

For: Cotton State and County Offices

Modifications to CCR to Calculate AWP Bale Value Correctly and Instructions for Processing Bales with Negative Repayment Values in Automated Price Support System (APSS)

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

According to 7-CN, subparagraph 198 A, the AWP bale value **cannot** be less than zero. However, the repayment amount for a bale can be a negative amount because of storage credit.

Repayment calculations in CCR were resulting in a negative AWP bale value for bales of poor quality. This error in calculations caused the total invoice repayment amount to be understated.

For County Offices to record repayments in APSS, additional funds had to be requested from the redeeming merchant and assistance from the help desk was required.

B Purpose

This notice informs State and County Offices of:

- software modifications to calculate AWP bale values correctly
- instructions for recording repayment of bales with negative repayment values in APSS.

C Contact

State Offices shall direct questions about this notice to Julie Floriani by either of the following:

- telephone at 202-720-8374
- e-mail at julie.floriani@wdc.usda.gov.

Disposal Date	Distribution
April 1, 2007	Cotton State Offices; State Offices relay to County Offices

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2 Modifications for Negative CCR Repayment Amounts

A Software Modifications

COPS has been modified to:

- default a negative AWP bale value for CCR to zero; however, the net repayment value can be negative due to storage credit
- calculate the invoice repayment amount as the sum of all AWP bale values greater than zero

Note: The repayment amount will **not be adjusted** for the negative repayment amount.

Example: Receipts 1 and 2 have an AWP bale value of \$200 each and a storage credit of \$10 each. The net repayment for these two bales is \$380 (\$400 - \$20). Receipt 3 has an AWP bale value of zero and a storage credit of \$10. Net repayment for this bale is -\$10 (\$0 - \$10). Repayment amount for the CCR invoice is \$380. Repayment amount is not reduced by the -\$10 for receipt 3.

Note: Before these modifications, CCR calculated the invoice repayment amount as \$370 (\$380 - \$10).

- provide merchants with the ability to accept an invoice if **all** bales on the invoice have a negative repayment value, thereby confirming the redemption request.

Upon repayment or acceptance of a zero balance invoice, the CCR system will:

- release all bales, including those with negative repayment value, to the buyer
- generate the following COPS errors:
 - R121, “CCC is not current receipt holder for CCR loan transaction”, for bales with a positive repayment amount
 - R118, “CCR bale requires manual APSS redemption”, for bales with a negative repayment amount

Note: Errors will be removed when repayment has been recorded in APSS.

- remove bales with negative repayment values from county download files, which will contain only bales with positive repayment values

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2 Modifications for Negative CCR Repayment Amounts (Continued)

A Software Modifications (Continued)

- create CCR County Bales for Manual Redemption Report for bales with negative repayment value that includes the following information:
 - invoice number
 - repayment date
 - storage credit date
 - AWP
 - merchant name and address
 - crop year
 - loan number
 - warehouse code/receipt number
- send e-mail notifications to County Offices that invoices with negative repayment bales require manual redemption.

3 Recording CCR Repayments in APSS

A Processing CCR Repayment Files for Bales With Repayment Values Greater Than Zero

If an invoice includes bales with a repayment value less than zero, CCR repayment file will be modified to remove these negative value bales and contain only bales with a repayment value greater than zero. County Offices shall:

- download CCR repayment file according to COPS User Guide, Part 4.2
- transfer the repayment file to APSS according to 7-CN, paragraph 210.9
- record the repayment of bales with a positive repayment value in the normal manner in APSS according to 7-CN, paragraph 210.10.

Note: Bales with a negative repayment value will remain outstanding.

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3 Recording CCR Repayments in APSS (Continue)

B Processing Bales With Negative Repayment Value in APSS

Repayment of bales with negative repayment values must be processed as **separate** repayments in APSS. County Offices will receive email notifications of invoices with negative repayment bales, and shall record the repayment of these bales as follows:

- print the CCR County Bales for Manual Redemption Report according to subparagraph 4 A
- process the repayment in APSS according to 7-CN:
 - as a manual repayment so that a prior repayment date can be entered
 - as certificate redemption using **Option 2**, Commodity Certificate Repayment, on Screen PPC00000
 - using CCR County Bales for Manual Redemption Report as the source document to complete applicable data fields

Note: Enter the storage credit date from report as the “Est. Receipt Release Date” on Screen PPC40200.

- issue check for storage credit to the redeeming merchant indicated on the report
- mail a copy of CCC-500 to the redeeming merchant along with the check for storage credit.

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4 CCR County Bales for Manual Redemption Report

A Accessing and Printing Report

County Offices shall access and print the CCR County Bales for Manual Redemption Report according to the following table.

Step	Action	Result
1	On the COPS Home Page, select “Invoice Review” under the “Invoicing” tab.	Invoice Review Criteria Screen will be displayed.
2	On the Invoice Review Criteria Screen, do 1 of the following: <ul style="list-style-type: none"> • from the “Invoice Type” drop-down box, select “Cotton Redemption Invoice” and CLICK “List” • enter the invoice number in the invoice number data field. 	Invoice List Screen will be displayed with all invoices for the applicable county. Go to step 3. The Cotton Redemption County Invoice Screen will be displayed. Go to step 4.
3	On the Invoice List Screen, select the invoice by clicking on the applicable line number.	The Cotton Redemption County Invoice Screen will be displayed.
4	If the invoice contains bales that require manual redemption, the Cotton Redemption County Invoice Screen will display: <ul style="list-style-type: none"> • the text, “There are bales to be manually redeemed on this invoice”. Click the “Bales for Manual Redemption” button to view the .pdf report • an additional button labeled “Bales for Manual Redemption”. 	CLICK the “Bales for Manual Redemption” button. The CCR County Bales for Manual Redemption report will be displayed in .pdf report. Rrint report.

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4 CCR County Bales for Manual Redemption Report (Continued)

B Example of Report

The following is an example of the CCR County Bales for Manual Redemption report.

Note: Report may contain data for multiple loans.

CCR County Bales for Manual Redemption Tuesday, January 31, 2006 14:46:45 CST		
  United States Department of Agriculture Cotton Online Processing System		
Fiscal Year = 2006, Invoice Number = 000000044, State Code = 13, County Code = 031, Repayment Date = 01/24/2006, Storage Credit Date = 01/26/2006, AWP = 0.4358, Merchant Name = PF WILSON COTTON BUYERS, Address = PO BOX 4820 St Joseph, MO 64506		
Crop Year	Loan Number	Warehouse Code/Receipt Number
2005	999	125501/2000030
This report contains 1 bale.		