
White	Borrowers	1,182	85%	396	79%	32,962	88%	12,943	85%
	Loans	2,801	81%	1,082	74%	85,404	87%	40,988	85%
	Principal and Interest	166,801,702	87%	27,581,095	79%	5,494,955,291	91%	1,460,543,144	91%
African American	Borrowers	201	14%	106	21%	2,980	8%	1,649	11%
	Loans	648	19%	373	26%	9,010	9%	5,577	12%
	Principal and Interest	23,636,575	12%	7,319,292	21%	303,066,603	5%	100,245,399	6%
Native American	Borrowers	1	0%	0	0%	591	2%	198	1%
	Loans	3	0%	0	0%	1,161	1%	464	1%
	Principal and Interest	298,784	0%	0	0%	63,718,197	1%	8,588,383	1%
Asian	Borrowers	0	0%	0	0%	117	0%	56	0%
	Loans	0	0%	0	0%	300	0%	171	0%
	Principal and Interest	0	0%	0	0%	31,704,872	1%	5,471,826	0%
Other	Borrowers	4	0%	1	0%	138	0%	26	0%
	Loans	7	0%	1	0%	224	0%	40	0%
	Principal and Interest	213,239	0%	1,397	0%	14,670,543	0%	995,711	0%
Hispanic	Borrowers	0	0%	0	0%	600	2%	307	2%
	Loans	0	0%	0	0%	1,553	2%	851	2%
	Principal and Interest	0	0%	0	0%	102,807,041	2%	24,655,123	2%

## *OIG's CORE CIVIL RIGHTS AUDIT TEAM*



An additional 40 auditors and managers assisted the core audit team in the review of 11 States and 33 counties.