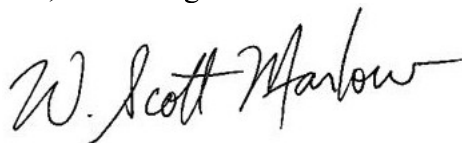


UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Dairy Margin Coverage Program Automation 2-DMC	Amendment 3
---	--------------------

Approved by: Deputy Administrator, Farm Programs



Amendment Transmittal

A Reason for Issuance

Paragraph 50 title has been amended to Processing Premium Refunds for 2021 and Prior Years.

Part 5, Section 1, title has been amended to Collecting Fees and Premiums for 2021 and Prior Years.

Part 8, Billing Service, has been added to provide automaton guidance and procedure.

Page Control Chart		
TC	Text	Exhibits
1-4	3-59, 3-60 5-1, 5-2 7-9, 7-10 8-1 through 8-6 (add)	1, pages 1, 2

Table of Contents

Page No.

Part 1 General Information

1	Basic Provisions	1-1
2	Responsibilities	1-2
3-10	(Reserved)	

Part 2 DMC Automated System

11	Accessing the DMC System	2-1
12	DMC Home Page	2-2
13	Selecting Dairy Operation	2-5
14-20	(Reserved)	

Part 3 Production History

Section 1 Production History Creation

21	Migrated Production History	3-1
22	Production History Search Results Screen	3-1
23	Recording New Production History	3-3
24	Farm Records Search Results Screen	3-5
25	Duplicate Dairy Operation Screen	3-6
26	Dairy Operation Information Screen	3-8
27	Existing Dairy Operation Screen	3-10
28	Full Year Establishment	3-12
29	Partial Year Establishment	3-14
30	Partial Year Confirmation	3-17
31	Production History COC Determination Screen	3-19
32-44	(Reserved)	

Section 2 Revising Production History

45	Distributions	3-49
46	Dissolution Date Screen	3-49
47	Dissolution Summary Screen	3-53
48	Dissolution COC Determination Screen	3-55
49	Dissolution After Enrollment Period for the Next Coverage Year	3-58
50	Processing Premium Refunds for 2021 and Prior Years	3-59
51	Transfers	3-61
52	Production History Transfer Screen	3-63
53	Pending Transfer Screen	3-66
54	Pending Transfer Search Screen	3-66
55	Review Transfer Screen	3-67

Table of Contents

Page No.

Part 3 Production History (Continued)

Section 2 Revising Production History (Continued)

56	Transfer COC Determination Screen	3-70
57	Succession in Interest	3-74
58	Succession-In-Interest Qualification Screen	3-75
59	Succession-In-Interest Candidates Screen	3-79
60	Succession-In-Interest Review Screen	3-83
61	Succession COC Determination Screen	3-85
62-70	(Reserved)	

Part 4 Creating and Maintaining Contract

Section 1 Recording Contract Information

71	Recording Contract Information	4-1
72	Creating Contract for DMC Annual Election Coverage	4-5
73	Contract Coverage Level Elections	4-8
74	Producers with Interest in the Dairy Operation	4-12
75-80	(Reserved)	

Section 2 Revising Contracts

81	Contract Revisions	4-27
82	Contract Revisions - Edit Option	4-30
83	Contract Revisions- Revise Producer Option	4-31
84	Deleting a Revision	4-34
85	Contract Revisions- Record Signatures	4-35
86-90	(Reserved)	

Section 3 Recording COC Determinations

91	Review Validations and Errors	4-38
92	Contract Signature Screen	4-45
93	Bulk Approval of Contracts	4-47
94-110	(Reserved)	

Table of Contents (Continued)

Page No.

Part 5 Collections

Section 1 Collecting Fees and Premiums for 2021 and Prior Years

111	Introduction	5-1
112	Contract Collections and Remitting Fees	5-8
113	Contract Summary Pop-Up	5-10
114	View Collections History Pop-Up	5-11
115	Collecting Administrative Fee and Premium	5-14
116	Cancelling a Collection	5-16
117-150	(Reserved)	

Part 6 DMC Payment Provisions

Section 1 General Payment Provisions

151	General Payment Provisions for Web-Based DMC Payments	6-1
152	Payment Eligibility	6-5
153	Funds Control	6-6
154-159	(Reserved)	

Section 2 DMC Payments

160	Issuing DMC Payments	6-23
161	Payment Processing	6-27
162	DMC Payment Reports	6-35
163	Payment History Report – Detail	6-36
164	General Provisions for Canceling Payments	6-38
165	Collecting Overpayments	6-39
166	Charging Interest	6-40
167-199	(Reserved)	

Part 7 Supplemental Production History

200	Establishing Supplemental Production History	7-1
201	Supplemental Information Screen	7-3
202	Supplemental COC Determination Screen	7-4
203	Revising 2021 Contracts After Supplemental Production History Establishment	7-9
204-299	(Reserved)	

Table of Contents (Continued)

Page No.

Part 8 **Billing Service**

300	Automated Billing Service	8-1
301	Administrative and Premium Fee Creation	8-1
302	Updated Contract Collection Screen	8-3
303	Bills and Receivable Adjustments	8-6

Exhibits

1	Reports, Forms, Abbreviations, and Redelegations of Authority
2-4	(Reserved)

--50 Processing Premium Refunds for 2021 and Prior Years--**A Introduction**

These refund instructions are for the refund of premiums collected through the DMC software, when applicable, after a dissolution has been processed.

Note: The administrative fee is non-refundable.

B Action

The following table describes how to process DMC premium refunds after a dissolution has been recorded in the DMC software.

For questions about the NRRS refund process, see 64-FI.

System	Step	Actions
NRRS	1	Activate the remittance according to 64-FI, subparagraph 46 B. This will change the remittance status to “Active-Verified”, ready for correction.
DMC Software	2	In DMC from the collections tab, select the applicable dairy operation. Scroll to the bottom of the page and click “Collections”. Note: Contracts will not be listed on the Collections Tab unless the status of the contract is at least “Producer Certified”.
	3	On the Contract Collections Screen, click “View Collection History”.
	4	CLICK “Cancel” on the remittance associated with the premium collection. Note: If the administrative fee was paid with the same remittance, it must be reloaded before the refund is completed in NRRS.

--50 Processing Premium Refunds for 2021 and Prior Years (Continued)--

B Action (Continued)

System	Step	Actions
NRRS	5	<p>On the “Contract Collections” screen:</p> <ul style="list-style-type: none"> re-enter the remittance details exactly as it was before except for the “Amount to apply to this contract”. The balance due for the contract should be entered in the “Amount to apply to this contract” field CLICK “Submit Remittance”. <p>Note: Receipt amount will be less than the remittance amount.</p> <p>User must enter the same remitter, remittance type, check/item number, check/item date, and remittance amount to tie back to the remittance on a verified schedule of deposit.</p>
	6	CLICK on the “Remittance ID” to refresh the Remittance Details Screen. Verify the external receipt contains the corrected information.
	7	From the Remittance Details Screen, click “Refund” to refund the remaining balance on the remittance according to 64-FI. subparagraph 44 B.
	8	After confirming, the remittance displays zero in the “Remaining Amount” field, click “Deactivate”, to deactivate the remittance according to 64-FI, subparagraph 46 C.
	9	The refund should appear in NPS after an overnight process. If the refund does not appear in NPS, review the refund receipt detail Screen. See 64-FI, subparagraph 92 G for a table describing the associated refund statuses.

Part 5 Collections***--Section 1 Collecting Fees and Premiums for 2021 and Prior Years--*****111 Introduction****A Administrative Fee and Premium**

Collecting and remitting administrative fee and/or premium shall be recorded in the DMC system for dairy operations when fees are collected.

Administrative fee and/or premium may also be recorded through either of the following:

- contract and annual election process
- contract collections option.

The Contract Collections Screen provides users the ability to:

- record remitter details
- record payment details
- view a pop-up of the contract summary
- view a pop-up of the collection history.

The dairy operation is required to pay the administrative fee before COC determination can be recorded.

111 Introduction (Continued)

B Example of Contract Collections Screen

The following is an example of the Contract Collections Screen.

The screenshot displays the 'Contract Collections' screen within a web application. At the top, a navigation bar includes links for Home, Production History, Contracts (selected), Collections, and Maintenance. Below this, a series of tabs indicates the current step: General Information, Coverage, Producer, Remittance (active), and Determination.

The main heading is 'Contract Collection'. Below it, key contract information is displayed: Coverage Year: 2019, State: Florida (12), County: Clay (019), Dairy Operation: Doe, John, Dairy Operation Number: 123728809, and Production History: 520,000 lbs.

A 'Balance Due: \$100.00' is shown, along with buttons for 'View Summary' and 'View Collections History'.

The 'Remitter Details' section contains dropdown menus for State (Florida) and County (Clay), both marked as 'Required'. It also includes a 'Remittance Office' dropdown (labeled 'Required') and a 'Remitter' section with buttons for 'Select Dairy Operation' and 'Select From SCIMS'.

The 'Payment Details' section features a 'Remittance Type' dropdown (labeled 'Required'), a 'Check/Item Date' field (labeled 'Required') with a calendar icon, a 'Check/Item Number' field (labeled 'Required'), a 'Remittance Amount' field (labeled 'Required'), and an 'Amount to apply to this contract' field (labeled 'Required'). A 'Submit Remittance' button is positioned below these fields.

At the bottom, a progress indicator shows '5 of 5 Steps', and navigation buttons for 'Back', 'Cancel', and 'Continue' are provided.

--203 Revising 2021 Contracts After Supplemental Production History Establishment*A Introduction**

Annual dairy operations had to have enrolled in 2021 DMC during enrollment to be eligible to update their 2021 contract to include the supplemental production history. Once supplemental production history has been approved, it reverts the contract status back to 'initiated' status.

From the Contract Search Results Screen, select the applicable dairy operation and choose 'edit' at the bottom of the screen.

B Revising 2021 Contracts with Supplemental Production History Established

The following table provides actions for revising 2021 contracts with supplemental production history established.

Step	Action
1	On the Contract Search Results Screen, select the applicable dairy operation. <ul style="list-style-type: none"> • select the applicable dairy operation to edit the contract. • CLICK "Edit Contract".
2	On the General Information Screen, CLICK "Continue".
3	The Coverage Options Screen will be displayed, and the annual enrollment will be disabled. Verify all information is correct and CLICK "Continue". Note: Election options are locked down. If the incorrect election is selected, contact your State Office Specialist for assistance.
4	On the Producer Certification Screen: <ul style="list-style-type: none"> • enter the date the producer signed or returned the updated CCC-801 to the County Office • confirm all other information on the screen is correct. CLICK "Continue".

--*

**203 Revising 2021 Contracts After Supplemental Production History Establishment
(Continued)**

**B Revising 2021 Contracts with Supplemental Production History Established
(Continued)**

Step	Action
5	<p>Contract Collection Screen.</p> <p>The Balance Due should reflect the supplemental premium due. Supplemental DMC Premium is due at the time of enrollment.</p> <p>Note: If there was remaining balance from 2021 DMC enrollment and a receivable was established, it will still reflect as being owed even if the receivable has been closed. Only the supplemental premium will need to be paid through the DMC Software at this time.</p>
6	<p>Review Validations and Errors Screen:</p> <ul style="list-style-type: none"> • review any errors or validations listed • CLICK “Continue”.
7	<p>COC Determination Screen:</p> <ul style="list-style-type: none"> • select the COC determination • use the calendar or enter in the date of COC determination.

204-299 (Reserved)

--Part 8 Billing Service*300 Automated Billing Service****A Introduction**

A new process has been created to allow DMC and NRRS to communicate and provide real time balance updates to DMC contracts. The collection process has been removed from DMC for 2022 and subsequent years. Bills will automatically be established for the administrative fee when at least one producer signature has been recorded, unless waived. Premium fees will be established upon contract approval. Bills will automatically convert to a receivable on September 1 of the applicable coverage year. For 2022 and subsequent years, County Offices will no longer enter remittances through DMC and will now enter them through NRRS.

Note: Users will continue to enter or modify remittances in DMC for years prior to 2022. See Part 5 for additional information.

301 Administrative and Premium Fee Creation**A Bills and Receivables**

A bill is an amount owed by an individual or entity that is not yet an actual debt. The amount of the bill cannot be offset except for dairy operations that have elected to reduce their payment to apply to premium balances.

A receivable is a debt owed to FSA or CCC and payment has not been received by the applicable due date. The amount can be offset from most payables due to the producer. Receivables will be established for any unpaid administrative fees or premiums on September 1 on the applicable coverage year.

The Billing Service ensures that all administrative fees and premiums are established and collected while reducing County Office workload by automatically creating receivables after the due date of the premiums.--*

***--301 Administrative and Premium Fee Creation (Continued)**

B Bill Creation

The administrative bill is be created when at least one producer signature has been recorded on the contract. If the administrative fee is waived, no bill will be created.

The premium bill is created when the COC determination is recorded for the contract.

This following table provides who the bills are established for in NRRS.

IF the dairy operation...	THEN the bill is set up...
has a valid or IRS verified TIN	using the TIN of the dairy operation listed in Part A of the CCC-801.
does not have a valid TIN	with any producer listed in Part D of the CCC-801 with a share, that is participating, and has not refused payment. Note: The point of contact selected on a contract will always be associated to the bill regardless of their participation status on the contract.

Note: A bill is not created if a contract is disapproved.

C Receivable Creation

Outstanding bills will be automatically converted to receivables on September 1 of the applicable coverage year. Receivables will follow standard financial procedure for letter notification to all producers associated to the receivable.--*

--302 Updated Contract Collection Screen*A Introduction**

The Contract Collection Screen has been updated to remove the functionality to enter remittances into DMC. There is a direct link to NRRS if a bill has been established for the contract in NRRS.

Note: County Offices shall notify the State Office specialist if a remittance that was loaded into DMC in 2022 before Billing Service was deployed needs to be updated or changed. State Offices shall submit the case to the National Office for correction by adding the case to the DMC SharePoint site for software issues.

B Example of the Updated Contract Collection Screen

The following is an example of the updated Contract Collection Screen for 2022 and subsequent years with the administrative fee waived, premium fee paid by credit, and the supplemental premium with a bill created.

Contract Collection

Coverage Year: 2022
Dairy Operation: **DMC Dairy LLC**
Dairy Operation Number: 630

State: **California (06)**
Production History: **3,500,000 lbs**

County: **Merced (047)**
Status: **Approved**
Supplemental: **1,125,000 lbs**

Contract Balance: **\$343.76**
Remaining Premium Credit: **\$0.00**

	Amount Due	Waived	Credited	DMC Collections	Bill Number	Established Bill Amount	Paid	Balance Due
Administrative Fee	\$100.00	\$100.00		\$0.00		\$0.00	\$0.00	\$0.00
Premium	\$3,740.63		\$3,740.63	\$0.00		\$0.00	\$0.00	\$0.00
Supplemental Premium	\$1,603.13		\$1,259.37	\$0.00	26506107	\$343.76	\$0.00	\$343.76
Totals :	\$5,443.76	\$100.00	\$5,000.00	\$0.00		\$343.76	\$0.00	\$343.76

--*

*--302 Updated Contract Collection Screen (Continued)

C Field Descriptions and Actions for the Updated Contract Collection Screen

The following table provides the field descriptions and actions for the updated Contract Collection Screen.

Field	Description	Action
Contract Balance	Displays the balance due for the contract. Note: The contract balance will display as \$0 until at least one producer signature is entered.	
Remaining Premium Credit	Displays any remaining MPP premium credit for the dairy operation.	
Amount Due	The amount due for the administrative fee, premium, and supplemental premium based on the election selected by the dairy operation.	
Waived	Any amount on the contract that is being waived.	
Credited	Any credited amount from the MPP premium credit being applied to either the regular premium or supplemental premium. Note: The credit does not apply to the admin fee.	
DMC Collections	Any collection that was recorded in DMC before Billing Service.	
Bill Number	The associated bill number that was established in NRRS.	Users can click on the link to be directed to NRRS.
Established Bill Amount	The amount that has been established for the administrative fee or premium fee in NRRS.	
Paid	Any amount paid through NRRS for the particular line item.	
Balance Due	The balance due for the applicable line item.	

--*

--302 Updated Contract Collection Screen (Continued)*D Updated Contract Collection Screen Page Options**

The following table provides the options available on the Contract Collection Screen.

Field/Option	Description	Action
Cancel	Returns user to the Production History Results Screen.	CLICK "Cancel".
Continue	Continues through the contract process to the Review Validations and Error Screen.	CLICK "Continue".

--*

--303 Bills and Receivable Adjustments*A Introduction**

The billing service automatically updates any bill or receivable if a production history modification or contract update is completed and approved.

If the adjustment results in a bill/receivable amount that is less than collections already received, processed refunds through NRRS.

The following table provides the action applicable to bills following production history and/or contract revisions.

IF the modification is...	THEN...	
a succession-in-interest	for the predecessor	<p>the software automatically:</p> <ul style="list-style-type: none"> • prorates the predecessor's premium due • updates the bill or receivable. <p>A refund will be generated in NRRS to be processed, if applicable.</p>
	for the successor	<p>no automatic action is taken until the successor contract is created in the software. Once the contract is created, the system creates the bills according to subparagraph 301 A.</p>
a dissolution	<p>the software automatically prorates any bill or receivable in NRRS for the dairy operation once a dissolution has been approved. If the prorated premium is:</p> <ul style="list-style-type: none"> • greater than amounts already collected on the contract, the balance due on the contract will be converted to a receivable based on the effective date of the dissolution • less than amounts already collected on the contract, a refund will be generated in NRRS to be processed. 	
a transfer	no action is taken on the bill or receivable.	
a producer revision	for share updates	no action is taken on the bill or receivable.
	for changes to the producers associated to the contract	<p>the bill or receivable will be updated to include the added producer and the original producer(s) associated to the first version of the contract.</p> <p>All producers associated with the bill/receivable are jointly and severally liable.</p>

Reports, Forms, Abbreviations, and Redelegations 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 (HELC) and Wetland Conservation (WC) Certification		13, 87
CCC-36	Assignment of Payment		160
CCC-37	Joint Payment Authorization		160
CCC-785	Margin Protection Program For Dairy Producers (MPP-Dairy) Premium Repayment Option Election Application		71, 72
CCC-800	Dairy Margin Coverage (DMC) Production History Establishment		Text
CCC-800A	Dairy Margin Coverage (DMC) Supplemental Production Establishment		22, 56, 200, 202, 203
CCC-800S	Dairy Margin Coverage (DMC) Production History Establishment Action		22, 57, 59, 61
CCC-800T	Dairy Margin Coverage (DMC) Production History Establishment Action		Text
CCC-800X	Dairy Margin Coverage (DMC) Production History Establishment Action		22
CCC-801	Dairy Margin Coverage (DMC) Contract and Annual Coverage Election		Text
CCC-802	Dairy Margin Coverage (DMC) Dissolution Notification		22, 48
CCC-902	Farm Operating Plan for Payment Eligibility 2009 and Subsequent Program Years		151, 160

Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)**Abbreviations Not Listed in 1-CM**

The following abbreviations are not listed in 1-CM.

Approved Abbreviations	Term	Reference
DMC	Dairy Margin Coverage	Text
PDD	Program Delivery Division	1, 2

Re delegations of Authority

None.