

For: State and County Offices

Recording Apple Loan Repayments in the Cash Receipts System

Approved by: Deputy Administrator, Management



1 Overview

A

Background

Apple loans are made to apple producers that suffer economic loss as the result of low prices. County Offices began issuing apple loans in December 2000. Notice FI-2490 provided County Offices with instructions for recording apple loan repayments on a manual CCC-257, until modifications were made to the AS-400/S-36 and PLAS.

After the installation of County Release No. 474, County Offices will be able to record apple loan repayments in the Cash Receipts System.

Note: Some County Offices erroneously recorded apple loan collections in the AS-400/S-36 using the Farm Loan Program Collection code. When this occurred, manual entries were performed in the St. Louis Finance Office to record the collection for the apple loan. No action is required by County Offices to correct these errors.

B

Purpose

This notice provides instructions for:

- entering manual CCC-257's for apple loan repayments in the S-400/S-36
- recording all apple loan collections received after installation of County Release No. 474 in the AS-400/S-36
- handling apple loan dishonored checks.

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Disposal Date December 1, 2002	Distribution State Offices; State Offices relay to County Offices
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Notice FI-2508

1 Overview (Continued)

C

Contact

If there are questions about this notice:

- County Offices shall contact the State Office
 - State Offices shall contact Lenior Simmons, FMD at 703-305-1313.
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2 Entering Apple Loan Repayments in the Cash Receipts System

A

Apple Loan Repayments

After installing County Release No. 474, all apple loan repayments shall be recorded in the Cash Receipts System.

- Repayments that were recorded on a manual schedule, must now be recorded in the Cash Receipts System to ensure that the borrower's record is updated correctly and included in FmHA 1951-9 for calendar year 2001. All manual schedules **must** be input by December 31, 2001.
 - Repayments received after installation of County Release No. 474, shall be recorded directly in the Cash Receipts System.
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2 Entering Apple Loan Repayments in the Cash Receipts System (Continued)

**B
Cash Receipts
System**

The instructions for entering apple loan repayments in the Cash Receipts System are the same as the instructions for Farm Loan Program collections. Complete Cash Receipts System instructions are in 3-FI.

Follow these instructions to enter apple loan repayments in the Cash Receipts System.

Step	Action	Result
1	On Accounting - Cash Receipts Main AGK000: <ul style="list-style-type: none"> • ENTER "1", "Enter Payment/Refund for Schedule of Deposit" • PRESS "Enter". 	Screen AGK01000 will be displayed.
2	On Screen AGK01000 enter: <ul style="list-style-type: none"> • program code "01APL" • repayment date • borrower ID and type • State and County number from case number • collection code - See 3-FI, Exhibit 5 for valid collection codes applicable to Farm Loan and Apple Loan collections. PRESS "Enter".	Screen AGK01005 will be displayed.
3	On Screen AGK01005: <ul style="list-style-type: none"> • enter the repayment amount • PRESS "Enter". 	Screen AGK01201 will be displayed.

Accounting Program Data Entry Screen	081 LITTLE RIVER	Entry Version: AD61 07-10-2001 14:03 Term E4

Enter Program Information		
Program Code <u>01APL</u>	Repayment/Loan Date <u>12-05-2001</u>	
ID Number <u>444444444</u> ID Type <u>S</u>	Facility Code <u>00</u>	
Name <u>IMA SMITH</u>		
Farm Loan		
Borrower Case Number State <u>05</u> County <u>013</u>	Collection Code <u>00</u>	
Normal		
Amounts:		
Farm Loan	<u>150.00</u>	
		Special Data (Y or N) <u>Y</u>
Enter=Continue Cmd2=Return To Program/Producer Entry Cmd7=End Help=Help Text		

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2 **Entering Apple Loan Repayments in the Cash Receipts System (Continued)**

B
Cash Receipts
System
(Continued)

Step	Action	Result
4	On Screen AGK01201: <ul style="list-style-type: none"> • enter special data according to 3-FI, Exhibit 5 • PRESS "Enter". 	Screen AGK00500 will be displayed.
<div style="border: 1px solid black; padding: 5px;"> <p>Accounting 081 LITTLE RIVER Entry AGK01201 Farm Loan Data Screen Version: AD61 07-10-2001 14:03 Term E4</p> <hr/> <p> Program Data Accepted by Cash Receipts For \$150.00 On Program Code <u>01APL</u> Repaid <u>12-05-2001</u> By <u>IMA SMITH</u> ID Number <u>444444444</u> Type <u>S</u></p> <hr/> <p>Collection Code <u>00</u> Borrower Case Number State <u>05</u> County <u>013</u> Normal Fund Code__ Loan/Lease Number__ Loan Coding ____ Advice Number ____ Transferor/Lessee ID Number ____ ID Type __ Facility Code ____ Name _____ Transferor/Lessee State__ County__ Effective Date ____ Transferor/Lessee Fund Code ____ Loan Number ____ Original Equity RECAP Amount ____ Equity RECAP Collected ____ Enter Free Form Special Data _____ _____ _____</p> <p>Enter=Continue Cmd7=End Help=Help Text</p> </div>		

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3 Recording Apple Loan Dishonored Checks in the Cash Receipts System

A

Dishonored Checks

County Offices will receive notification from their local depository or CCC lockbox bank when a deposited apple loan repayment check did not clear banking channels. County Offices shall take the following steps to process an apple loan dishonored check.

Step	Action
1	<p>Contact the payer to:</p> <ul style="list-style-type: none"> • advise that the check was dishonored • request a replacement remittance in the form of: <ul style="list-style-type: none"> • a certified check • cashier’s check • money order. • advise that there will be a \$25 dishonored check fee.
2	<p>Modify (do not delete) the program code of the original collection from “01APL” to “DISHCKCANAPL” according to 3-FI, paragraph 88.</p> <p>Note: When the original code is modified, SLKCFO will be alerted that the collection should be removed from the borrower’s debt.</p>
3	<p>CBS County Offices shall:</p> <ul style="list-style-type: none"> • prepare a check to reimburse LD for the amount of the dishonored check and related fees • prepare the check in the Disbursement Check Writing application of System 36 using program code “DISHCK”. <p>Note: County Offices that use the CCC Lockbox Bank may skip this step.</p>
4	<p>When the borrower remits a cashier’s check or money order for the dishonored check amount, process the remittance as a new collection. The replacement remittance should be recorded on the next available CCC-257 with the program code “01APL”.</p>
5	<p>Record the \$25 dishonored check fee with the program code “DISHCKFEE”.</p> <p>Note: See 3-FI, Part 4 for complete instructions on handling dishonored checks.</p>