

For: State and County Offices

**Instructions for Handling Incorrect FSFL Repayment Receipts
and Reminder and Notification Letters Generated in APSS**

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

APSS generates an FSFL repayment receipt when a repayment is applied using either the “Lump Sum Repayment” or “Loan Payoff” option. The receipt prints the following:

- FSFL information
- repayment information
- principal balance due, if behind schedule
- County Office information.

Currently, when FSFL repayments are applied to outstanding loans before the due date, or that cover more than the installment amount, the software may generate a repayment receipt that is in error. The principal and interest calculations are correct; however, some offices have reported that repayment receipts have been printing an incorrect “Installment Amount Due” and/or incorrect “Installment Due Date”.

Information Bulletin No. 6320, issued February 28, 2013, notified State and County Offices that FSFL repayment receipts were incorrect. APSS software will be updated to correct the repayment receipts printing in error.

Repayment receipts are **not** required to be given to the borrower; however, it is a requirement that the receipts are printed and placed in the borrower’s file.

Because of the repayment receipt issue, FSFL notification letters may be printing with incorrect information for the “installment amount due”, “interest due”, or “principal due”. If so, after the repayment receipt issue is corrected, the notification letter issue will be resolved. County Offices shall follow instructions provided in this notice for handling incorrect repayment receipts and notification letters.

Disposal Date	Distribution
September 1, 2014 2-26-14	State Offices; State Offices relay to County Offices

1 Overview (Continued)

B Purpose

This notice provides State and County Offices with instructions for handling incorrect repayment receipts and notification letters.

C Contact

For automation questions about this notice, State Offices shall contact Stacy Carroll by either of the following:

- e-mail at stacy.carroll@wdc.usda.gov
- telephone at 202-690-8037.

2 Action

A State Office Action

State Offices shall ensure that all County Offices in their State are notified of and comply with the actions in this notice.

B County Office Action

County Offices shall:

- review notification letters that are generated in APSS carefully to ensure that they are being printed with correct information, specifically for the “installment amount due”, “interest due”, or “principal due”
- if errors are found, make a pen and ink change on the notification letter and collect the amount according to the original amortization schedule, plus interest, as applicable

Note: A repayment may have already been collected for the incorrect amount based on the notification letter. If this has occurred, County Offices **must** collect the difference with the next repayment.

- submit a Remedy Ticket for incidents involving incorrect information in the notification letter and forward the Remedy Ticket information to the PSD contact provided in subparagraph 1 C
- review FSFL repayment receipts that are generated in APSS carefully to ensure that they are being printed with correct information, specifically for the “Installment Amount Due” and “Installment Due Date”

2 Action (Continued)

B County Office Action (Continued)

- provide NRRS repayment receipts to borrowers as an alternative until APSS software is enhanced for repayments that result in incorrect receipts. Although the interest paid for the year is not included on the NRRS receipt, the borrower will receive a 1099 at yearend that provides the interest breakdown.

Note: A forthcoming Information Bulletin will be issued notifying State and County Offices when APSS software has been updated for correcting repayment receipts. County Offices shall then continue using repayment receipts as generated and printed in APSS. It is not clear that the notification letter error is a nationwide problem; therefore, these issues will be handled on a case-by-case basis.