

**For:** State and County Offices

**Effect of Financial Obligations on Approved 2015 CCC-861's and CCC-862's**

**Approved by:** Acting Deputy Administrator, Farm Programs



**1 Overview**

**A Background**

ARC/PLC software did not obligate 2015 contracts in FY 2016; ARC/PLC software was enhanced to calculate the contractual value, integrate with the common obligation framework, and accurately obligate each contract. As a result of the enhancement and timing of the software release, the software will only permit 2015 CCC-861's and CCC-862's with approvals entered on or after October 1, 2015, to pass obligations.

Because an obligation could not be made correctly, a 2015 CCC-861 or CCC-862 shall be approved in FY 2016. Software to change the 2015 approval date will run on July 27, 2016.

**B Purpose**

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

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

<b>Disposal Date</b>	<b>Distribution</b>
December 1, 2016 7-21-16	State Offices; State Offices relay to County Offices

## Notice ARCPLC-33

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

#### A Action on COC Approved 2015 Contract Year CCC-861's or CCC-862's Also Approved in ARC/PLC Software

2015 contract year CCC-861's or CCC-862's approved on or before October 23, 2015, must be withdrawn and subsequently "re-approved" on October 23, 2015, or later.

The withdrawal of the approved 2015 contract is not an adverse action as contracts will be "re-approved".

Documentation in COC minutes must include the following statement:

**"In accordance with Notice ARCPLC-33, approval of all 2015 CCC-861s and CCC-862s previously approved have been withdrawn until a time when each contract can be obligated effective October 23, 2015."**

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

Approval dates on contracts that are approved on or after October 24, 2015, shall be entered as of the date approved.

#### B Action on COC Approved 2015 Contract Year CCC-861's or CCC-862's Not Approved in ARC/PLC Software

In some instances, COC or designee has approved 2015 contract year CCC-861 or CCC-862 but that approval has not been entered into the ARC/PLC software.

In those cases, the ARC/PLC approval date will be the later of October 23, 2015, or the date COC or designee actually approves the CCC-861 or CCC-862.

**Notice ARCPLC-33**

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

**C Action on Enrolled CCC-861 or CCC-862**

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

All 2015 ARC/PLC contracts (any enrolled contract or any approved paper 2015 CCC-861 or CCC-862) must have an approval date entered that is on or after October 23, 2015. If a user records an approval date of a 2015 contract earlier than October 1, 2015, the contract will **not** pass obligation.

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

**A Approval of 2015 Contract Year CCC-861 or CCC-862**

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

<b>IF...</b>	<b>THEN...</b>
a 2015 contract year CCC-861 or CCC-862 has been approved and action required in this notice removes either or both of the following: <ul style="list-style-type: none"><li>• approval date in ARC/PLC software</li><li>• original COC approval date in ARC/PLC software</li></ul>	no action is required on a paper 2015 contract year CCC-861 or CCC-862 provided that either or both of the following exist: <ul style="list-style-type: none"><li>• COC minutes support the approval of each farm</li><li>• CCC-861, item 17 or CCC-862, item 13 was completed.</li></ul>

**B Recording Electronic Approvals in the ARC/PLC Contract Software**

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

## Notice ARCPLC-33

### 4 Action

#### A State Office Action

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

- follow instructions in this notice for all 2015 CCC-861's or CCC-862's

**Note:** Previously approved CCC-861's or CCC-862's will have the recorded approval date withdrawn and re-entered as of July 27, 2016, automatically.

- record the approval of any subsequently enrolled 2015 contract year CCC-861 or CCC-862 and use a date of October 23, 2016, or later.

#### B County Office Action

COC's or designees will:

- withdraw the approval of any previously approved 2015 CCC-861 or CCC-862 according to paragraph 2
- after July 27, 2016:
  - begin approving CCC-861's or CCC-862's using a date of October 23, 2015, or later
  - **not** use an automated approval date earlier than October 23, 2015, on **any** 2015 contract year CCC-861 or CCC-862.

**Notes:** The approval date on 2015 contract year CCC-861 or CCC-862 may not match the automated approval date.

This notice has no affect on 2016 CCC-861's and CCC-862's.