

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Milk Income Loss Contract Program
11-LD (Revision 2)

Amendment 8

Approved by: Acting Deputy Administrator, Farm Programs



Amendment Transmittal

A Reasons for Amendment

Subparagraphs 10 B, 12 C, and 20 E have been amended to provide that CCC-931 is replacing CCC-926 as the current form for AGI requirements.

Subparagraph 11 A has been amended to clarify where member information should be recorded.

Subparagraph 20 H has been amended to provide that new ACH/direct deposit information shall be obtained using SF-3881 only.

Subparagraph 20 K has been amended to update the contact information for requesting eFC allotments.

Subparagraph 27:

- H has been amended to reference Exhibit 6 for FY 2010 through FY 2012 extended signup start month selection options
- I has been amended to include CCC-580M procedure for erroneous start month selections.

Subparagraph 28:

- B has been amended to reference Exhibit 7 for deadline dates for FY 2011 and FY 2012 changes to a production start month
- E has been amended to include instructions for entering perpetual designation months in the MILC software.

Paragraph 29 has been added to provide that dairy producers shall be notified annually of deadline dates to make production start month changes.

Subparagraphs 37 F and I have been amended to provide that CCC-931 is the current form for AGI requirements.

Amendment Transmittal (Continued)

A Reasons for Amendment (Continued)

Subparagraph 41 F has been amended to include procedure for maintaining production evidence submitted by spreadsheets from a dairy cooperative for all dairy producers in a county participating in the MILC program.

Subparagraph 44 A has been amended to include that the last approved CCC-580M may be entered for item 8.

Subparagraph 44 B has been amended to include an updated version of CCC-580M.

Subparagraphs 53 A and C have been amended to:

- provide that the manual option for reconstitutions may be used only if software is unavailable
- clarify that the example is for reconstitution combinations
- include procedure on maintaining documentation pertaining to a reconstitution.

Paragraphs 87 through 89 have been added to include automated procedure for processing MILC dairy reconstitutions in the MILC software.

Exhibit 6 has been added to provide FY 2010 through FY 2012 extended signup start month selection options.

Exhibit 7 has been added to provide deadline dates to change start months for FY’s 2011 and 2012.

Exhibit 8 has been added to provide an example of a reminder letter to notify producers of production start month change provisions.

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Part 2 MILC Program Eligibility Requirements

10 Dairy Operation Eligibility

A Eligible Dairy Operation Definition

An eligible dairy operation, for MILC program purposes, is any person or group of persons who, as a single unit as determined by CCC, produce and market milk commercially produced from cows and whose production facilities are located in the U.S.

Note: Each State and County Office shall strictly adhere to and apply this definition to the MILC program in the **exact** same manner applied for the DMLA-III program in your State with **no** variation, according to paragraph 52.

B Dairy Operation Eligibility for Payment

To be eligible to receive MILC payments, a dairy operation **must**:

- have produced milk in the U.S. and commercially marketed the milk produced anytime during the period of October 1, 2007, through September 30, 2012
- enter into CCC-580 with CCC agreeing to the prescribed terms and conditions during the sign-up period
- provide production evidence of monthly milk marketings to the local FSA County Office
- include milk marketings from **all** persons that were involved in the dairy operation during the contract period
- actively be in the business of producing and marketing agricultural products at the time CCC-580 is signed, **except** as provided by subparagraph G
- certify compliance with HELC and WC provisions on AD-1026
- ***--certify compliance with AGI requirements on CCC-931--***
- for any FY or month for which payment is sought, submit CCC-580 before the end of that FY or month, **except** FY 2009, and according to production start month selection provisions in Part 4
- submit CCC-580 for FY 2009 payments by the month for which payment is first sought, **except** as provided in Part 4.

10 Dairy Operation Eligibility (Continued)

C Eligible Entities

An eligible dairy operation may include any of the following entities that are engaged in an operation that markets milk commercially in the U.S.:

- an individual that has a beneficial interest in a dairy operation, has a financial risk in the dairy operation, and is a citizen of, or legal resident alien in, the U.S.
- a corporation, partnership, joint operation, estate, association, cooperative, other business enterprise, or other legal entity * * * whose members are a citizen of, or legal resident alien in, the U.S.
- Indian tribe of the Indian Self-Determination and Education Assistance Act
- Indian organization or entity chartered under the Indian Reorganization Act
- economic enterprise under the Indian Financing Act of 1974.

D Foreign Entities

A corporation or other entity shall be ineligible to receive MILC program benefits if more than 10 percent of the beneficial ownership of the entity is held by persons who are **not** *--citizens of the U.S., or lawful resident aliens possessing a valid I-551, unless each foreign individual who is a stockholder or other type of member provides a substantial amount of active personal labor in producing milk in the dairy operation that is owned or operated by such an entity.

The following foreign person/entity provisions apply to MILC program benefits:

- 7 CFR Part 1400, subpart E
- 4-PL, Part 3
- 4-PL, subparagraph 75 B for rules on significant contributions.

Each foreign person who is a stockholder or other type of member in the foreign entity **must** make a significant contribution of active personal labor to be considered eligible for MILC benefits. Foreign stockholders or other types of members in the foreign entity that:

- do **not** contribute active personal labor are **not** eligible to receive MILC benefits
- do contribute active personal labor may receive his or her share of the payment earned by the operation, less the share percentage held by the interest holder that made no active labor contribution

Note: This share **cannot** be increased because of the ineligibility of another member.--*

10 Dairy Operation Eligibility (Continued)**F Eligible New Dairy Operations**

County Offices shall determine an eligible new dairy operation as any dairy operation purchased or farmed by a producer **not** affiliated with any dairy operation:

- that received a DMLA-III payment
- with an approved CCC-580 with CCC
- that did **not** participate in the preceding MILC or MILC Extension programs for FY's before FY 2008.

Beginning with FY 2008, any additional dairy operation purchased or farmed by a producer affiliated with a dairy operation that has an approved CCC-580:

- is subject to review by FSA to determine legitimacy
- will exist in the MILC program according to State interpretation of a dairy operation used during the previous DMLA programs in the State where the dairy is located.

Eligible new dairy operations may enter into CCC-580 with CCC anytime during the applicable duration of the MILC program application period.

A dairy operation is **not** considered new if dairy has an existing CCC-580 and does any of the following:

- changes the name of the dairy operation
- changes the ID number of the dairy for tax purposes
- relocates to another State or county
- adds additional shareholders to the dairy operation
- has a spouse, child, or heir take over the dairy operation for a decedent with CCC-580.

G Dairy Operations No Longer Conducting Business

Dairy operations that go out of business after October 1, 2007, may enter into CCC-580 with CCC for payment on the quantity of eligible production commercially marketed by the dairy operation during the months the dairy operation was in business. Dairy operations that go out of business **must** meet dairy operation payment eligibility according to subparagraph B.

***--H States, Political Subdivisions, and Agencies Thereof**

Beginning with 2009 program benefits, States, political subdivisions, and agencies thereof, are not eligible for 2009 MILC benefits. These provisions include, but are not limited to, State universities and prisons.--*

11 Producer Eligibility

A Eligible Producer Definition

An eligible producer, for MILC program purposes, is any individual, group of individuals, partnership, corporation, estate, trust association, cooperative, other legal business enterprise, or other legal entity who is, or whose members:

- are a citizen of, or legal resident alien in the U.S., except as provided in subparagraph E
- directly or indirectly share in the risk of producing milk
- make contributions (including land, labor, management, equipment, or capital) to the dairy farming operation of the individual or entity that are at least commensurate with the share of the individual or entity of the proceeds of the operation.

Note: If producers in a dairy operation are **not** participating in other FSA programs *--where an applicable CCC-901, CCC-902E, or CCC-902I is already completed and on file, complete CCC-580S according to paragraph 39. County Offices shall use the data obtained from:

- CCC-580 to record member information in the System 36 entity file according to 2-PL
- CCC-901, CCC-902E, CCC-902I to record member information in the web-based Business File application

Note: If a dairy operation with an applicable CCC-902 is loaded in the web-based Business File, no member information is required to be loaded in the System 36.

- update eligibility records according to 3-PL.

Actively engaged determinations are **not** required.--*

B Estates and Trusts

An eligible producer may be an estate or trust, including any of the following:

- a receiver of an insolvent debtor's estate
- an executor or an administrator of a decedent's estate
- a guardian of any of the following:
 - an estate
 - a ward
 - an incompetent person
- trustees of a trust estate, if their representative authority is legally valid, according to 1-CM.

MILC program documents executed by producers legally authorized to represent estates or trusts will be accepted **only** if such producers furnish evidence of the authority to execute such documents.

11 Producer Eligibility (Continued)

C Minors

A minor may be an eligible producer if any of the requirements in 1-CM are met.

D Hired Hands

Hired hands who work for the dairy operation for a share of the milk proceeds or production may be eligible producers if they meet the definition of an eligible producer as provided in subparagraph A.

*--Payment for hired hands that provide labor **only** and do **not** directly or indirectly share in the risk of the operation, will go to the eligible producers on the contract with risk in the operation.

E Foreign Person Eligibility

Foreign persons legally admitted in the U.S. with a valid TIN, and in an eligible dairy operation, are eligible to receive MILC benefits, if they are an individual who is providing land capital, a substantial amount of active personal labor on the dairy operation, and meet the requirements of the following:

- 7 CFR Part 1400, subpart E
- 4-PL, Part 3.
- 4-PL, subparagraph 75 B for rules on significant contributions.--*

See 62-FI, Part 5, for tax reporting guidelines when program payments are made to producers that are nonresident aliens.

F Affiliated MILC Producer

An affiliated MILC producer is a producer who:

- is involved in the dairy operation on a regular basis
- has a direct and significant risk in the operation
- participates in the management of the dairy operation.

G Deceased Producer

CCC-580M, Part D or E, as applicable, shall be completed by the producers' heirs, estate, or successor-in-interest for payments earned **after** the date of death. Payments earned **before** the date of death may be issued using FSA-325, according to 1-CM.

Documents to verify succession-in-interest may be requested, as necessary, to COC's satisfaction.

Note: County Offices shall **not** issue payments to TIN's of deceased producers.

12 Producer Ineligibility

A Ineligibility

Ineligible producers are producers who:

- do **not** meet the definition of an eligible producer, according to subparagraph 11 A
- are **not** a part of an eligible dairy operation, according to paragraph 10
- violate WC and HELC provisions, according to 6-CP
- do **not** meet AGI requirements, according to 4-PL
- are convicted under Federal or State law of a controlled substance violation, according to 1-CM.

Note: See subparagraph 11 G for deceased producers.

B Ineligible Producer Shares

Ineligible producers on CCC-580's with other eligible producers are still required to provide monthly production evidence to the County Office. All production will be counted toward the dairy operations maximum production limit during the producer's period of ineligibility. However, the ineligible producer's share percentage of the dairy operation's total commercially marketed production will be excluded from the total payment to the dairy operation.

Therefore, if a producer becomes eligible after the dairy operation reaches its maximum production limit for the FY, the ineligible producer would **not** receive MILC benefits for the remainder of that FY. When an ineligible producer becomes eligible the producer can only receive benefits for:

- the months the producer meets **all** eligibility requirements
- production that does **not** exceed the maximum production limitation for FY.

C AGI

--Producers who certify on CCC-931 that their nonfarm average AGI exceeds \$500,000 are-- ineligible for MILC benefits. Producers are **required** to comply with the AGI requirement each applicable FY, according to 4-PL, Part 6.

20 Program Payments (Continued)**E Prompt Payment Provisions**

Prompt payment interest will apply to program payments issued by CCC later than 60 calendar days after:

- all production evidence and supporting documentation for the month is provided to the County FSA Office
- all eligibility requirements are met, including receipt by the County Office of **all** *--eligibility documentation, including CCC-931, AD-1026, CCC-580's, CCC-902, etc.--*
- the National Average Dairy Feed Cost Ration for the applicable month is announced.

See 61-FI for prompt payment interest provisions.

To avoid erroneous PPI being applied in instances when the County Office receives production evidence for a month before all documentation pertaining to eligibility is received, County Offices must enter in the "Production Evidence Received" field in the MILC software, the latter of either the date:

- production evidence for the applicable month is received in the County Office
- *--all eligibility documentation, including CCC-931, AD-1026, CCC-580's, CCC-902,--* etc., is received in the County Office.

Note: The MILC software passes the latter of the date entered in the "Production Evidence Received" field and the date the National Average Dairy Feed Cost Ration for the applicable month is announced to NPS to calculate PPI.

F Assignments and Offsets

MILC payments are subject to assignment (see 63-FI) and offset (see 58-FI).

G Advance Payments

Advance payments will **not** be issued for the MILC program.

H Direct Deposit Requirement

The Debt Collection Improvement Act of 1996 requires any recipient of Federal payments who becomes eligible for that payment after July 25, 1996, to receive the payment by electronic funds transfer. All producers receiving benefits under the MILC program **must** *--file SF-3881 or retain SF-1199A, according to 1-FI, Part 7.

Note: New ACH/direct deposit information shall be obtained on SF-3881 only. County Offices may retain prior SF-1199A.--*

20 Program Payments (Continued)

I Accounting Program Codes

Accounting program codes for MILC are provided in the following table.

FY	Program Accounting Code
2008	08MILCII
2009	09MILCII
2010	10MILCII
2011	11MILCII
2012	12MILCII

J eFC Allotments

The National Office will allot program funds to the State Office level through the eFC system for payment processing. Allocations to the State Office level will be based on funds dispersed by each State during previous FY’s of the program. State Offices shall:

- re-allocate funds from the State Office level to the County Office level, as necessary
- determine County Office level allocation amounts from eFC allotments from previous FY’s
- contact the National Office to request additional funds over the initial allotment.

Applicable eFC account codes are as follows.

eFC Code	Payment Type
8010	MILC monthly contract payments - Sys36
8011	MILC monthly contract payments – NPS beta
8015	MILC transition period payments – Sys36
8016	MILC transition period payments – NPS beta
8020	MILC – all web-based payments

K Requests for eFC Allotments

State Offices shall direct requests for additional funds by e-mail to Stacy Carroll at stacy.carroll@wdc.usda.gov, with CC’s to the following:

- Dani Cooke at danielle.cooke@wdc.usda.gov
* * *
- Asime Atuboyedia at asime.atuboyedia@wdc.usda.gov.

L Direct Attribution

Direct attribution will apply to MILC effective FY 2009, but **not** for payment limitation purposes. MILC program payments will be tracked through 4 levels to individuals and entities in the same manner as other programs.

27 Production Start Month Provisions (Continued)

*--H FY 2009 Extended Signup Start Month Selection Options

CCC-580 Submission Date	Available FY 2009 Selection Options	Unavailable FY 2009 Selection Options
July 15 through 31, 2009	July 2009 Note: The month CCC-580 is submitted.	N/A Note: Any month preceding July 2009 is an unavailable option.
	September 2009 Note: The months remaining in FY where selection follows normal start month selection provisions.	August 2009 Note: This month is not available because it is after the 14 th of the preceding month according to normal start month selection provisions.
August 3 through 14, 2009	August 2009 Note: The month CCC-580 is submitted.	N/A Note: Any month preceding August 2009 is an unavailable option.
	September 2009 Note: The month remaining in FY where selection follows normal start month selection provisions.	
August 17 through 31, 2009	August 2009 Note: The month CCC-580 is submitted.	N/A Note: Any month preceding August 2009 is an unavailable option.
		September 2009 Note: This month is not available because it is after the 14 th of the preceding month according to normal start month selection provisions.

--*

27 Production Start Month Provisions (Continued)

H FY 2009 Extended Signup Start Month Selection Options

CCC-580 Submission Date	Available FY 2009 Selection Options	Unavailable FY 2009 Selection Options
September 1 through 14, 2009	September 2009 Note: The month CCC-580 is submitted.	N/A Note: Any month preceding September 2009 is an unavailable option.
September 15 through 30, 2009	September 2009 Note: The month CCC-580 is submitted.	October 2009. Notes: Any month preceding September 2009 is an unavailable option. October 2009 is not available because it starts the beginning of a new FY.

*--**Note:** See Exhibit 6 for FY 2010 through 2012 extended signup start month selection options.

I Erroneous Start Month Selections

If a producer submits CCC-580 or CCC-580M with an erroneous production start month selection, meaning the month selected by the producer was **not** an available option based on the date CCC-580 or CCC-580M was submitted to the County Office, the County Office **must** immediately notify the producer of the following:

- the correct production start months available based on the original date CCC-580 or CCC-580M was submitted to the County Office
- correction to CCC-580 or CCC-580M is required and must be made within--* 10 calendar days of the notification date.

If no correction is made by the producer within the 10-calendar-day period, by default, the production start month will be the month CCC-580 was submitted to the County Office. County Offices shall note in CCC-580, Item 24, "Remarks" that the correction was

--authorized according to procedure in this subparagraph. CCC-580M's must be disapproved if no correction is made by the producer within the 10-calendar-day period following producer notification.--

28 Production Start Month Change Provisions

A Changing the MILC Production Start Month Selection

Changes to the MILC production start month selected by the dairy operation **must** be made on or before the 14th of the month before the:

- month originally selected by the dairy operation as their MILC production start month
- newly selected MILC production start month for the dairy operation.

Changes **must** be made in advance of payment rates being known by the public for both the original production start month that the dairy operation is changing from and the production start month that the dairy operation is changing to. Otherwise, the MILC production start month can **only** be changed for the following FY.

Note: For FY 2008 and during the initial signup phase, no changes may be made to the retroactive production start month selection after payment has been issued for the originally selected production start month.

Examples: Producer A submitted CCC-580 on January 28, 2009, and selected March 2009 as the production start month. Producer A submitted CCC-580M on February 12, and selected April 2009 as the new production start month to receive MILC payments. CCC-580M was considered filed correctly. CCC-580M would be approved, because CCC-580M was submitted **before** the 14th of the preceding month according to normal start month selection provisions.

Producer B submitted CCC-580 on January 28, 2009, and selected March 2009 as the production start month. Producer B submitted CCC-580M on March 16, and selected April 2009 as the new production start month to receive MILC payments. CCC-580M would be **disapproved**, since CCC-580M was **not** submitted before the 14th of the preceding month according to normal start month selection provisions.

B MILC Production Start Month Change Request

MILC program participants may elect to change their production start month for a given FY. A change to a dairy operation's MILC production start month **must**:

- be made according to start month selection provisions provided in paragraphs 27 and 28 and selection rules applicable to MILC
- occur **before** payment has been issued for the previous month selected on CCC-580
- be designated on CCC-580M, Part B, according to instructions provided in paragraph 44.

***--Note:** See Exhibit 7 for deadline dates to change a production start month.--*

28 Production Start Month Change Provisions (Continued)**C When the Production Start Month Cannot be Changed**

The production start month designated on CCC-580 **cannot** be changed if:

- the new month being selected has done either of the following:
 - already begun
 - already passed
- payment has already been issued for the previously selected month.

D Changing Limitations

There is **no** limit to the number of times the production start month may be changed, as long as the change is made according to applicable Part 4 program provisions.

E Perpetual Designation

If the production start month is never modified by the producers in the dairy operation, the production start month designated on CCC-580 and on file with the County Office will remain the same for succeeding FY's throughout the duration of the MILC program. If the production start month is modified, the newly designated start month on CCC-580M becomes the perpetual designation month for all subsequent FY's for which a production start month is not selected.

Note: Approved CCC-580M changes to the production start month must be recorded in *-MILC software according to subparagraph 81 B. Perpetual designation months must be manually entered for each applicable FY in the software when CCC-580M is submitted to modify the production start month. The software does not automatically update start months for subsequent FY's when a start month is entered for FY.--*

Example: Producer C submitted CCC-580 on January 28, 2009, and selected January as the production start month for FY 2009. Producer C did **not** designate a production start month for each FY 2010 through 2012 on CCC-580; therefore, by perpetual designation, the same originally selected start month of January will remain the same for succeeding FY's throughout the duration of the MILC Program, **unless** CCC-580M is submitted requesting a change.

Producer C submitted CCC-580M on September 14, 2010, and selected October as the production start month for FY 2011. Producer C still did not designate a production start month for FY 2012; therefore, by perpetual designation, the production start month for FY 2012 will be October.

***--29 Producer Notification**

A Reminder to Dairy Producers

County Offices with dairy operations are **required** to remind dairy producers participating in the MILC program of start month change provisions and applicable dates to implement changes. The Payment Start Month Report may be used to obtain the names of dairy operations participating in the MILC program.

County Offices shall:

- access the Payment Start Month Report to obtain names of MILC program participants
- see Exhibit 8 for an example reminder letter to mail to all dairy operations.

B Deadline to Remind Producers

County Offices shall send out reminder notifications to dairy producers in their county **no later than** the last business day of August.

Note: Unless the MILC program is extended or re-authorized beyond September 2012, County Offices are not required to send out notifications in August 2012.--*

30-34 (Reserved)

37 **Filing CCC-580's (Continued)**

F Other Applicable Forms

AD-1026 is required for program benefits. HELC and WC rules **apply**. See 6-CP for guidance on HELC and WC provisions.

--AGI requirements apply to MILC; therefore, CCC-931 is required to be completed for-- each FY to qualify for that FY MILC payment. See 4-PL for guidance on AGI provisions.

G Delegation of Authority

The authority to approve all CCC-580's, and all other program documents, **must** be re-delegated, **in writing**, to the next authority. Follow this table for exceptions to re-delegate authority for CCC-580 approval.

IF the producer is...	THEN the approval authority shall be...
a State or Federal or non-Federal County Office employee	CED.
COC member	
DD	
SED	
STC member	
CED	COC.

Questionable cases may be referred to the next higher authority for determination.

H Second Party Review

A second party review of eligibility requirements and production evidence shall be performed **before** issuing a monthly contract payment. The reviewer **must**:

- initial CCC-770 MILC, page 2, items 9F and 9G only, according to subparagraph 45 D, when each payment review is complete
- attach CCC-770 MILC, page 2 to CCC-580 for applicable dairy operation.

Note: The production evidence **must** be reviewed against data entered in MILC application and payment processing software.

I Failure to Provide Information

County Offices shall disapprove CCC-580's when documents required to establish *--compliance with program requirements, that is, CCC-580S, CCC-931, AD-1026, etc., are--* not timely provided. All required program documents must be submitted to the County Office before approving CCC-580 and issuing payment to the dairy operation.

If requested documents are not timely provided:

- notify the program participant of the ineligibility and disapproval of MILC payments
- include appeal rights according to 1-APP.

38 Completing CCC-580's

A CCC-580 Instructions

Complete CCC-580's according to the following table.

Item	Instructions
1	COC designee shall enter applicable State code.
2	COC designee shall enter applicable county code.
3	COC designee shall enter name and address of dairy operation.
4	COC designee shall enter contract number assigned to CCC-580 from the MILC web-based software.
5	Enter date CCC-580 is submitted by the dairy operation.
6A through 6C	If different from the information in item 3, enter name, address, telephone number, and cell phone number of the contact producer for the operation.
Part A – FY 2009 – FY 2012 MILC Production Start Month	
7, 9, 11, and 13	<p>Dairy operation must CHECK (✓) appropriate box to designate which month in each applicable FY the dairy operation would like to begin receiving payments from CCC, based on the selected start months' production.</p> <p>Note: CCC-580's submitted within 30 calendar days of the time CCC begins accepting CCC-580's, the dairy operation can select any month preceding the month CCC-580 is submitted or any month; *--thereafter, on or before the 14th of the month before the month the dairy operation wants to select, as the FY 2009 production start month. The month CCC-580 is submitted is also an option during this period. Dairy operations that submit CCC-580's 30 calendar days after CCC begins accepting CCC-580's can select either of the following:--*</p> <ul style="list-style-type: none"> • the month CCC-580 is submitted • any month that follows the month CCC-580 is submitted in FY that has not begun or has not passed. That selection must be made on or before the 14th of the month before the month the dairy operation wants to select.
8, 10, 12, and 14	Enter pounds of production for the applicable months for each applicable FY 2009 through 2012 in the appropriate block.

41 Supporting Documentation (Continued)**F Reviewing Documentation**

When the supporting documentation is received in the County Office:

- in person or by mail, make a copy, date stamp the copy, and return the originals to the contact producer

Note: If duplicate originals are provided to the County Office the original **must** be date stamped, but it is **not** necessary to return the original to the producer.

- review to verify that during the applicable months specified in CCC-580:
 - there was milk marketed commercially
 - all persons involved in the dairy operation have provided milk marketing documentation
- ensure that the eligible lbs. of milk marketings during the applicable months correspond to the months of production:
 - indicated in CCC-580
 - entered in MILC web-based software.

Attach **all** supporting documentation to CCC-580.

***--Note:** Spreadsheets submitted by a dairy cooperative for all MILC program participants in a county is acceptable. However, the spreadsheet must be maintained in a separate folder and not in the individual producer's folder.--*

41 Supporting Documentation (Continued)**G Production Discrepancies**

All production discrepancies **must** be resolved to the satisfaction of COC **before** payments will be issued to the dairy operation. COC **must** review and determine any of the following:

- good faith
- misrepresentation, scheme, or device.

If COC:

- determines good faith, **no further action is necessary**
- **cannot** determine good faith and determines that misrepresentation, scheme, or device occurred, the dairy operation is **not** eligible for benefits and the entire payment **must** be refunded; see Part 8 for additional remedies.

COC's shall use their judgment when determining good faith to ensure that the dairy operation did **not** intentionally certify incorrectly.

H Suspected Cases of Program Abuse

When it appears that a producer or operation has provided false or erroneous data, or intentionally misrepresented a material fact in an attempt to enhance potential program payments, further action is necessary. This does **not** include unintentional reporting or certification errors, unless the errors are so great they impact program integrity. See Part 8 for additional remedies for cases of suspected program abuse.

41 Supporting Documentation (Continued)

I Refunding Payments

For dairy operations that **must** refund payments because the dairy operation has been determined out of compliance, interest will accrue at the CCC borrowing interest rate from the date of payment through the date the refund is received. Inform the producer of any amounts due according to 58-FI. If refunds are **not** paid by the due date, establish a claim *--according to 64-FI.

J Production Evidence Submitted by Cooperatives

County Offices may accept monthly production evidence from dairy cooperatives or handlers provided the producers of the eligible dairy operation select the appropriate authorization statement in CCC-580, Part C, authorizing the County Office to receive the production--* evidence directly from the dairy marketing cooperative or handler.

Production evidence received from the dairy cooperative or handler is subject to further verification, if necessary, and may be provided to the County Office by the following:

- FAX transmission
- electronic mail
- mail delivery.

The authorization will remain in effect until either of the following:

- end of the contract period
- authorization is terminated, in writing, by the producer.

If during the MILC program the operation needs to change the authorization to accept production evidence from the dairy cooperative listed in CCC-580, the producer **must** submit a written statement to the County Office, terminating the authorization for the cooperative listed in CCC-580, item 20A, and indicate the new cooperative for which the new authorization is being provided.

When a dairy cooperative is being changed, COC designee shall:

- line through the previously authorized cooperative listed in CCC-580, item 20A
- write-in the newly authorized cooperative in CCC-580, item 20A, initial, and date
- enter in CCC-580, item 24 that a new authorization is attached.

K Production Evidence Deadlines

Final production evidence for program payments **must** be received in the applicable County Office by COB, November 1, 2012.

42 Conversion Factors

A Dairy Product Conversion Factors

Producers **must** report the dairy operations eligible production during each applicable month in lbs. Use the weight measurement indicated on the production evidence as the same unit of measure (lbs., gallons, etc.) in the conversion. Lbs. will be converted to fluid milk lbs. according to subparagraph B and gallons will be converted to gallons in the same manner. Convert dairy products according to the following.

Dairy Product (1 Unit of Measure)	Conversion Factor (Equals x Unit of Measure of Milk)
Cheese	10.5
Butter	8.5
Non-Fat Dry Milk (NDM)	8
Light Cream	2.5
Half and Half	1.8
Ice Cream	3
Yogurt	1.2
Heavy Cream (Whipping Cream)	4.2
Sour Cream	2.5
Buttermilk	0.8
2 Percent Milkfat Fluid Milk	.83
1 Percent Milkfat Fluid Milk	.73
*--Skim Milk	.62
Egg Nog	1.33--*

B Conversion From Lbs. to Fluid Milk Lbs.

To convert lbs. of a dairy product to the equivalent fluid milk lbs., multiply the lbs. of the dairy product reported by the conversion factor for the applicable dairy product provided in subparagraph A.

Example: A dairy operation provides the County Office with production evidence of 300 lbs. of commercially marketed cheese during any given month. Multiply 300 by 10.5 to get a total of 3,150 lbs. of eligible production for that applicable month.

43 Using CCC-580M's (Continued)**G Multiple Modifications**

Producers **must** file a separate CCC-580M each time MILC for the dairy operation is modified.

H Approving CCC-580M

COC, or designee, may approve a completed CCC-580M after all necessary signatures have been obtained, as applicable. The dairy operation will receive MILC payments based on CCC-580M changes immediately, beginning with the dairy operation's next MILC payment issued after approval of CCC-580M, or according to the MILC production start month change.

I When to File CCC-580M

If there has been a change in an existing CCC-580, **before** issuing a payment:

- CCC-580M **must** be filed with the local County Office
- all required signatures **must** be obtained, according to subparagraph E.

Note: If CCC-580M is **not** filed **before** issuing a payment, but after a change has been made in the dairy operation, COC may make a determination according to Part 8.

44 Completing CCC-580M's

A Instructions for Completing CCC-580M

County Offices shall provide a copy of CCC-580M and instructions upon request. Complete CCC-580M according to the following table.

Item	Instruction
PART A – GENERAL INFORMATION	
1	Enter name and address of the dairy operation. Note: A separate CCC-580M must be completed for each CCC-580 being modified.
2	Enter State code.
3	Enter county code.
4	Enter contract number assigned to CCC-580.
5A	Enter name and address, including ZIP code, of the contact person for the operation identified in item 1A. Note: The person entered in this item should be someone who has general knowledge of the production, operation, and marketings for the operation.
5B	Enter telephone number for the person identified in item 5A.
6A	Enter name and address of the County Office, including ZIP code.
6B	Enter telephone number for the County Office, including area code.
PART B – CHANGE OF MILC PRODUCTION START MONTH	
7	CHECK (✓) appropriate box to indicate which FY the change to the MILC production start month is applicable.
8	*--Enter current production start month selected on CCC-580 or last approved CCC-580M for which CCC was supposed to begin issuing payments to the dairy--* operation.
9	Enter new production start month selected for which the dairy operation would like to begin receiving payments from CCC, based on the selected month's production.
10A through 10B	Enter signature of the person authorized to sign on behalf of the dairy operation, and their title or relationship. Note: Contact producer may sign this item on behalf of the dairy operation, if authorized.
11	Enter date CCC-580M is signed by the authorized person for the dairy operation.
PART C – DAIRY OPERATION RELOCATION AND CONTRACT TRANSFER	
12A	Enter State from which the dairy operation is relocating.
12B	Enter county from which the dairy operation is relocating.
13A	Enter State to which the dairy operation is relocating.
13B	Enter county to which the dairy operation is relocating.
14	Enter effective date of the relocation.
15	Enter new address of the relocated dairy operation.
16A through 16B	Enter signature of the person authorized to sign on behalf of the dairy operation and their title or relationship, if signing in a representative capacity.
17	Enter date CCC-580M is signed by the authorized person for the dairy operation.

44 Completing CCC-580M's (Continued)

B Example CCC-580M

The following is an example of CCC-580M, page 1.

*--

This form is available electronically. CCC-580M (04-20-12)		U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation	
MILK INCOME LOSS CONTRACT (MILC) MODIFICATION			
PART A - GENERAL INFORMATION (If modifying more than one MILC, a separate CCC-580M must be completed for each MILC)			
1. Name and Address of Dairy Operation		2. State Code	3. County Code
		4. Contract Number (Assigned to CCC-580)	
5A. Name and Address of Contact Producer (Including Zip Code) (if different than Item 1)		6A. Name and Address of County FSA Office (Including Zip Code)	
5B. Telephone Number (Including Area Code):		6B. Telephone Number (Including Area Code):	
PART B - CHANGE OF MILC PRODUCTION START MONTH			
7. Fiscal Year (Check one) : <input type="checkbox"/> 2009 <input type="checkbox"/> 2010 <input type="checkbox"/> 2011 <input type="checkbox"/> 2012		8. Current Month Selected (CCC-580 or CCC-580M)	9. New Month Selected
10A. Authorized Signature for the Dairy Operation (By)		10B. Title/Relationship of the Individual Signing in Representative Capacity	11. Date Signed (MM-DD-YYYY)
PART C - DAIRY OPERATION RELOCATION AND CONTRACT TRANSFER			
12. Relocation From:		13. Relocation To:	
A. State	B. County	A. State	B. County
14. Effective Date (MM-DD-YYYY)			
15. New Address of Relocated Dairy	16A. Producer Signature (By)	16B. Title/Relationship of the Individual Signing in Representative Capacity	17. Date (MM-DD-YYYY)
NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 1430, the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), and the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246). The information will be used to process a producer's request for a modification to an existing approved Milk Income Loss Contract. The information collected on the form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated). Providing the requested information is voluntary. However, failure to furnish the requested information will result in an inability to process a producer's request for a modification to an existing approved Milk Income Loss Contract. This information collection is exempted from the Paperwork Reduction Act, as it is required for administration of the Food, Conservation, and Energy Act of 2008 (See Pub. L. 110-246, Title I, Subtitle F - Administration). The provisions of criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.			
The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.			

--*

44 Completing CCC-580M's (Continued)

B Example CCC-580M (Continued)

The following is an example of CCC-580M, page 2.

*--

CCC-580M (04-20-12)										Page 2 of 3					
PART D - MODIFIED PRODUCER/SHAREHOLDER INFORMATION <i>(Producers in a dairy operation must complete this part if modifications need to be made on CCC-580)</i>															
18. Remain on Contract		19. Producer Name			20. Producer ID No. <i>(Last 4 digits)</i> <i>(9 digits if new producer)</i>		21. Modification Request <i>(Check all that apply)</i>			22. Share %		23. Signature (By) and Title/Relationship of the Individual Signing in Representative Capacity		24. Date <i>(MM-DD-YYYY)</i>	
YES NO							A. Add Producer/Shareholder B. Remove Producer/Shareholder C. Change in Share %			A. From B. To					
PART E - ORGANIZATIONAL MODIFICATIONS															
25. Organizational Change From:			26. Organizational Change To:			27. Tax ID Change:			29. Dairy Operation Name Change:						
A. Individual			A. Individual			YES <i>(If you check this box, enter the new 9 digit Tax ID No. in Item 28.)</i>			YES <i>(If you check this box enter, new name of Dairy Operation in Item 30.)</i>						
B. Partnership			B. Partnership			NO			NO						
C. LLC			C. LLC			28. 9 digits of Tax ID Number			30. Name of Dairy Operation						
D. Corporation			D. Corporation												
E. Other:			E. Other:						31. Was this a reconstitution? <i>(If "YES" complete Part F)</i> <input type="checkbox"/> YES <input type="checkbox"/> NO						
32A. Authorized Signature for the Dairy Operation (By)						32B. Title/Relationship of the Individual Signing in Representative Capacity						32C. Date <i>(MM-DD-YYYY)</i>			
PART F - RECONSTITUTIONS AND MERGERS															
33. Effective date of reconstitution, merger, or formation of new dairy operation						34. Date of County Office Notification									
35A. Are you forming a new operation with a dairy operation that has an approved CCC-580 on file?										<input type="checkbox"/> YES <input type="checkbox"/> NO					
35B. Are you forming or purchasing a dairy operation in addition to an existing operation that has an approved CCC-580 on file?										<input type="checkbox"/> YES <input type="checkbox"/> NO					
36. If "YES" to Items 35A or 35B, enter the requested information below, for each operation with an approved CCC-580 that is in addition to the operation purchased or formed or that is involved in the merger or reconstitution.															
A. State			B. County			C. Name of Operation			D. MILC Contract Number		E. Name of Producer				

--*

45 Using CCC-770 MILC's

A Background

The Improper Payments Information Act of 2002 required each agency to:

- identify programs and activities susceptible to significant improper payments
- report to Congress an estimate of the annual amount of improper payments made
- report actions taken to reduce improper payments, including possible causes and a description of the steps in place to ensure accountability for reducing improper payments.

Because of the Improper Payments Information Act of 2002 mandate, CCC-770 MILC will *--be used as a management tool to help:

- address deficiencies identified by a review or spot check of whether program policies or procedures are being followed before issuing MILC payments--*
- minimize the number of improper payments.

B General Information

It is **not** the intent for CCC-770 MILC to supersede or replace procedure. County Offices shall use CCC-770 MILC as a reminder of the most frequently “erred” actions when issuing MILC payments.

County Offices should recognize that the questions asked on CCC-770 MILC are very general in nature. For CCC-770 MILC to address every conceivable situation, as it pertains to eligibility, would **not** be practical. * * *

C Using CCC-770 MILC

CCC-770 MILC, developed by the National Office, is the **only** authorized checklist for the MILC program. County Offices shall **not** use State or locally generated checklists for the MILC program.

* * *

*--SED, STC or designee, DD, or CED shall determine:

- when County Offices are to complete CCC-770 if apparent internal control deficiencies are found during CED, STC representative, or DD reviews
- whether CCC-770 MILC is necessary to avoid findings indicated by CORP reviews
- when additional internal controls are necessary to reduce improper payments.

Note: CCC-770 MILC, page 2, items 9F and 9G are required to be completed and attached to CCC-580 to document the second party review of MILC payments according to subparagraph 37 H.--*

52 Dairy Operation Interpretation (Continued)**D New Operations**

County Offices shall determine an eligible new dairy operation as any dairy operation purchased or formed by a producer **not** affiliated with any dairy operation:

- that received a DMLA-III payment
- that received a MILC payment
- with an approved CCC-580 with CCC.

Eligible new dairy operations may enter into CCC-580 with CCC anytime during the duration of the MILC program application period.

E Additional Dairy Operations

Beginning with FY 2008, any additional dairy operation purchased or formed, because of the dissolution or expansion of a dairy operation that participated in the MILC program, by a producer affiliated with a dairy operation that has an approved CCC-580:

- is subject to review by FSA to determine legitimacy
- will exist in the MILC program according to State interpretation of a dairy operation used during the previous DMLA programs and criteria established according to subparagraph B in the State where the dairy operation is located.

If after FSA review the additional dairy is determined to be a legitimate acquisition, the additional dairy purchased may be considered an eligible new dairy operation.

Note: If the expansion of an operation did not involve purchasing new cows, but rather the transfer of cows from an existing operation participating in the MILC program, this reorganization or restructure would be considered a reconstituted dairy operation, according to paragraph 53.

53 Dairy Operation Reconstitutions

A Reconstituted Dairy Operations

A dairy operation that reorganizes or restructures the constitution or makeup of their operation into another organizational framework **must**:

- **not** reorganize for the sole purpose of receiving multiple payments
- notify the County Office immediately of the reconstitution on CCC-580M, Parts E and F.

Changes to a dairy operation that result in the reconstitution of the dairy operation are subject to review by FSA to determine legitimacy if reorganized after:

- receiving a DMLA-III payment
- MILC payment
- October 1, 2007.

Producers will remain on their original CCC-580 until the new CCC-580 becomes effective the following FY, when the following occurs:

- producer exits an existing operation to form a new operation because of a reconstitution of a dairy operation
- producer forms a new operation with another producer with an approved CCC-580.

Note: Payments will continue to be issued to all producers on the original CCC-580 subject to the applicable maximum production limitation for the operation for that FY. Shares may be adjusted, as appropriate. County Offices **must** manually track production limitation on CCC-580M, Part H, based on the combined production paid *--a MILC benefit from each operation with CCC-580 on file **only if reconstitution software is unavailable**. The new operation **must** complete a new CCC-580, subject to approval, and will begin to receive payments on October 1 of the following FY. MILC reconstitutions must be processed in the MILC software, if available, according to Part 9.--*

B Reconstitution Effective Date

Producers on eligible dairy operations participating in the MILC program **must** notify FSA immediately of **any** changes that may affect their CCC-580. If during the contract period a reconstitution occurs, the modification to CCC-580 will **not** take effect until the first day of the FY following the month the County Office received notification of the changes.

However, changes resulting in the reduction of shareholders or producers and their corresponding share amounts in the dairy operation will take effect **immediately** upon notification to CCC on CCC-580M.

53 Dairy Operation Reconstitutions (Continued)

--C Reconstitution by Combination Example--

Operation A milks 300 cows; Operation B milks 200 cows. Both dairy operations currently participate in the MILC program and have CCC-580's on file. On May 1, both dairy operations decide to reconstitute their operations by merging their herds into 1 operation to form ABC, LLC. Operation A and Operation B **must** each complete CCC-580M, Parts E and F and submit to the County Office to notify CCC of the reconstitution.

Before the reconstitution, Operation A produced and was paid MILC benefits on 1 million lbs. of production, and Operation B produced and was paid MILC benefits on 800,000 lbs. of production. The production from both operations **must** be combined and manually tracked with production from the newly reconstituted dairy operation, ABC LLC. The producer from Operation A has a 60 percent share in ABC LLC and the producer from Operation B has a 40 percent share in ABC, LLC. Since Operation A and Operation B **must** remain on their original CCC-580 until the next FY, the County Office **must** manually track, on CCC-580M, Part H commercially marketed production that is paid a MILC benefit to ensure that neither Operation A or Operation B collectively exceed the maximum production limit for the applicable FY.

Example: The combined production from Operation A and Operation B totals 1,800,000 lbs. ABC, LLC's commercially marketed production in May was 750,000 lbs, which is added to the combined total of 1,800,000 lbs from both operations, for a total of 2,550,000 lbs. Payments will be issued according to the appropriate share percentages. The County Office **must** manually add production from ABC, LLC for each month's production that received MILC benefits to the combined balance of production from both Operation A and Operation B until the production limit is met for FY.

***--Note:** Reconstitutions must only be tracked manually if reconstitution software is unavailable. Otherwise, reconstitutions must be processed through the reconstitution function in the MILC software according to Part 9.

CCC-580's from the merging dairy operations must be attached to the new CCC-580 for the reconstituted dairy operation and maintained in a new file folder along with all supporting documentation from the previous operations.--*

53 Dairy Operation Reconstitutions (Continued)

--C Reconstitution by Combination Example (Continued)--

The tables below continue the example through the end of the FY for each operation.

Entity	Production Paid a MILC Benefit
Operation A	1,000,000 lbs.
Operation B	800,000 lbs.
Total for ABC, LLC	1,800,000 lbs.

Tracking MILC Production for ABC, LLC		
Month	Marketed Production	Cumulative Total
Before Merger	1,800,000 lbs.	1,800,000 lbs.
May	750,000 lbs.	2,550,000 lbs.
June	790,000 lbs. - 355,000 lbs. over limit 435,000 lbs. eligible	3,340,000 lbs. -2,985,000 lbs. limit 355,000 lbs. over limit
July	805,000 lbs.	0
August	795,000 lbs.	0
September	775,000 lbs.	0

Note: ABC, LLC exceeded the production limitation of 2,985,000 lbs. in the applicable FY; therefore, the operation’s production eligible for payment for June will be limited to 435,000 lbs., according to the appropriate share percentages.

86 Other Functions

A Changing Counties

To change a county in a multi-county FSA Service Center, under “MILC Menu”, “Other”, CLICK “**Change County**”. The Select County Screen will be displayed.

The following is an example of the Select County Screen.

Sel	County	State
OZARK SERVICE CENTER FRANKLIN COUNTY FARM SERVICE AGENCY SERVICE CENTER OFFICE		
<input type="radio"/>	Franklin	Arkansas
FORT SMITH SERVICE CENTER SEBASTIAN COUNTY FARM SERVICE AGENCY SERVICE CENTER OFFICE		
<input type="radio"/>	Crawford	Arkansas
<input type="radio"/>	Scott	Arkansas

Submit

MilcSelectCounty01

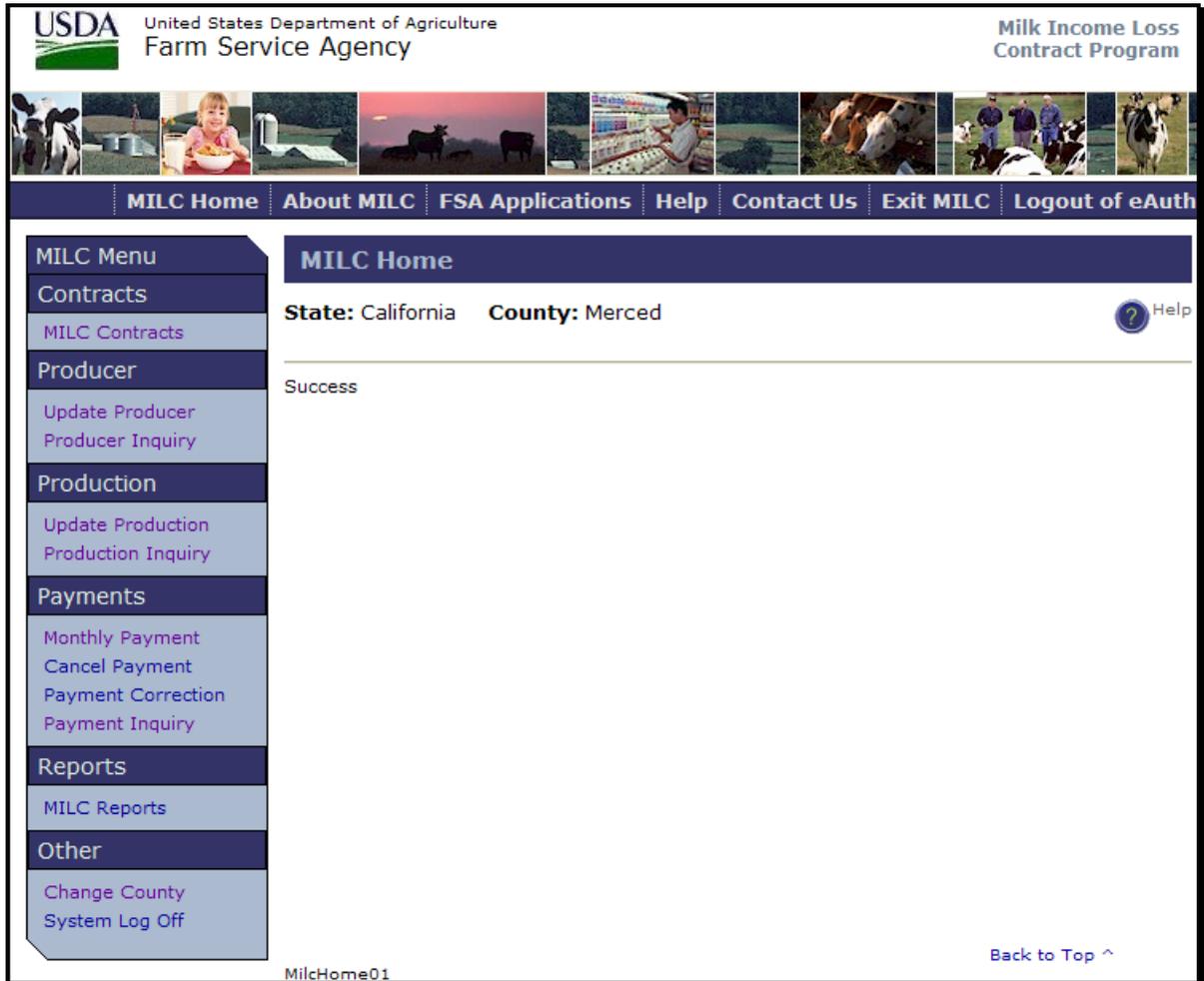
Click a county and CLICK “**Submit**”.

*--87 Dairy Reconstitutions

A MILC Home Page

The MILC Home Page allows access to the payment reconstitution options.

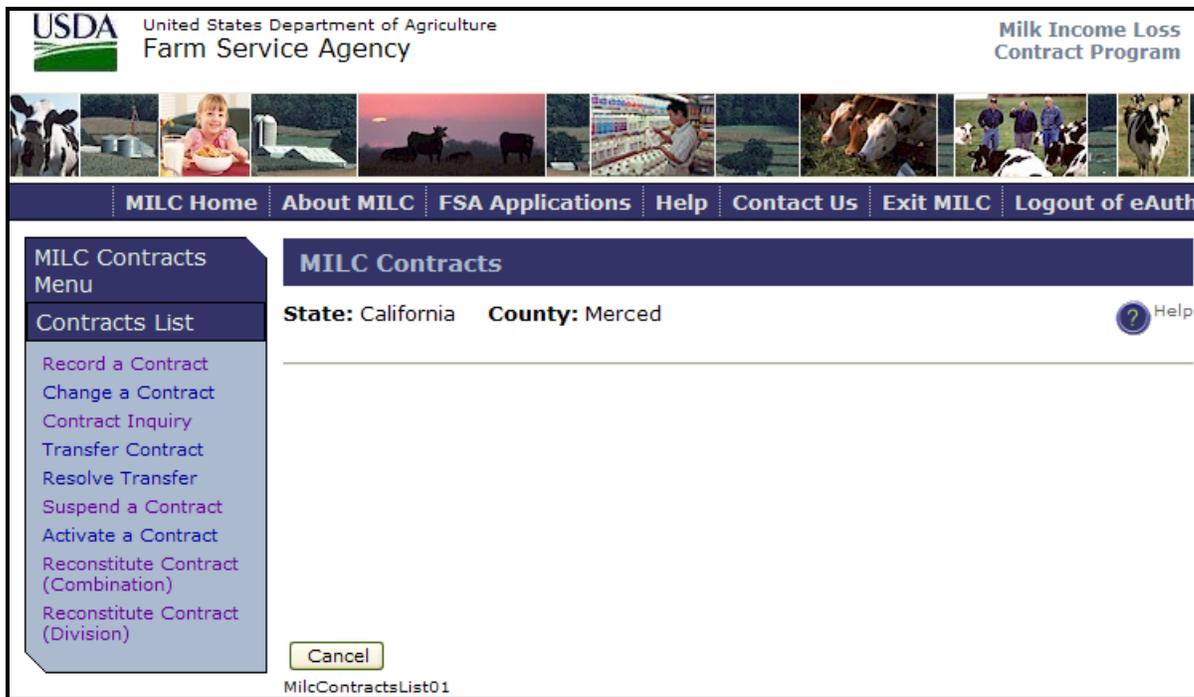
After successful county selection, the following MILC Home Page will be displayed with the message, "Success".



*--87 Dairy Reconstitutions (Continued)

B MILC Contracts Screen

To process a MILC reconstitution, under MILC Menu Contracts, CLICK “MILC Contracts”. The following MILC Contracts Menu Contracts List will be displayed.



CLICK “**Reconstitute Contract (Combination)**” to reconstitute contract by combination or “**Reconstitute Contract (Division)**” to reconstitute contract by division.--*

***--88 Reconstitute Contract by Combination**

A Reconstitute Contract (Combination) – New Contract Screen

The following is an example of the Reconstitute Contract (Combination) – New Contract Screen.

USDA United States Department of Agriculture
Farm Service Agency

Milk Income Loss Contract Program

MILC Home About MILC FSA Applications Help Contact Us Exit MILC Logout of eAuth

Reconstitute Contract (Combination) - New Contract

State: California County: Merced Help

All required fields are denoted by an asterisk (*).

* Dairy Operation Name:

* Reconstitution Effective Date (mm/dd/yyyy):

* Payment Start Month
2012 Start Month:

MilcReconContract01

Enter the following required information:

- dairy operation name (the name for the newly combined dairy operation)
- reconstitution effective date
- payment start month.

After entering the information, **CLICK “Next”**. The Reconstitute Contract (Combination) – Contract Selection Screen will be displayed.--*

***--88 Reconstitute Contract by Combination (Continued)**

B Reconstitute Contract (Combination) – Contract Selection Screen

The following is an example of the Reconstitute Contract (Combination) – Contract Selection Screen with all paid MILC contracts for the selected county.

Contract ID	Description	Selected
319	Valentine (Reconstituted)	<input type="checkbox"/>
320	V03_061.01 Testing Eligibility for LP(05)	<input checked="" type="checkbox"/>
321	V03_061.01 Testing Eligibility for Estate(06)	<input checked="" type="checkbox"/>
322	V03_061.01 Testing Eligibility for TR (07S)	<input type="checkbox"/>
323	V03_061.01 Testing Eligibility for TR(07E)	<input type="checkbox"/>
324	V03_061.01 Testing Eligibility for T-IR(17)	<input type="checkbox"/>
325	V03_061.01 Testing Eligibility for NPO(10)	<input type="checkbox"/>

Select the contracts to be combined, and CLICK “Next”. The Reconstitution Contract (Combination) – Summary Screen will be displayed.--*

*--88 Reconstitute Contract by Combination (Continued)

C Reconstitute Contract (Combination) – Summary Screen

The following is an example of the Reconstitute Contract (Combination) - Summary Screen. The following information will be displayed:

- original contracts for reconstitution
- new contracts after reconstitution
- acceptance and approval date
- payment start month.

MILC Home About MILC FSA Applications Help Contact Us Exit MILC Logout of eAuth		
Reconstitute Contract (Combination) - Summary		
State: California County: Merced		? Help
Original Contracts for Reconstitution		
Dairy Operation	Contract No.	Production Pounds
V03_061.01 Testing Eligibility for LP(05)	320	0 lbs
V03_061.01 Testing Eligibility for Estate(06)	321	0 lbs
New Contract(s) after Reconstitution		
Dairy Operation	Acceptance and Approval	
New Dairy Inc	Reconstitution Effective Date: 10/03/2011	
County FSA Office Information	Payment Start Month	
Name and Address of County FSA Office (Including ZIP code) MERCED COUNTY FARM SERVICE AGENCY 2135 WARDROBE AVE STE C MERCED, CA 95341	FY 2010 Payment Start Month: Unavailable	
	FY 2011 Payment Start Month: Unavailable	
	FY 2012 Payment Start Month: October	
Telephone Number (Including Area Code):	Production	
(209)722-4119	Pounds: 0 lbs	
	Maximum Production: 2,985,000 lbs	
	Contract Maximum Production: 2,985,000 lbs	
<input type="button" value="Submit"/> <input type="button" value="Back"/> <input type="button" value="Cancel"/>		
MilcReconContract03		

Notes: On the Reconstitute Contract (Combination) - Summary Screen, CLICK:

- “**Submit**”, to accept the changes; the MILC Home Page will be displayed with a summary result of the reconstitution by combination
- “**Back**”, the Reconstitute Contract (Combination) – Contract Selection Screen will be redisplayed
- “**Cancel**”, to abort the reconstitution process.--*

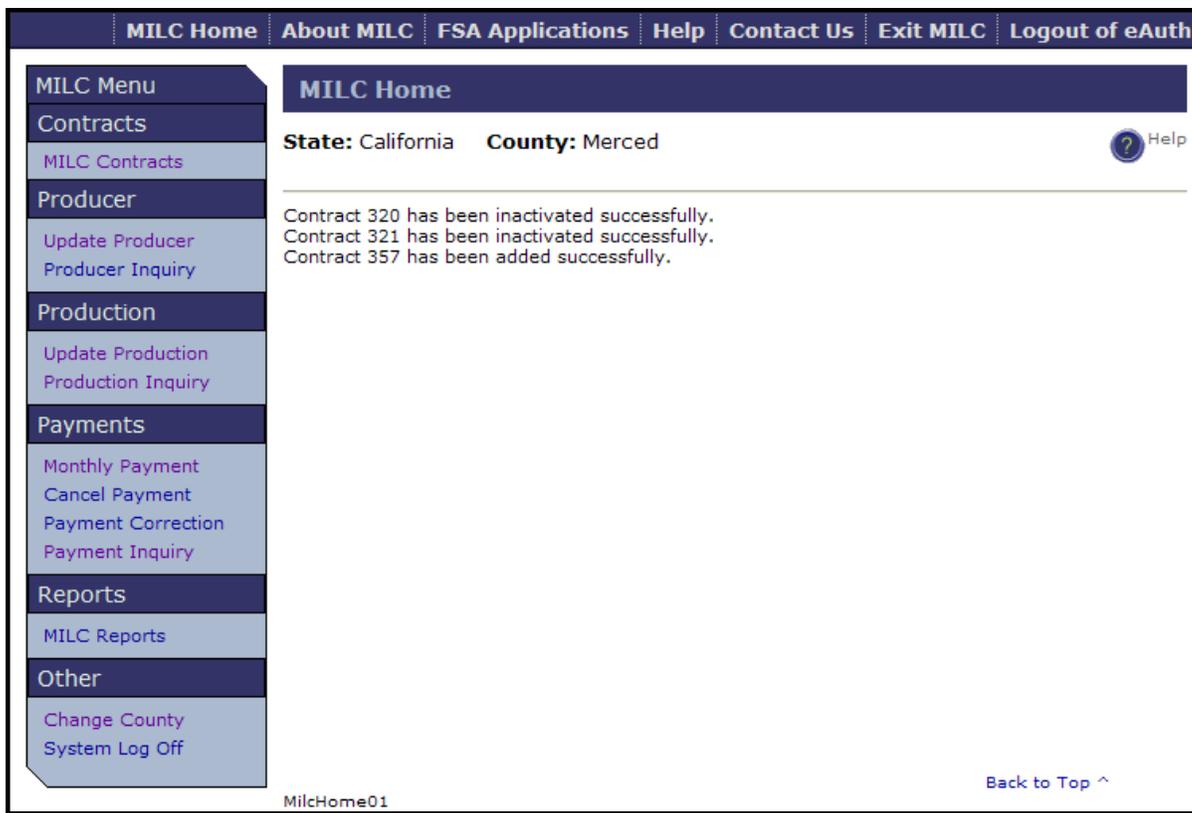
*--88 Reconstitute Contract by Combination (Continued)

D MILC Home Page Confirmation

The following is an example of the MILC Home Page confirming MILC contract reconstitution by combination.

Notes: The contracts combined to form the new MILC contract will no longer be active.

The newly reconstituted contract will be assigned a new number.



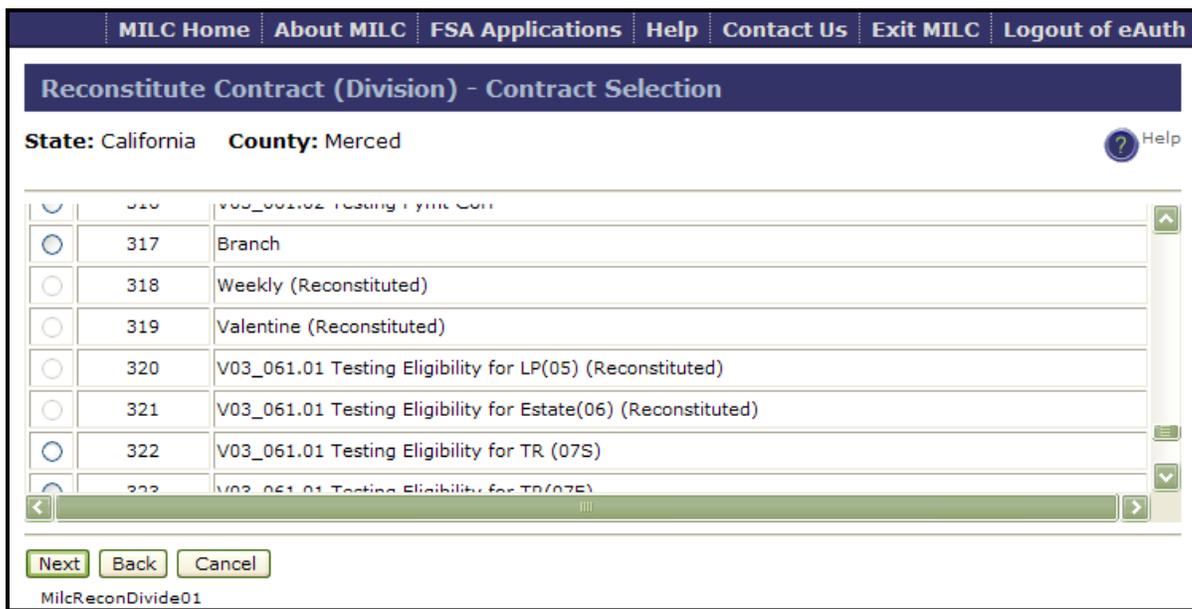
--*

***--89 Reconstitute Contract by Division**

A Reconstitute Contract (Division) – Contract Selection Screen

To reconstitute a contract by division, on the MILC Contracts Screen under MILC Contracts Menu Contracts List, CLICK **“Reconstitute Contract (Division)”**. See subparagraph 87 B.

The Reconstitute Contract (Division) – Contract Selection Screen will be displayed.



Select the MILC contract to be divided and CLICK **“Next”**. The Reconstitute Contract (Division) – New Contract Screen will be displayed.--*

*--89 Reconstitute Contract by Division (Continued)

B Reconstitute Contract (Division) – New Contract Screen

The following is an example of the Reconstitute Contract (Division) – New Contract Screen.

USDA United States Department of Agriculture
Farm Service Agency

Milk Income Loss Contract Program

MILC Home | About MILC | FSA Applications | Help | Contact Us | Exit MILC | Logout of eAuth

Reconstitute Contract (Division) - New Contract

State: California County: Merced [? Help](#)

All required fields are denoted by an asterisk (*).

* Dairy Operation Name:

* Reconstitution Effective Date (mm/dd/yyyy):

* Payment Start Month

2010 Start Month:

2011 Start Month:

2012 Start Month:

MilcReconDivide02

Enter the following required information:

- dairy operation name (name of the new contract)
- reconstitution effective date
- payment start month.

After entering the information, CLICK “**Next**”. The Reconstitute Contract (Division) – Confirm New Contract Screen will be displayed.--*

***--89 Reconstitute Contract by Division (Continued)**

C Reconstitute Contract (Division) – Confirm New Contract Screen

The following is an example of the Reconstitute Contract (Division) – Confirm New Contract Screen.

New Contract(s) after Reconstitution	
Dairy Operation	Acceptance and Approval
V03_060 Test 3 for Recon by Division	Reconstitution Effective Date: 01/01/2011
County FSA Office Information	Payment Start Month
Name and Address of County FSA Office (Including ZIP code)	FY 2010 Payment Start Month: Unavailable
MERCED COUNTY FARM SERVICE AGENCY 2135 WARDROBE AVE STE C MERCED, CA 95341	FY 2011 Payment Start Month: January
Telephone Number (Including Area Code):	FY 2012 Payment Start Month: January
(209)722-4119	
<input type="button" value="Next"/> <input type="button" value="Back"/> <input type="button" value="Cancel"/> <input type="button" value="Add New Contract"/>	

After reviewing the new contract created, CLICK:

- “Add New Contract”, to create another new contract by division
- “Next”, to continue after all new contracts are created.

The Reconstitute Contract (Division) – Producer Selection Screen will be displayed.--*

89 Reconstitute Contract by Division (Continued)

D Reconstitute Contract (Division) – Producer Selection Screen

The following is an example of the Reconstitute Contract (Division) – Producer Selection Screen. In this example, 3 new contracts were created from the original contract. The original contract remains active.



After selecting producers from the original contract to associate with each new contract created, CLICK “Next”. The Reconstitution Contract (Division) – Allocate Production Screen will be displayed.--*

*--89 Reconstitute Contract by Division (Continued)

E Reconstitute Contract (Division) – Allocate Production Screen

The following is an example of Reconstitute Contract (Division) – Allocate Production Screen.

USDA United States Department of Agriculture
Farm Service Agency

Milk Income Loss Contract Program

MILC Home | About MILC | FSA Applications | Help | Contact Us | Exit MILC | Logout of eAuth

Reconstitute Contract (Division) - Allocate Production

State: California County: Merced ? Help

Original Dairy Operation: V03_060 Test2 for Recon by Division Original Contract Number: 300
Previously Reported and Paid Production: 97,500 lbs

Dairy Operation	Percent Allocation (%)	Pounds Allocated
V03_060 Test2 for Recon by Division	21.69	21,147.75 lbs
V03_060 Test3 for Recon by Division	32.61	31,794.75 lbs
V03_060 Test 4 for Recon by Division	18.09	17,637.75 lbs
V03_060 Test 5 for Recon by Division	27.61	26,919.75 lbs

Next Back Cancel Reallocate Pounds

MilcReconDivide05

After entering the “Percent Allocation (%)” for each dairy operation, CLICK:

- “**Reallocate Pounds**”, to calculate pounds allocated
- “**Next**”, and the Reconstitute Contract (Division) – Summary Screen will be displayed.--*

*--89 Reconstitute Contract by Division (Continued)

F Reconstitute Contract (Division) – Summary Screen

The following Reconstitute Contract (Division) – Summary Screen summarizes the original and all new contracts created.

MILC Home About MILC FSA Applications Help Contact Us Exit MILC Logout of eAuth			
Reconstitute Contract (Division) - Summary			
State: California County: Merced		 Help	
Previously Reported and Paid Production: 97,500 lbs		Reconstitution Effective Date: 01/01/2011	
Original Contract for Reconstitution			
V03_060 Test2 for Recon by Division		Percent Allocation 21.69 %	
Payment Start Month		Pounds Allocated 21,147.75 lbs	
FY 2010 Payment Start Month	Unavailable	Maximum Production 647,447 lbs	
FY 2011 Payment Start Month	January	Contract Maximum Production 626,299 lbs	
FY 2012 Payment Start Month	October		
New Contract(s) after Reconstitution			
Dairy Operation		Production	
V03_060 Test3 for Recon by Division		Percent Allocation 32.61 %	
Payment Start Month		Pounds Allocated 31,794.75 lbs	
FY 2010 Payment Start Month	Unavailable	Maximum Production 973,409 lbs	
FY 2011 Payment Start Month	January	Contract Maximum Production 941,614 lbs	
FY 2012 Payment Start Month	January		
Dairy Operation		Production	
V03_060 Test 4 for Recon by Division		Percent Allocation 18.09 %	
Payment Start Month		Pounds Allocated 17,637.75 lbs	
FY 2010 Payment Start Month	Unavailable	Maximum Production 539,987 lbs	
FY 2011 Payment Start Month	January	Contract Maximum Production 522,349 lbs	
FY 2012 Payment Start Month	January		
Dairy Operation		Production	
V03_060 Test 5 for Recon by Division		Percent Allocation 27.61 %	
Payment Start Month		Pounds Allocated 26,919.75 lbs	
FY 2010 Payment Start Month	Unavailable	Maximum Production 824,157 lbs	
FY 2011 Payment Start Month	January	Contract Maximum Production 797,237 lbs	
FY 2012 Payment Start Month	January		
<input type="button" value="Submit"/> <input type="button" value="Back"/> <input type="button" value="Cancel"/>			
MilcReconDivide06			

After reviewing the result of the contract division, CLICK “**Submit**” to commit the reconstitution to the database and the MILC Home Page will be displayed showing the following:

- updated contract (original)
- contracts added successfully (new).--*

*--89 Reconstitute Contract by Division (Continued)

G MILC Home Page With Contract List

The following is an example of the MILC Home Page that will be displayed with the list of contract numbers updated and added successfully.

The screenshot displays the MILC Home Page interface. At the top, a navigation bar includes links for MILC Home, About MILC, FSA Applications, Help, Contact Us, Exit MILC, and Logout of eAuth. On the left side, a vertical MILC Menu contains sections for Contracts, Producer, Production, Payments, Reports, and Other, each with sub-links. The main content area, titled 'MILC Home', shows the user's location as State: California and County: Merced, along with a Help icon. A success message states: 'Contract 300 has been updated successfully. Contract 301 has been added successfully. Contract 302 has been added successfully. Contract 303 has been added successfully.' At the bottom right, there is a 'Back to Top' link, and the footer contains the text 'MilcHome01' and a small icon.

Reports, Forms, Abbreviations, and Delegations of Authority

Reports

None

Forms

This table lists all forms referenced in this handbook.

Number	Title	Display Reference	Reference
AD-1026	Highly Erodible Land Conservation (HELIC) and Wetland Conservation (WC) Certification		10, 37, 62
CCC-36	Assignment of Payment		60, 62
CCC-580	Milk Income Loss Contract (MILC)	38	Text
CCC-580 Appendix	Appendix to Form CCC-580, Milk Income Loss Contract	Ex. 5	37, 38, 43, 70
CCC-580M	Milk Income Loss Contract (MILC) Modification	44	11, 27, 28, 43, 50, 51, 53, 54
CCC-580S	Milk Income Loss Contract (MILC) Supplemental	39	11, 37, 39, 41
CCC-582	Milk Income Loss Contract (MILC) Agent Application Agreement	61	60, 62
CCC-770 Eligibility	Eligibility Checklist		2, 37
CCC-770 MILC	Milk Income Loss Contract Program (MILC) Checklist	45	37
CCC-901	Member's Information		11, 37
CCC-902E	Farm Operating Plan for an Entity for 2009 and Subsequent Program Years		11, 37
CCC-902I	Farm Operating Plan for an Individual for 2009 and Subsequent Program Years		11, 37
CCC-931	Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information		10, 12
FSA-211	Power of Attorney		60-62
FSA-325	Application for Payment of Amounts Due Persons Who Have Died, Disappeared, or Have Been Declared Incompetent		11
I-551	Alien Registration Receipt Card		10, 39
SF-1199A	Direct Deposit Signup Form		20
SF-3881	ACH Vendor/Miscellaneous Payment Enrollment Form		20

Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)

Abbreviations Not in 1-CM

Approved Abbreviation	Term	Reference
AGI	adjusted gross income	2, 10, 12, 37
DMLA	Dairy Marketing Loss Adjustment	10, 52, 53
EIN	employer identification number	39
MILC	Milk Income Loss Contract	Text
NPS	National Payment Service	20, 82, 84

Redelegations of Authority

Redelegation	Reference
Except for CCC-580's and any other program documents that CED has a monetary interest, COC may delegate the authority to approve or disapprove CCC-580's and any other program documents to CED.	3
Except for CCC-580's and any other program documents that the Federal and non-Federal County Office employee approving has a monetary interest, CED may delegate the authority to approve or disapprove CCC-580's and any other program documents to Federal and non-Federal County Office employees.	3

***--FY 2010 Through 2012 Extended Signup Start Month Selection Options**

A FY 2010 Extended Start Month Selection Options

Following are the extended start month selection options for FY 2010.

CCC-580 Submission Date	Available FY 2010 Selection Options	Unavailable FY 2010 Selection Options
October 1 through 14, 2009	October 2009. Note: The month CCC-580 is submitted (new contracts only).	N/A
	Any month November 2009 through September 2010. Note: The months remaining in FY where selection follows normal start month selection provisions.	
October 15 through 31, 2009	October 2009. Note: The month CCC-580 is submitted (new contracts only).	November 2009 is not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	
November 1 through 13, 2009	November 2009. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding November 2009 in FY 2010 is an unavailable option.
	Any month December 2009 through September 2010. Note: The months remaining in FY where selection follows normal start month selection provisions.	
November 16 through 30, 2009	November 2009. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding November 2009 in FY 2010 is an unavailable option. December 2009 is also not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	

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*--FY 2010 Through 2012 Extended Signup Start Month Selection Options (Continued)

A FY 2010 Extended Start Month Selection Options (Continued)

CCC-580 Submission Date	Available FY 2010 Selection Options	Unavailable FY 2010 Selection Options
December 1 through 14, 2009	December 2009. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding December 2009 in FY 2010.
	Any month January 2009 through September 2010. Note: The months remaining in FY where selection follows normal start month selection provisions.	
December 15 through 31, 2009	December 2009. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding December 2009 in FY 2010. January 2010 is not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	
January 4 through 14, 2010	January 2010. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding January 2010 in FY 2010 is an unavailable option.
	Any month February 2010 through September 2010. Note: The months remaining in FY where selection follows normal start month selection provisions.	
January 15 through 29, 2010	January 2010. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding January 2010 in FY 2010 is an unavailable option. February 2010 is also not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	

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***--FY 2010 Through 2012 Extended Signup Start Month Selection Options (Continued)**

A FY 2010 Extended Start Month Selection Options (Continued)

CCC-580 Submission Date	Available FY 2010 Selection Options	Unavailable FY 2010 Selection Options
February 1 through 12, 2010	February 2010. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding February 2010 in FY 2010.
	Any month March through September 2010. Note: The months remaining in FY where selection follows normal start month selection provisions.	
February 16 through 26, 2010	February 2010. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding February 2010 in FY 2010. March 2010 is not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	
March 1 through 12, 2010	March 2010. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding March 2010 in FY 2010 is an unavailable option.
	Any month April through September 2010. Note: The months remaining in FY where selection follows normal start month selection provisions.	
March 15 through 31, 2010	March 2010. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding March 2010 in FY 2010 is an unavailable option. April 2010 is also not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	

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***--FY 2010 Through 2012 Extended Signup Start Month Selection Options (Continued)**

A FY 2010 Extended Start Month Selection Options (Continued)

CCC-580 Submission Date	Available FY 2010 Selection Options	Unavailable FY 2010 Selection Options
April 1 through 14, 2010	April 2010. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding April 2010 in FY 2010.
	Any month March through September 2010. Note: The months remaining in FY where selection follows normal start month selection provisions.	
April 15 through 30, 2010	April 2010. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding April 2010 in FY 2010. May 2010 is not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	
May 3 through 14, 2010	May 2010. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding May 2010 in FY 2010 is an unavailable option.
	Any month June through September 2010. Note: The months remaining in FY where selection follows normal start month selection provisions.	
May 17 through 28, 2010	May 2010. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding May 2010 in FY 2010 is an unavailable option. June 2010 is also not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	

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***--FY 2010 Through 2012 Extended Signup Start Month Selection Options (Continued)**

A FY 2010 Extended Start Month Selection Options (Continued)

CCC-580 Submission Date	Available FY 2010 Selection Options	Unavailable FY 2010 Selection Options
June 1 through 14, 2010	June 2010. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding June 2010 in FY 2010.
	Any month July through September 2010. Note: The months remaining in FY where selection follows normal start month selection provisions.	
June 15 through 30, 2010	June 2010. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding June 2010 in FY 2010. July 2010 is not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	
July 1 through 14, 2010	July 2010. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding July 2010 in FY 2010 is an unavailable option.
	Any month August through September 2010. Note: The months remaining in FY where selection follows normal start month selection provisions.	
July 15 through 30, 2010	July 2010. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding July 2010 in FY 2010 is an unavailable option. August 2010 is also not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	

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*--FY 2010 Through 2012 Extended Signup Start Month Selection Options (Continued)

A FY 2010 Extended Start Month Selection Options (Continued)

CCC-580 Submission Date	Available FY 2010 Selection Options	Unavailable FY 2010 Selection Options
August 2 through 13, 2010	August 2010. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding August 2010 in FY 2010.
	September 2010. Note: The only month remaining in FY where selection follows normal start month selection provisions.	
August 16 through 31, 2010	August 2010. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding August 2010 in FY 2010. September 2010 is not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	
September 1 through 30, 2010	September 2010. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding September 2010 in FY 2010 is an unavailable option.

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***--FY 2010 Through 2012 Extended Signup Start Month Selection Options (Continued)**

B FY 2011 Extended Start Month Selection Options

Following are the extended start month selection options for FY 2011.

CCC-580 Submission Date	Available FY 2011 Selection Options	Unavailable FY 2011 Selection Options
October 1 through 14, 2010	October 2009. Note: The month CCC-580 is submitted (new contracts only).	N/A
	Any month November 2009 through September 2010. Note: The months remaining in FY where selection follows normal start month selection provisions.	
October 15 through 29, 2010	October 2010. Note: The month CCC-580 is submitted (new contracts only).	November 2010 is not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	
November 1 through 12, 2010	November 2010. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding November 2010 in FY 2011 is an unavailable option.
	Any month December 2010 through September 2011. Note: The months remaining in FY where selection follows normal start month selection provisions.	
November 15 through 30, 2010	November 2010. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding November 2010 in FY 2011 is an unavailable option.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	December 2010 is also not available because it is after the fourteenth of the month according to normal start month selection provisions.

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***--FY 2010 Through 2012 Extended Signup Start Month Selection Options (Continued)**

B FY 2011 Extended Start Month Selection Options (Continued)

CCC-580 Submission Date	Available FY 2011 Selection Options	Unavailable FY 2011 Selection Options
December 1 through 14, 2010	December 2010. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding December 2010 in FY 2011.
	Any month January 2011 through September 2011. Note: The months remaining in FY where selection follows normal start month selection provisions.	
December 15 through 31, 2010	December 2010. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding December 2010 in FY 2011. January 2011 is not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	
January 3 through 14, 2011	January 2011. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding January 2011 in FY 2011 is an unavailable option.
	Any month February 2011 through September 2011. Note: The months remaining in FY where selection follows normal start month selection provisions.	
January 18 through 31, 2011	January 2011. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding January 2011 in FY 2011 is an unavailable option. February 2011 is also not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	

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*--FY 2010 Through 2012 Extended Signup Start Month Selection Options (Continued)

B FY 2011 Extended Start Month Selection Options (Continued)

CCC-580 Submission Date	Available FY 2011 Selection Options	Unavailable FY 2011 Selection Options
February 1 through 14, 2011	February 2011. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding February 2011 in FY 2011.
	Any month March through September 2011. Note: The months remaining in FY where selection follows normal start month selection provisions.	
February 15 through 28, 2011	February 2011. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding February 2011 in FY 2011. March 2011 is not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	
March 1 through 14, 2011	March 2011. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding March 2011 in FY 2011 is an unavailable option.
	Any month April through September 2011. Note: The months remaining in FY where selection follows normal start month selection provisions.	
March 15 through 31, 2011	March 2011. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding March 2011 in FY 2011 is an unavailable option. April 2011 is also not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	

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***--FY 2010 Through 2012 Extended Signup Start Month Selection Options (Continued)**

B FY 2011 Extended Start Month Selection Options (Continued)

CCC-580 Submission Date	Available FY 2011 Selection Options	Unavailable FY 2011 Selection Options
April 1 through 14, 2011	April 2011. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding April 2011 in FY 2011.
	Any month March through September 2011. Note: The months remaining in FY where selection follows normal start month selection provisions.	
April 15 through 29, 2011	April 2011. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding April 2011 in FY 2011. May 2011 is not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	
May 2 through 13, 2011	May 2011. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding May 2011 in FY 2011 is an unavailable option.
	Any month June through September 2011. Note: The months remaining in FY where selection follows normal start month selection provisions.	
May 16 through 31, 2011	May 2011. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding May 2011 in FY 2011 is an unavailable option. June 2011 is also not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	

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*--FY 2010 Through 2012 Extended Signup Start Month Selection Options (Continued)

B FY 2011 Extended Start Month Selection Options (Continued)

CCC-580 Submission Date	Available FY 2011 Selection Options	Unavailable FY 2011 Selection Options
June 1 through 14, 2011	<p>June 2011.</p> <p>Note: The month CCC-580 is submitted (new contracts only).</p> <hr/> <p>Any month July through September 2011.</p> <p>Note: The months remaining in FY where selection follows normal start month selection provisions.</p>	Any month preceding June 2011 in FY 2011.
June 15 through 30, 2011	<p>June 2011.</p> <p>Note: The month CCC-580 is submitted (new contracts only).</p> <p>Note: The months remaining in FY where selection follows normal start month selection provisions.</p>	<p>Any month preceding June 2011 in FY 2011.</p> <p>July 2011 is not available because it is after the fourteenth of the month according to normal start month selection provisions.</p>
July 1 through 14, 2011	<p>July 2011.</p> <p>Note: The month CCC-580 is submitted (new contracts only).</p> <hr/> <p>Any month August through September 2011.</p> <p>Note: The months remaining in FY where selection follows normal start month selection provisions.</p>	Any month preceding July 2011 in FY 2011 is an unavailable option.
July 15 through 29, 2011	<p>July 2011.</p> <p>Note: The month CCC-580 is submitted (new contracts only).</p> <p>Note: The months remaining in FY where selection follows normal start month selection provisions.</p>	<p>Any month preceding July 2011 in FY 2011 is an unavailable option.</p> <p>August 2011 is also not available because it is after the fourteenth of the month according to normal start month selection provisions.</p>

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***--FY 2010 Through 2012 Extended Signup Start Month Selection Options (Continued)**

B FY 2011 Extended Start Month Selection Options (Continued)

CCC-580 Submission Date	Available FY 2011 Selection Options	Unavailable FY 2011 Selection Options
August 1 through 12, 2011	August 2011. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding August 2011 in FY 2011.
	September 2011. Note: The only month remaining in FY where selection follows normal start month selection provisions.	
August 15 through 31, 2011	August 2011. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding August 2011 in FY 2011. September 2011 is not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	
September 1 through 30, 2011	September 2011. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding September 2011 in FY 2011 is an unavailable option.

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*--FY 2010 Through 2012 Extended Signup Start Month Selection Options (Continued)

C FY 2012 Extended Start Month Selection Options

Following are the extended start month selection options for FY 2012.

CCC-580 Submission Date	Available FY 2012 Selection Options	Unavailable FY 2012 Selection Options
October 3 through 14, 2011	October 2011. Note: The month CCC-580 is submitted (new contracts only).	N/A.
	Any month November 2011 through September 2012. Note: The months remaining in FY where selection follows normal start month selection provisions.	
October 17 through 31, 2011	October 2011. Note: The month CCC-580 is submitted (new contracts only).	November 2011 is not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	
November 1 through 14, 2011	November 2011. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding November 2011 in FY 2012 is an unavailable option.
	Any month December 2011 through September 2012. Note: The months remaining in FY where selection follows normal start month selection provisions.	
November 15 through 30, 2011	November 2011. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding November 2011 in FY 2012 is an unavailable option. December 2011 is also not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	

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*--FY 2010 Through 2012 Extended Signup Start Month Selection Options (Continued)

C FY 2012 Extended Start Month Selection Options (Continued)

CCC-580 Submission Date	Available FY 2012 Selection Options	Unavailable FY 2012 Selection Options
December 1 through 14, 2011	December 2011. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding December 2011 in FY 2012.
	Any month January 2012 through September 2012. Note: The months remaining in FY where selection follows normal start month selection provisions.	
December 15 through 31, 2011	December 2011. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding December 2011 in FY 2012. January 2012 is not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	
January 3 through 13, 2012	January 2012. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding January 2012 in FY 2012 is an unavailable option.
	Any month February 2012 through September 2012. Note: The months remaining in FY where selection follows normal start month selection provisions.	
January 17 through 31, 2012	January 2012. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding January 2012 in FY 2012 is an unavailable option. February 2012 is also not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	

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*--FY 2010 Through 2012 Extended Signup Start Month Selection Options (Continued)

C FY 2012 Extended Start Month Selection Options (Continued)

CCC-580 Submission Date	Available FY 2012 Selection Options	Unavailable FY 2012 Selection Options
February 1 through 14, 2012	February 2012. Note: The month CCC-580 is submitted (contracts only).	Any month preceding February 2012 in FY 2012.
	Any month March through September 2012. Note: The months remaining in FY where selection follows normal start month selection provisions.	
February 15 through 29, 2012	February 2012. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding February 2012 in FY 2012 March 2012 is not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	
March 1 through 14, 2012	March 2012. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding March 2012 in FY 2012 is an unavailable option.
	Any month April through September 2012. Note: The months remaining in FY where selection follows normal start month selection provisions.	
March 15 through 30, 2012	March 2012. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding March 2012 in FY 2012 is an unavailable option. April 2012 is also not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	

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*--FY 2010 Through 2012 Extended Signup Start Month Selection Options (Continued)

C FY 2012 Extended Start Month Selection Options (Continued)

CCC-580 Submission Date	Available FY 2012 Selection Options	Unavailable FY 2012 Selection Options
April 2 through 13, 2012	April 2012. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding April 2012 in FY 2012.
	Any month March through September 2012. Note: The months remaining in FY where selection follows normal start month selection provisions.	
April 16 through 30, 2012	April 2012. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding April 2012 in FY 2012 May 2012 is not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	
May 1 through 14, 2012	May 2012. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding May 2012 in FY 2012 is an unavailable option.
	Any month June through September 2012. Note: The months remaining in FY where selection follows normal start month selection provisions.	
May 15 through 31, 2011	May 2012. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding May 2012 in FY 2012 is an unavailable option. June 2012 is also not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	

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*--FY 2010 Through 2012 Extended Signup Start Month Selection Options (Continued)

C FY 2012 Extended Start Month Selection Options (Continued)

CCC-580 Submission Date	Available FY 2012 Selection Options	Unavailable FY 2012 Selection Options
June 1 through 14, 2012	June 2012. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding June 2012 in FY 2012.
	Any month July through September 2012. Note: The months remaining in FY where selection follows normal start month selection provisions.	
June 15 through 29, 2012	June 2012. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding June 2012 in FY 2012. July 2012 is not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	
July 2 through 13, 2012	July 2012. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding July 2012 in FY 2012 is an unavailable option.
	Any month August through September 2012. Note: The months remaining in FY where selection follows normal start month selection provisions.	
July 16 through 31, 2012	July 2012. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding July 2012 in FY 2012 is an unavailable option. August 2012 is also not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	

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***--FY 2010 Through 2012 Extended Signup Start Month Selection Options (Continued)**

C FY 2012 Extended Start Month Selection Options (Continued)

CCC-580 Submission Date	Available FY 2012 Selection Options	Unavailable FY 2012 Selection Options
August 1 through 14, 2012	August 2012. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding August 2012 in FY 2012.
	September 2012. Note: The only month remaining in FY where selection follows normal start month selection provisions.	
August 15 through 31, 2012	August 2012. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding August 2012 in FY 2012. September 2012 is not available because it is after the fourteenth of the month according to normal start month selection provisions.
	Note: The months remaining in FY where selection follows normal start month selection provisions.	
September 1 through 30, 2012	September 2012. Note: The month CCC-580 is submitted (new contracts only).	Any month preceding September 2012 in FY 2012 is an unavailable option.

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***--Deadlines Dates to Change Start Month for FY 2011 and FY 2012**

A FY 2011 Deadline Dates to Change Start Month

The following table provides dates that are acceptable for County Offices to use for production start month changes.

IF the current start month selected for FY 2011 is...	THEN the deadline to change to a subsequent month is...
October 2010	September 14, 2010.
November 2010	October 14, 2010.
December 2010	November 12, 2010.
January 2011	December 14, 2010.
February 2011	January 14, 2011.
March 2011	February 14, 2011.
April 2011	March 14, 2011.
May 2011	April 14, 2011.
June 2011	May 13, 2011.
July 2011	June 14, 2011.
August 2011	July 14, 2011.
September 2011	August 12, 2011.

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***--Deadlines Dates to Change Start Month for FY 2011 and FY 2012 (Continued)**

B FY 2012 Deadline Dates to Change Start Month

IF the current start month selected for FY 2012 is...	THEN the deadline to change to a subsequent month is...
October 2011	September 14, 2011.
November 2011	October 14, 2011.
December 2011	November 14, 2011.
January 2012	December 14, 2011.
February 2012	January 13, 2012.
March 2012	February 14, 2012.
April 2012	March 14, 2012.
May 2012	April 13, 2012.
June 2012	May 14, 2012.
July 2012	June 14, 2012.
August 2012	July 13, 2012.
September 2012	August 14, 2012.

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***--Reminder Letter Example**

The following is an example of the reminder letter to be used for dairy producers of MILC start month change provisions.

[Date]
[Name] [Address] [Address]
Dear MILC Participant:
This letter serves as a reminder letter to inform you of the MILC production start month change policy. It is very important that you take a moment to review your MILC contract or contact your local County FSA Office to determine if you would like to make a change to your production start month to start receiving MILC payments for this upcoming FY.
Changes to your production start month must be made on or before the fourteenth of the month before the:
<ul style="list-style-type: none">• month originally selected by the dairy operation as their MILC production start month• newly selected MILC production start month for the dairy operation.
Changes must be made in advance of payment rates being known by the public for both the original production start month that the dairy operation is changing from and the production start month to which the dairy operation is changing.
If you failed to make a production start month selection for this upcoming FY, then by perpetual designation the production start month for the upcoming FY for which a production start month is not selected will be the production start month initially designated on CCC-580, unless CCC-580M is submitted to modify the production start month. If a recent CCC-580M was submitted to modify the production start month for your dairy operation, the newly designated production start month becomes the perpetual designation month for all subsequent FY's for which a production start month is not selected.

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*--Reminder Letter Example (Continued)

The following table includes acceptable dates for production start month changes.

If the current production start month selected for FY 2011 is...	THEN the deadline to change to a subsequent month is...
October 2010	September 14, 2010.
November 2010	October 14, 2010.
December 2010	November 12, 2010.
January 2011	December 14, 2010.
February 2011	January 14, 2011.
March 2011	February 14, 2011.
April 2011	March 14, 2011.
May 2011	April 14, 2011.
June 2011	May 13, 2011.
July 2011	June 14, 2011.
August 2011	July 14, 2011.
September 2011	August 12, 2011.

If you need additional information, please contact my office at the telephone number below.

Sincerely,

[Name of CED]
[County Office Executive Director]
[County Office Name]
[County Office Address]
[County Office Telephone Number]

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