UNITED STATES DEPARTMENT OF AGRICULTURE
Farm Service Agency
Washington, DC 20250

Notice FI-2365

For: State and County Offices

Software Modifications for the Accounting Applications in County Release No. 406

Approved by: Acting Deputy Administrator, Management

1 Overview

A Background

The Integrated Correction Process for payable cancellations was initially released in 1995 in conjunction with Direct Deposit. County Release No. 406 contains software enhancements to provide consistent processing of canceled payments and support purge of EFT records.

B Purpose

This notice:

- advises offices of Accounting software changes in County Release No. 406
- provides procedures for the Integrated Correction Process
- identifies errors which may be encountered when canceling payables
- provides information on IRS reporting for corrected payments.

C Contact

If there are questions about this notice:

- County Offices shall contact the State Office
- State Offices shall contact Jorge Rivera, FMD, at 703-305-1308.

Disposal Date	Distribution
December 1, 1999	State Offices; State Offices relay to County Offices

2 Software Changes

A
Purging Payment Records From the System 36

The Accounting Payment History File Purge function has been enhanced to allow purge of EFT records whose issue date precedes the current date by 16 months. State and County Offices are advised that selecting Option 7, "Purge Check Writing Functions" on Menu AAA000, should **not** be done while processing payments from any application. Failure to purge from a dedicated system runs a risk of aborted payment processing and contaminated files requiring lengthy file fixes.

The first time the purge option is accessed after installation of County Release No. 406, extensive time may be required to complete processing because of the volume of EFT records meeting the 16-month criteria. State and County Offices are also reminded that the report of purged payments will be unusually long following this process. Ensure that the selected printer will be available to complete the print job.

B
Check Writing Inquiry

New screens have been added when printing reports using Option 8, "Inquiry of the Accounting Payment File"on MenuANK000. Screen ARK30010 allows selection of detail, summary, or no inquiry report to print. When selecting either detail or summary, new Screen ARKPRTID will be displayed to enter the ID of the printer to be used and number of copies desired. Screen ARKPRTOK will then be displayed to indicate whether the report has printed satisfactorily.

C
On-Line Help

Option 15, "On-Line Help", on Accounting Main Menu AAA000, has been updated to describe changes in County Release No. 406.

The Payable Cancellation Help topic has also been revised to provide immediate access to information about the Integrated Correction Process.

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2 Software Changes (Continued)

D Integrated Correction Process

The Data Control System has been revised when creating receivables as part of the Integrated Correction Process. The receivable will now appear as "CANCELPAYMNT", rather than the issued program payment code on receivable detail screens, Cash Receipts screens/CCC-257's, and Automated Claims screens/reports.

The following criteria will now be used to determine when a receivable will be established:

- CCC-184 is not available
- original disbursement record has been purged from the Accounting Payment History File
- EFT has been queued on an AE1 file.

To reduce unnecessary printing of the initial notification letter to producers when establishing receivables as part of the integrated correction process, the Data Control System will provide the user the option to print or suppress the printing of the initial notification letter.

3 County Office Action

A

Payment Cancellation Process

County Offices shall follow this table to complete the Integrated Correction Process when canceling payments through the Program or Accounting Applications.

Step	Action
1	Screen ANK52010 will be displayed for each CCC-184 record with the question, "Is the check to be canceled available? (Y or N)". • ENTER "Y" and PRESS "Enter" for each screen displayed only when the original check is in the office. Screen ABKPRTID will be displayed. Go to step 8. **Note:** If all CCC-184's were available and there are no EFT records, messages will be displayed to indicate Check Writing and Data Control are updating. • ENTER "N" and PRESS "Enter" for each screen displayed when the check is **not** in the office. If "N" was entered, Screen ANK52020 will be displayed with the amount of the payable unavailable for cancellation. Go to step 3. **Example:** Following is an example of Screen ANK52010.

```
Accounting                    017 CALHOUN          Cancel              ANK52010
Check Available Screen          Version: AA01      04-16-1999    06:19    Term #1

Producer/Non-Producer   ID  249 08 2576  S      CYNTHIA B SPIRES
Other Payee (Assignee)  ID  NONE                Commodity Credit Corporation

        Program Code    88CRAN          Amount      2,000.00
        Check Number    10000853        Issue Date  04-16-1999

 Reference:   Farm Number 0005555

 Is the check to be canceled available? (Y or N)   Y

 Enter=Continue
```

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3 County Office Action (Continued)

A Payment Cancellation Process (Continued)

Step	Action
2	If EFT records are available, Screen ANK52040 will be displayed with the message, "This payable is now deleted from the Direct Deposit Pending file. Press "Enter" to continue." **Example:** Following is an example of Screen ANK52040.

```
Accounting                067 SACRAMENTO          Cancel                    ANK52040
Direct Deposit Notification Screen          Version: AA36      04-16-1999      07:40    Term #1

Producer/Non Producer    ID      268 40 8061  S    Carol Bauer

              Program Code    ASCSADM          Amount       444.40
     Direct Deposit Number    D000004          Issue Date   03-23-1999

This payable is now deleted from the Direct Deposit Pending File
Press 'Enter' to continue.

Enter=Continue
```

If the Transmission Verification Report has been printed, Screen ANK52050 will be displayed to remind offices the report must be re-printed before queuing. PRESS "Enter" to continue.

Messages will be displayed to indicate that Check Writing and Data Control are updating. Screen ABKPRTID will be displayed. Go to step 8.

Example: Following is an example of Screen ANK52050.

```
Accounting                067 SACRAMENTO          Cancel                ANK52050
Direct Deposit Notification Screen          Version: AA36      04-16-1999      07:40      Term #1

The Direct Deposit file containing payments to be queued has been deleted
because a payment has been canceled after the Transmission Verification Report
was printed.

The Transmission Verification Report must be re-printed before queuing the
KSO91AE1.

Enter=Continue
```

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3 County Office Action (Continued)

A Payment Cancellation Process (Continued)

Step	Action
3	On Screen ANK52020, enter: • the 5 digit basis of debt code. See 67-FI, Exhibits 7 and 8 for a list of the codes. **Note:** For program code "ASCSADM" the basis of debt code must be "10-341". • the following optional entries, if applicable: • Interest Start Date and Program Code • Charge Program Code and Amount • Additional Charge Program Code and Amount. When finished, PRESS "Enter" to continue. **Note:** If CCC-184 is determined to be available, PRESS "Cmd6" to view the status of the individual CCC-184's. PRESS "Cmd2" to redisplay Screen ANK52010 and begin with step 1. **Example:** Following is an example of Screen ANK52020**.**

```
Accounting                067 SACRAMENTO              Cancel                ANK52020
Amount Due Screen                    Version: AA36        04-16-1999      07:40      Term #1

                  75.96 is still outstanding from DALE MELLENDORF

Producer/Non-producer    ID  327 32 7006  S        Program Code    86CRAN
Reference  Contract Number   0002

Enter a Basis of Debt Code              See Handbook 67-FI

Enter interest start date and program code if interest is due.
          Interest Start Date              Interest Program Code
Enter charges(s) program code and amount if due
     Charge Program Code 1                        Amount Due
     Charge Program Code 2                        Amount Due

Enter=Continue              Cmd6=Show Payments        Help=Help Text
```

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3 County Office Action (Continued)

A Payment Cancellation Process (Continued)

Step	Action
4	Screen ANK52020 will be redisplayed with the total amount due for the program, interest, and charges with the question, "Do you want an initial notification letter printed? (Y/N)". • If producer requires notification of the receivable, ENTER "Y" and PRESS "Enter". Then Screen AQK15201 will be displayed with lines for entering text to print on the Initial Notification Letter. Go to step 6. • If receivable will be repaid immediately by re-recording the program payment, ENTER "N" and PRESS "Enter". Then Screen AQKPRT01 will be displayed with printer ID selection for Receivable Establishment Verification Report. Go to step 7. **Note:** If interest or charges were entered erroneously, PRESS "Cmd2" to re-enter data on Screen ANK52020. **Example:** Following is an example of Screen ANK52020.

```
Accounting                  067 SACRAMENTO          Cancel              ANK52020
Amount Due Screen                Version: AA36    04-16-1999    07:40    Term #1

                    444.40 is still outstanding from CAROL BAUER

A Direct Deposit has ben transmitted for this payment
Producer/Non-producer    ID   268 40 8061  S        Program Code  ASCSADM
Reference     COE 20091179701

Enter a Basis of Debt Code      10 341        See Handbook 67-FI Exhibits 6 & 7

                                  Establish a Receivable for Total Amount Due      444.40

Do you want an initial notification letter printed (Y/N)

Enter= Continue  Cmd2=Re-enter   Data                    Help=Help Text
```

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3 County Office Action (Continued)

A Payment Cancellation Process (Continued)

Step	Action
5	On Screen AQK15201, enter the text to be printed on the Initial Notification Letter and PRESS "Enter" to print the letter. Screen AQKPRT01 will be displayed.
6	On Screen AQKPRT01, enter the printer ID to print the Receivable Establishment Verification Report and PRESS "Enter". Screen AQKCFM01 will be displayed.
7	On Screen AQKCFM01, enter "Y" or "N" to indicate satisfactory printing. Messages will be displayed to indicate Check Writing and Data Control are updating. Screen ABKPRTID will be displayed
8	On Screen ABKPRTID, enter the printer ID for the Producer Transaction Statement, number of copies, and "N" if bar coding is not needed and PRESS "Enter". Screen ABKPRTOK will be displayed.
9	On Screen ABKPRTOK, enter "Y" or "N" to indicate satisfactory printing. The menu of the canceling application will be redisplayed.

B Writeoff or Withdrawal of CANCELPAYMNT Receivables or Claims

Writeoff or withdrawal of CANCELPAYMNT receivables or claims should not be necessary. However, offices are advised to keep a copy of the corrected Producer Disbursement Transaction Statement for the payment cancellation. The KCMO State and County Financial Operations Division will contact offices regarding each writeoff or withdrawal to request the reason for the action and a copy of the corrected statement.

4 Error Conditions When Canceling Payments

A Invalid Payee ID's

County Offices may encounter an error in the Common Receivable System when attempting to cancel payments over a year old in the following scenarios.

- Vendor payments were issued via County Office Expense System with an ID of "None" before release of software in February 1998. After that release, a taxpayer ID was required for all payments. When a payment issued to an ID of "None" is canceled, an ABEND with I/O Error 23 will occur.

- The Check Writing application also allowed an entry of "None" for an ID before the February 1998 software release. Should one of these payments be canceled, an ABEND will occur in the Common Receivable System.

- JM Marketing was established on the Name and Address File as a producer facility type 00 to allow payments to be made through EFT. In April 1998, software was released to allow other facility types to be entered through Personnel/Payroll. JM Marketing has since been updated to the Other Name and Address and deleted from the Producer Name and Address. When a payment with this condition is canceled, the Receivable Establishment Verification Report will be incomplete.

If any of the above conditions are encountered, County Offices shall notify their State Office. State Offices shall contact the National Help Desk to report the problem.

B Karnal Bunt Cancellations

The Karnal Bunt program is administered on behalf of APHIS. Overpayments under this program are not to be collected by FSA offices. Therefore, any attempt to cancel or cancel/sub a purged Karnal Bunt payment will be blocked in Check Writing. Check Writing options to Cancel a Payment, Option 4 and Substitute a Check, Option 10 will display the message, "Payment cannot be canceled. Contact State Office to report overpayments."

5 IRS Reporting

A Program Earnings

Software in County Release No. 406 will discontinue the duplication of program payment reporting that has been the result of past Integrated Correction processing. Revised software will initiate reversal of the payment record from the IRS reporting system. Repayments from the new CANCELPAYMNT receivables will not be reported as refunds on the producers 1099-G.

B Program Refunds

County Offices are reminded that program overpayments shall be established as receivables through the automated application, if overpayment processing is available, or the Common Receivable System. The establishment of a receivable through payment cancellation is not intended to replace overpayment processing.