

Farm Credit Administration

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INFORMATIONAL MEMORANDUM



December 5, 2012

To: Chairs, Boards of Directors
Chief Executive Officer
Farm Credit System Institutions

From: Jill Long Thompson
Board Chair and Chief Executive Officer

A handwritten signature in black ink that reads "Jill Long Thompson". The signature is written in a cursive, flowing style.

Subject: LARS and FCSLoans1 Data Collection

The Farm Credit Administration (FCA) has been working collaboratively with Farm Credit System (System) representatives, and particularly the Information Repository Coordination Committee, to build a loan database designed to meet FCA's examination and regulatory needs. This effort, known as FCSLoans2, was designed to improve upon and replace other data submissions.

The FCA finds that the September 30, 2012, FCSLoans2 datasets were submitted timely and were more consistent and complete than the legacy formats, known as FCSLoans1 and the Loan Account Reporting System (LARS). While all institutions have acknowledged some gaps in their data, the System has demonstrated substantial progress in the collection, reporting, and submission of agreed upon information. FCA expects that these data gaps can and will be resolved. Since the System has demonstrated timely submission and substantial progress in providing the baseline data, FCA now accepts the FCSLoans2 data extract as the primary loan data reporting on System assets.

Accordingly, FCA will no longer require that System institutions submit FCSLoans1 datasets, effective immediately.

In addition, FCA has also determined that the FCSLoans2 submission is an acceptable replacement for the LARS report. Therefore, FCA will eliminate the LARS reporting requirement beginning after January 1, 2013. NOTE: Institutions will still be required to submit their LARS report and CRS reconciliations for December 31, 2012.

These actions are consistent with our goal of reducing the regulatory reporting burden on the System when prudent. We will preserve our ability to collect the information necessary to support our examination and regulatory effectiveness and reduce costs for the System.

Thank you for your efforts on the FCSLoans2 initiative. If you have questions, concerns or comments regarding the data submissions please contact Doug Valcour, Chief Information Officer (703) 883-4166 or valcourd@fca.gov.