

For: State and County Offices

2011 DCP/ACRE Advance Direct Payment and Overpayment Processing

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

The Food, Conservation, and Energy Act of 2008 (the 2008 Act) was enacted into law on June 18, 2008. For crop years 2008 through 2012, the 2008 Act provides the authority for direct payments for covered commodities and peanuts participating in DCP or ACRE.

B Purpose

This notice:

- provides information for 2011 DCP/ACRE advance direct payments and overpayments
- advises State and County Offices that:
 - 2011 DCP/ACRE advance direct payments may be issued starting December 1, 2010, for those producers that selected December 2010 as the advance payment month on CCC-509
 - DCP/ACRE payment and overpayment reports are available through the Common Payment Reports System and the DCP/ACRE Payments Menu according to subparagraph 3 A.

Disposal Date	Distribution
October 1, 2011	State Offices; State Offices relay to County Offices

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2 2011 DCP/ACRE Direct Payment Rates

A 2011 DCP/ACRE Advance Direct Payment Rates

DCP/ACRE advance direct payment rates are provided in 2-DCP (Rev. 1) as follows:

- for DCP direct final payment rates, see Exhibit 8
- for ACRE direct final payment rates, see Exhibit 9.

3 DCP/ACRE Direct Payment Reports

A DCP/ACRE Direct Payment Reports

The DCP/ACRE direct payment reports are available according to the following table.

Access Through	Available Payment Reports	Handbook	Paragraph
DCP-ACRE Payment Menu		2-DCP (Rev. 1)	218-220
	Estimated Calculated Payment Report		221
	Overpayment Register		254
Common Payment Reports System		9-CM	52
	Nonpayment/Reduction Report		66
	Insufficient Funds Report		67
	Payment History Report - Summary		69
	Payment History Report - Detail		70

B Insufficient Funds Report

The Insufficient Funds Report is:

- available through the Common Payment Reports System and provides a report of payments that could not be processed because sufficient funds were not available at the time the payments were being processed
- informational **only** as Kansas City monitors the available funding and allocates additional funding when necessary.

Producers may be listed on the Insufficient Funds Report for 1 or 2 calendar days because of the timing of allocating additional funds and payment processing.

See 9-CM, paragraph 67 for information on the Insufficient Funds Report.

Important Note: State Offices shall **not** access 2011 DCP or ACRE eFunds to re-allocate funding. Allocation of funds by State Offices may have an adverse affect on payments.

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4 Issuing Payments to Producers With Special Circumstances

A Bankruptcy

County Offices shall follow 58-FI, paragraph 176 for producers who have filed bankruptcy.

B Deceased Producers

County Offices shall follow 1-DCP (Rev. 3), paragraph 400 for deceased producers.

C Successor-in-Interest

County Offices shall follow 1-DCP (Rev. 3), paragraph 398 for successor-in-interest.

5 Action

A State Office Action

State Offices shall:

- **not** allocate 2011 DCP or ACRE direct eFunds
- ensure that County Offices:
 - are immediately informed of the contents of this notice
 - take action, as applicable, according to the information provided in this notice.

B County Office Action

County Offices:

- are advised that 2011 DCP/ACRE advance direct payments will be issued starting December 1, 2010, for those producers that have selected December 2010 as the advance payment month on CCC-509
- shall follow 2-DCP (Rev. 1), Part 5 for:
 - payment and overpayment processing
 - Estimated Calculated Payment Report
 - Overpayment Register.

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5 Action (Continued)

B County Office Action (Continued)

- shall follow Common Payment Reports System procedure in 9-CM for:
 - Nonpayment/Reduction Report, paragraph 66
 - Insufficient Funds Report, paragraph 67
 - Payment History Report – Summary, paragraph 69
 - Payment History Report – Detail, paragraph 70
- are reminded that:
 - payment processing will occur automatically by triggers in the system
 - payments will be sent to NPS **without** user intervention
 - overpayments will be listed on the Overpayment Register and will be held until October 1, 2011, if no action is taken
 - if the producer is listed on the Overpayment Register and no corrective action is needed, the County Office shall select the overpayment to be transferred to NRRS **immediately**.

Note: If the overpayment of an advance payment is less than the final payment that will be issued, the overpayment should not be transferred to receivables. Notate the overpayment register as applicable.