

For: State and County Offices

Issuing Final CAP Payments

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

CAP was established to provide up to \$550 million in disaster assistance to producers of 1 of the following in counties that received primary Secretarial disaster designations because of excessive moisture and related conditions in 2009:

- long grain rice
- medium or short grain rice
- upland cotton
- soybeans
- sweet potatoes.

The signup period for CAP began October 25, 2010, and ended December 9, 2010. The deadline for processing all FSA-860's was December 23, 2010. Initial CAP payments were prorated by 75 percent to ensure that total CAP payments did **not** exceed the amount of available funds. Because adequate funding remains after issuing initial payments, a final payment of 25 percent will be issued.

B Purpose

This notice provides the following:

- guidance to State and County Offices about issuing final CAP payments
- instructions for calculating final CAP payment amounts
- the deadline for issuing final CAP payments.

| | |
|---------------------------|--|
| Disposal Date | Distribution |
| August 1, 2011 2-11-11 | State Offices; State Offices relay to County Offices |

Notice CAP-2

2 Payment Procedure

A Issuing Final CAP Payments

On **Monday, February 14, 2011**, County Offices may begin issuing final CAP payments to producers who applied for CAP before the signup deadline and received an initial CAP payment. Producers do **not** need to recertify information already provided on their signed FSA-860.

Initial CAP payments **must** be completed before calculating and processing final CAP payments because final CAP payments will be calculated based on the amount of initial CAP payments already paid to each producer.

Note: The National Office is aware that there are situations where a producer received their full CAP payment in error rather than the prorated payment amount. There may be other instances where a producer did **not** receive the exact correct 75 percent payment earned. County Offices **must** ensure that in those situations producers have refunded overpayments before following the instructions in this notice.

E-funds for final CAP payments will be allocated based on the amount of initial CAP payments currently issued.

County Offices **must** monitor payment limitation to ensure that the total payment amount under CAP does **not** exceed the \$100,000 per person or legal entity payment limitation. A payment limitation ledger should already have been completed for each multi-county producer or any individual or entity expected to reach the payment limitation. County Offices:

- will use these ledgers to ensure that final CAP payments do **not** exceed the payment limitation
- must ensure that any individual or entity that has already reached the payment limitation will **not** be issued any additional CAP payment.

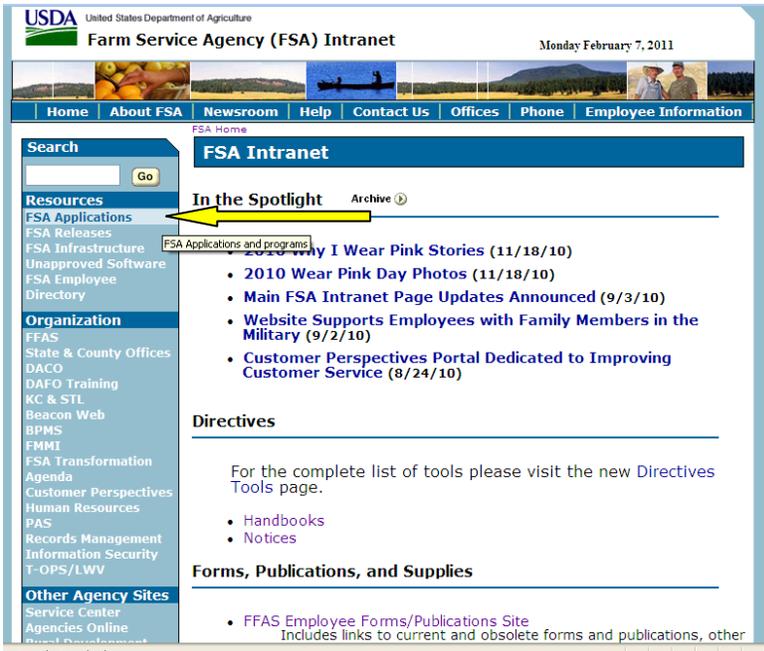
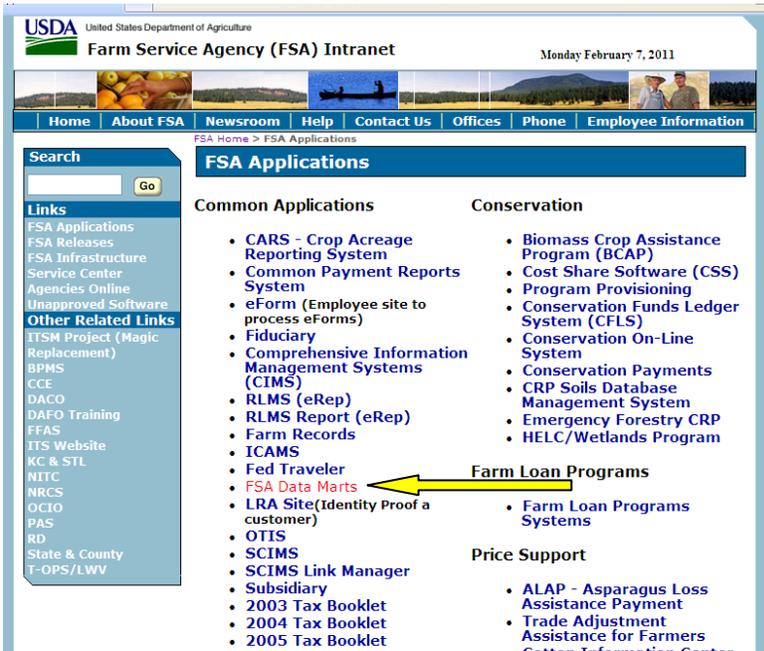
There is no automated process that will track the limitation.

Notice CAP-2

2 Payment Procedure (Continued)

B Calculation of Final CAP Payment Amount

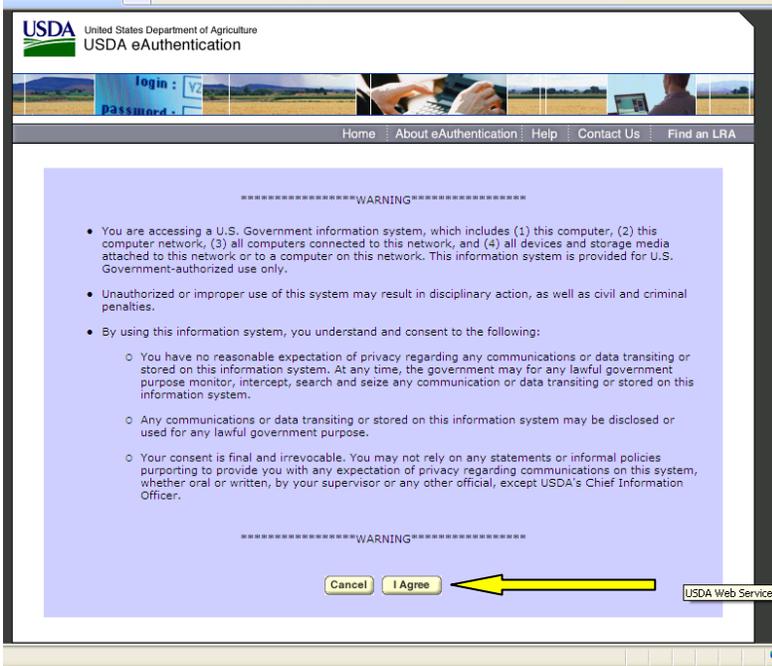
The following steps must be completed by the County Office to calculate the final CAP payment amount for all producers.

| Step | Action |
|------|---|
| 1 | <p>CLICK “FSA Applications” on the FSA Intranet web site at http://fsaintranet.sc.egov.usda.gov/fsa/.</p>  <p>The screenshot shows the FSA Intranet homepage for Monday, February 7, 2011. The 'Resources' menu on the left includes 'FSA Applications', 'FSA Releases', 'FSA Infrastructure', 'Unapproved Software', 'FSA Employee Directory', and 'Organization'. A yellow arrow points to the 'FSA Applications' link.</p> |
| 2 | <p>CLICK “FSA Data Marts”.</p>  <p>The screenshot shows the 'FSA Applications' page. Under the 'Farm Loan Programs' section, there is a list of links including 'FSA Data Marts'. A yellow arrow points to this link.</p> |

Notice CAP-2

2 Payment Procedure (Continued)

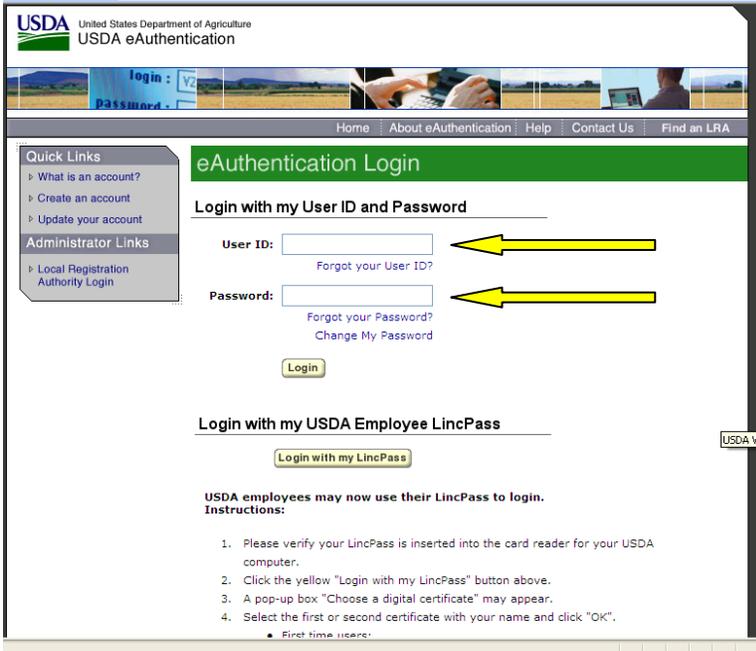
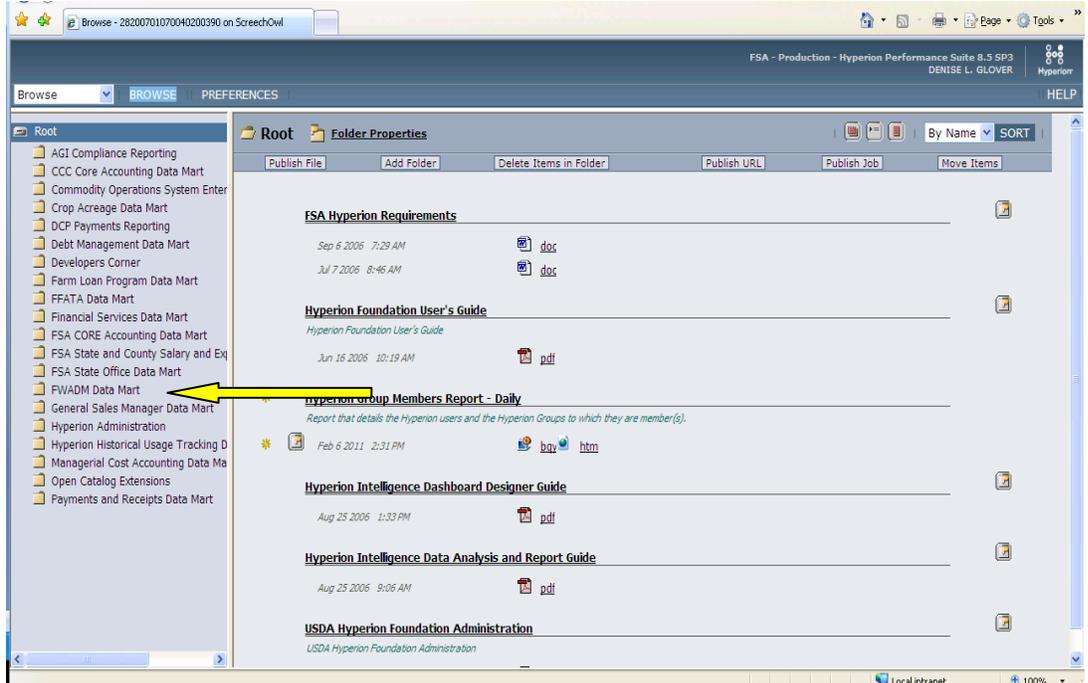
B Calculation of Final CAP Payment Amount (Continued)

| Step | Action |
|------|--|
| 3 | <p>From the FSA Data Warehouse Home Page, CLICK “Hyperion Data Marts”.</p>  |
| 4 | <p>At the eAuthentication Warning Screen, CLICK “I Agree” to continue.</p>  |

Notice CAP-2

2 Payment Procedure (Continued)

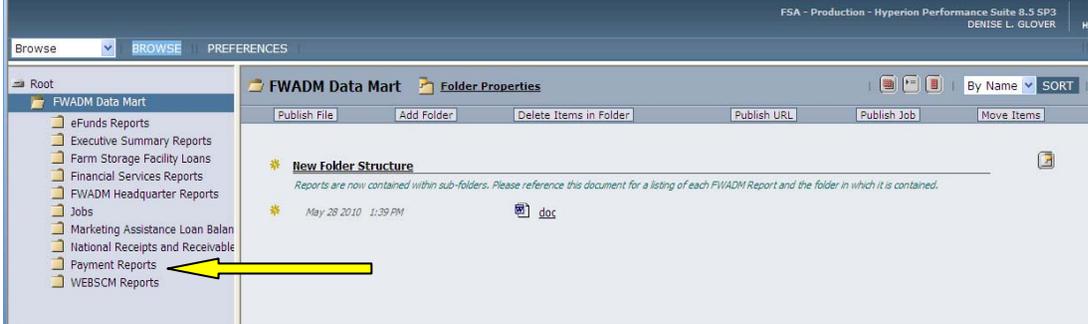
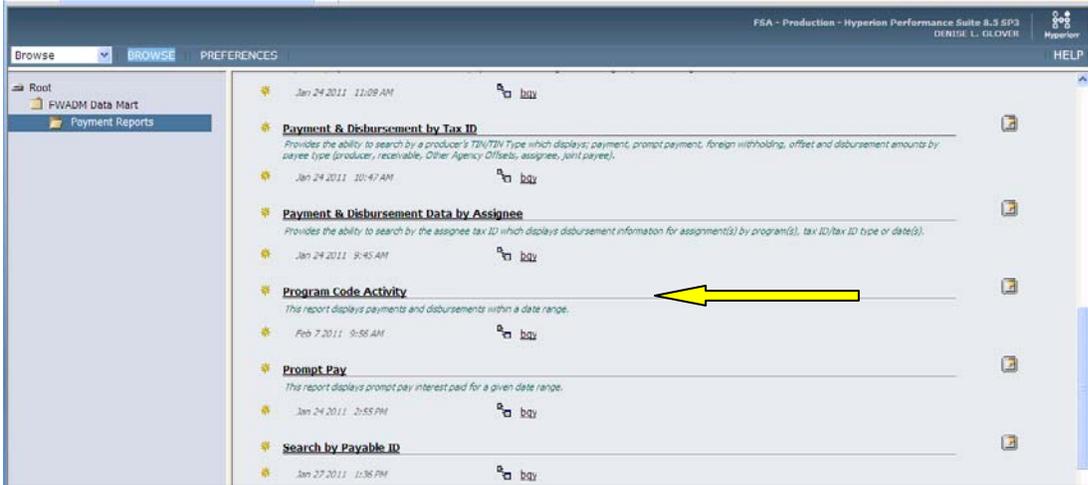
B Calculation of Final CAP Payment Amount (Continued)

| Step | Action |
|------|---|
| 5 | <p>At the eAuthentication Login Screen, enter the user ID and password, and CLICK “Login” to continue.</p>  |
| 6 | <p>CLICK “FWADM Data Mart”.</p>  |

Notice CAP-2

2 Payment Procedure (Continued)

B Calculation of Final CAP Payment Amount (Continued)

| Step | Action |
|------|---|
| 7 | <p>All report folders will be displayed. CLICK “Payments Reports”.</p>  |
| 8 | <p>This will return all available payment reports. CLICK “Program Code Activity”.</p>  |

Notice CAP-2

2 Payment Procedure (Continued)

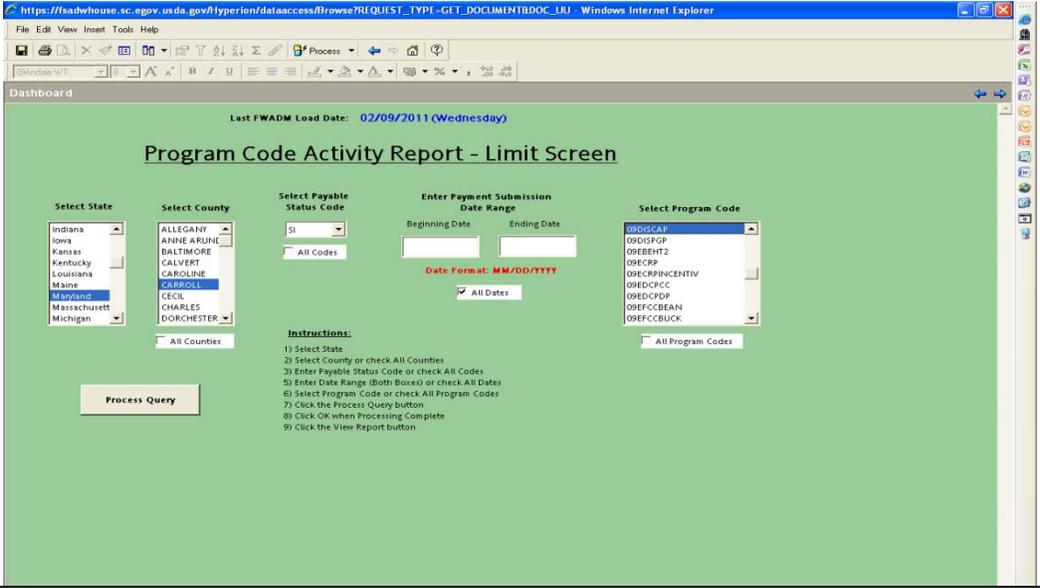
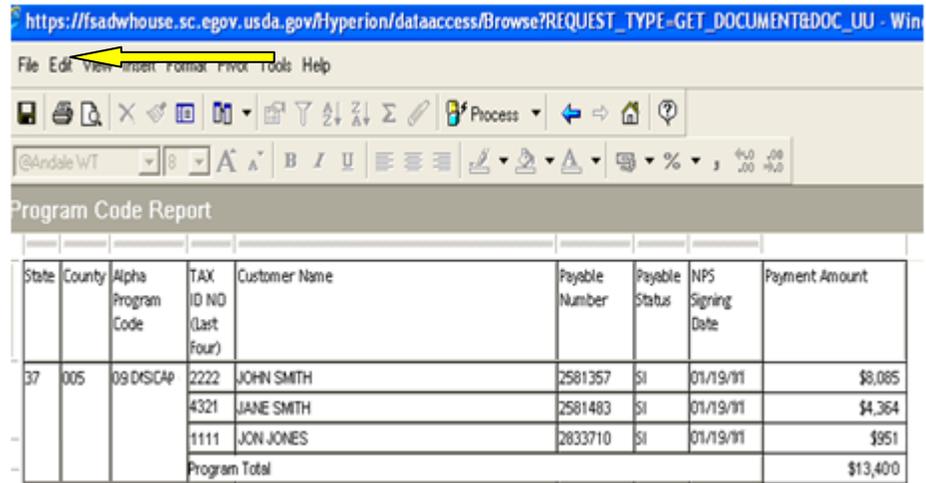
B Calculation of Final CAP Payment Amount (Continued)

| Step | Action |
|------|--|
| 9 | <p>At the following screen, CLICK “Continue to Logon Screen”.</p>  |
| 10 | <p>At the Program Code Activity Report - Logon Screen, enter the user ID and password, and CLICK “Logon”.</p> <p>Note: If users do not have access to FWADM reports, County Offices shall contact their State security officers to obtain access.</p>  |

Notice CAP-2

2 Payment Procedure (Continued)

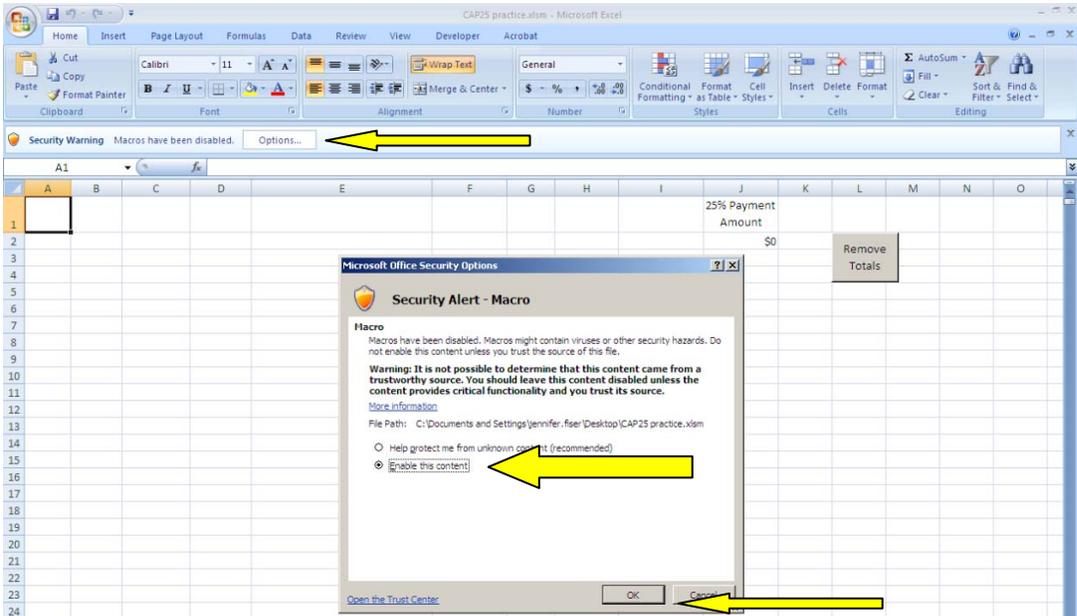
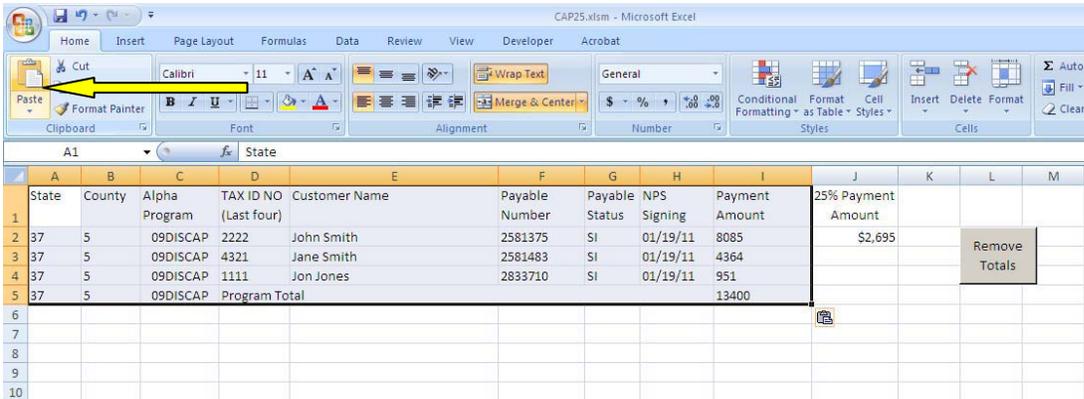
B Calculation of Final CAP Payment Amount (Continued)

| Step | Action |
|------|--|
| 11 | <p>At the Program Code Activity Report - Limit Screen, do the following:</p> <ul style="list-style-type: none"> • select the State • select the county • select “SI” as the payable status code • check “All Dates” • select “09DISCAP” as the program code • CLICK “Process Query”.  |
| 12 | When the “Processing Complete” box displays, CLICK “OK”. |
| 13 | CLICK “View Reports”. |
| 14 | <p>When the report is displayed, CLICK “Edit” and then CLICK “Select All”. CLICK “Edit” again and then CLICK “Copy”.</p>  |

Notice CAP-2

2 Payment Procedure (Continued)

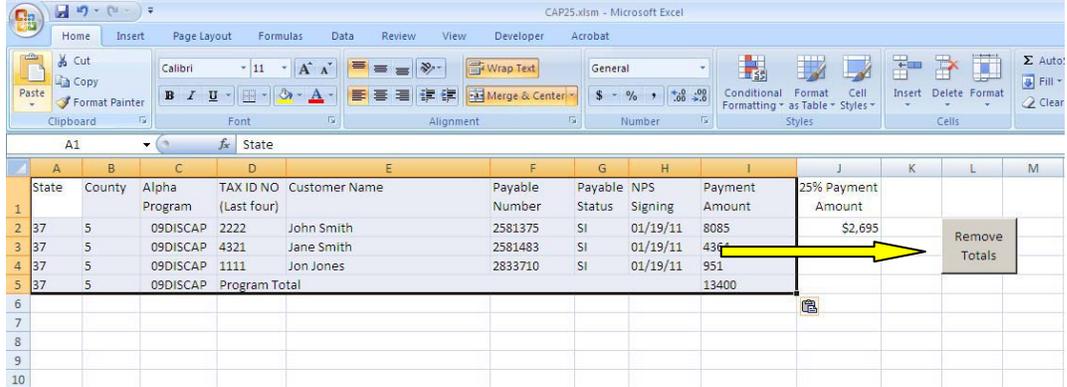
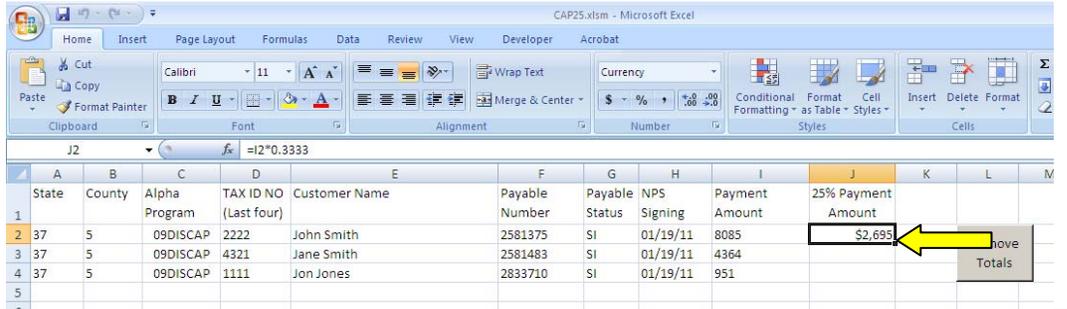
B Calculation of Final CAP Payment Amount (Continued)

| Step | Action |
|------|---|
| 15 | <p>CLICK “Final CAP Payment (Excel file)” to open “CAP25.xlsm”, located on the DAFP Home Page at http://fsaintranet.sc.egov.usda.gov/dafp/. A security warning indicating that macros are disabled will display below the toolbar. CLICK “Options”, select “Enable this content”, and CLICK “OK”.</p>  |
| 16 | <p>CLICK “Paste” to paste the data from the report into the worksheet.</p>  <p>Notes: Any duplicates found in the “Customer Name” column will be highlighted in red. This indicates that more than 1 payment has been made to that producer. County Offices shall manually review CAP payments for those producers to ensure that FWADM payment amounts are correct.</p> |

Notice CAP-2

2 Payment Procedure (Continued)

B Calculation of Final CAP Payment Amount (Continued)

| Step | Action |
|--------------|---|
| 16 (Cntd) | <p>If displayed amounts are correct, the County Office shall add the amounts together before entering a dollar amount through online payments.</p> <p>If it is determined the producer has been overpaid by issuing more than one CAP payment, the County Office shall manually calculate the total CAP payment to determine the amount required for refund. Producers shall be notified immediately of the overpayment.</p> |
| 17 | <p>CLICK “Remove Totals”. This will remove unnecessary rows containing total program and county payment amounts from the spreadsheet.</p>  |
| 18 | <p>Cell J2 should show the final CAP payment amount for the first producer listed. Click on cell J2. Double-click on the black square that displays in the bottom right corner of cell J2. This will copy the payment calculation formula into each row and calculate each producer’s final CAP payment amount. The amount will be automatically rounded to whole numbers.</p>  |
| 19 | <p>County Offices shall process payments according to 1-CAP, paragraph 194.</p> |

C Deadline for Issuing Final CAP Payments

All final CAP payments must be issued by **Friday, April 15, 2011**. After **April 15, 2011**, funding for CAP payments will be discontinued and no further CAP payments will be issued.

Notice CAP-2

3 Action

A County Office Action

County Offices shall:

- issue all initial CAP payments before calculating and processing final CAP payments
- ensure that producers who were overpaid have refunded the overpayment before calculating final CAP payment amounts
- issue all final CAP payments by **April 15, 2011**
- monitor final CAP payments to ensure that payments do **not** exceed payment limitation.

Note: County Offices are responsible for ensuring that all CAP payments issued currently reflect the authorized prorated 75 percent CAP payment amount before following the instructions in this notice.

B State Office Action

State Offices shall ensure that:

- all County Offices are aware of the contents of this notice
- initial CAP payments are issued before calculating and processing final CAP payments
- all CAP payments are issued according to the instructions in this notice
- all final CAP payments are issued by **April 15, 2011**.