

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Notice ARCPLC-30

For: State and County Offices

Effect of Financial Obligations on Approved 2014 CCC-861's and CCC-862's

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

ARC/PLC software could not obligate 2014 contracts correctly in FY 2015; ARC/PLC software was recently enhanced to calculate the contractual value, integrate with the common obligation framework, and accurately obligate each contract. As a result of the enhancement and timing of the software release, the software will only permit 2014 CCC-861's and CCC-862's with approvals entered on or after October 1, 2015, to pass obligations.

Because an obligation could not be made correctly without the software enhancement, a 2014 CCC-861 or CCC-862 must not be approved until the obligation software correctly obligates each contract. Software to perform necessary approval and obligation actions is expected to be available on October 23, 2015.

B Purpose

This notice informs County Offices and COC's of action:

- taken on 2014 contract year CCC-861's or CCC-862's approved before October 1, 2015, according to 1-ARCPLC, paragraph 245 or 246
- required in a COC meeting to withdraw the approval of an approved 2014 contract year CCC-861 or CCC-862
- required to approve 2014 CCC-861's or CCC-862's effective October 23, 2015.

Disposal Date	Distribution
April 1, 2016 10-22-15	State Offices; State Offices relay to County Offices

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2 COC or Designee Action on CCC-861 or CCC-862

A Action on COC Approved 2014 Contract Year CCC-861's or CCC-862's Also Approved in ARC/PLC Software

2014 contract year CCC-861's or CCC-862's approved before October 1, 2015, must be withdrawn and subsequently "re-approved" using the enhanced software effective October 23, 2015.

The withdrawal of the approval of the 2014 contract is not an adverse action as contracts will be "re-approved" using the enhanced software.

Documentation in COC minutes must include the following statement:

"In accordance with Notice ARCPLC-30, approval of all CCC-861s and CCC-862s previously approved have been withdrawn until a time when each contract can be obligated effective October 23, 2015."

No action is required by the County Office to remove the approval date in the ARC/PLC software. The COC approval and/or COC "Original Approval Date" fields already loaded in the ARC/PLC contract software will be systematically removed and replaced with October 23, 2015, without action by the County Office.

B Action on COC Approved 2014 Contract Year CCC-861's or CCC-862's Not Approved in ARC/PLC Software

In many instances, COC or designee has approved 2014 contract year CCC-861 or CCC-862 but that approval has not been entered into the ARC/PLC software.

An example of this situation may include any farm with an acre-for-acre FAV reduction.

In those cases, the ARC/PLC software approval date will be October 23, 2015, or after, regardless of the date the 2014 contract year CCC-861 or CCC-862 was manually approved (signed).

Contract year 2014 CCC-861 or CCC-862 approvals recorded on or after October 1, 2015, will pass obligations. Conversely, approvals recorded before October 1, 2015, will cause obligations to fail and will delay the issuance of any potential payment.

If a payment fails because the user recorded an approval date before October 1, 2015, the user must correct the approval date in the ARC/PLC software and a State Office user must correct the "Original Approval Date" field to October 1, 2015, or later before the payment will pass obligations.

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2 COC or Designee Action on CCC-861 or CCC-862 (Continued)

C Action on Enrolled CCC-861 or CCC-862

ARC/PLC software will create an obligation for any contract that meets the requirements in 1-ARCPLC, paragraph 245 or 246 when that contract is approved in the software.

All 2014 ARC/PLC contracts (any enrolled contract or any approved paper 2014 CCC-861 or CCC-862) must have an approval date entered that is on or after October 1, 2015. If a user records an approval date of a 2014 contract earlier than October 1, 2015, the contract will **not** pass obligation.

3 COC or Designee Action on Enrolled Contracts or Approved Contracts Not Recorded in ARC/PLC Software

A Approval of 2014 Contract Year CCC-861 or CCC-862

When a 2014 contract year CCC-861 or CCC-862 is approved in the ARC/PLC software, the software approval date must be on or after October 1, 2015. Documentation to support the original approval must be recorded in COC minutes.

IF...	THEN...
a 2014 contract year CCC-861 or CCC-862 has been approved and action required in this notice removes (either/both) of the following: <ul style="list-style-type: none">• approval date in ARC/PLC software• original COC approval date in ARC/PLC software	no action is required on a paper 2014 contract year CCC-861 or CCC-862 provided that (either/both) of the following exist: <ul style="list-style-type: none">• COC minutes support the approval of each farm• CCC-861, item 17 or CCC-862, item 13 was completed.

B Recording Electronic Approvals in the ARC/PLC Contract Software

The ARC/PLC contract software allows for a CCC electronic approval according to 2-ARCPLC, paragraph 41. This option must only be used by employees that have been designated to approve CCC-861's and CCC-862's; no paper COC approval signature is required.

4 Action

A State Office Action

State Offices will instruct all COC's or designees to:

- follow instructions in this notice for all 2014 CCC-861's or CCC-862's

Note: Previously approved CCC-861's or CCC-862's will have the recorded approval date withdrawn and re-entered by the software as October 23, 2015, automatically.

- record the approval of any enrolled 2014 contract year CCC-861 or CCC-862 and use a date of October 23, 2015, or later.

B County Office Action

COC's or designees will:

- withdraw the approval of any previously approved 2014 CCC-861 or CCC-862 according to paragraph 2
- after October 23, 2015:
 - begin approving CCC-861's or CCC-862's using a date of October 1, 2015, or later
 - **not** use an automated approval date earlier than October 23, 2015, on **any** 2014 contract year CCC-861 or CCC-862.

Note: The approval date on 2014 contract year CCC-861 or CCC-862 may not match the automated approval date.