UNITED STATES DEPARTMENT OF AGRICULTURE
Farm Service Agency
Room 3416, 700 West Capitol Avenue
Little Rock, Arkansas 72201

AR NOTICE CN-77

For: All FSA County Offices

Centralized Cotton Redemption (CCR) System

Approved by: State Executive Director

1 Overview

A Background

The Centralized Cotton Redemption System, commonly called CCR, will allow a buyer (electronic agent) to redeem cotton from multiple loans in multiple counties in multiple states in a single transaction.

Under the CCR system, Kansas City will receive the money and release the bales. The County Office will set the Electronic Agent Designation, commonly called EAD, to "Yes" unless previously done by Kansas City for the 2003-crop bales; download the repayment file from COPS and transfer it to APSS to record the repayment against the loan.

Buyers participating in the 2003-crop beta test are Cargill Cotton, Dunavant Enterprises, Inc., Paul Reinhart, Inc., Weil Brothers-Cotton, Inc., and Allenberg. If one of the buyers wishes to redeem 2003-crop cotton, Kansas City may update the EAD indicator to "Yes" for you or the State Office may request that your office update it. It will be necessary for you to receive CCC-605's from the buyer (for 2003-crop only).

Notice CN-969 notified County Offices that:

- full deployment of CCR would occur on July 1, 2004.
- Modified APSS software is already in place.
- Cotton PC software was included in PC Release No. 35.
- A forthcoming 7-CN amendment will include instructions for:
  - completing the revised CCC-605
  - updating the EAD indicator
  - downloading and transferring the CCR repayment file
  - recording a CCR repayment in APSS

Since Handbook 7-CN has not been amended to include CCR instructions, we are providing the following information.

Disposal Date	Distribution
February 1, 2005	All County Offices

2 Action

A County Office Action

Attached, as Exhibit 1, is a sequence of events that shows what is performed in COPS, what is performed in the Cotton PC software, and what is performed in APSS. This serves as an overview of how CCR will work.

There is a User Guide that can be accessed from the COPS Home Page. Under the "Information" Section, click on "User Guide."

- Under "Receipts", click on "EAD Status" and click on "Open". Print this section. It provides instructions on changing the EAD indicator.

- Click the "Back" button in the upper left hand corner of the screen.

- Under "Invoicing", click on "Invoice Rev-CCR Only", and then click on "Open". Print this section. It provides instructions on downloading the repayment invoice.

- The first time a CCR is processed on a PC, the folder path may not exist and may need to be created. See Page 4.2-15 of the User Guide for instructions.

Centralized Cotton Redemption (CCR)
Sequence of Events

	1. Producers designate loan for EAD redemption using the new CCC-605 (dated 6-21-04), Part A-C. Buyer or Producer provides a copy to the County Office.

COPS	2. County Office sets the EAD status to "Y" in COPS for each applicable loan. (See User Guide in COPS for instructions.) *For the 2003-crop, Kansas City may set the EAD indicator; in which case, the County Office will not receive CCC-605's.* 3. Buyer requests an invoice of desired bales from COPS. 4. COPS sends an e-mail to a County Office employee listing the loan numbers for which an invoice has been sent to the buyer. 5. Buyer wires the money through Kansas City to the Federal Reserve and COPS releases the warehouse receipts to the buyer. 6. COPS sends an e-mail to the County Office employee providing the repayment invoice number that is available for downloading from COPS. 7. The County Office will go into "Invoice Review" in COPS. Select "Cotton Redemption Invoice" from the "Invoice Type" dropdown button and click on "List". Click on "line no." for the desired invoice number, then : • click the following buttons and print the reports for each file: o invoice detail o loan recap o print invoice screen • click on "Download Invoice". (See User Guide in COPS for instructions.)
PC	8. In Cotton PC software, transfer the repayment files to APSS. • From Menu 001, click on Option 4 - "Centralized Repayment Functions". • From Menu 400, click on Option 1, "Transfer Repayment Files to APSS". • Select applicable file name and transfer to the System 36 just as you do at loanmaking.
APSS	9. In APSS, go into the repayment option and record the repayment using Option 3 from the Repayment Menu, "Centralized Repayment". Basic repayment screens will come up. Answer "N" to the question, "Is this the recording of a manually made action?" On Screen AGK01500, enter 1EFT, in the "Check/Item number" blank. 10. Prepare and close the schedule.

Kansas City will release the EWR's. (Do not release the bales in the PC).