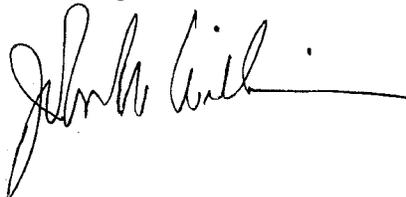


For: State and County Offices

**Automatic Transfer of Receivables to Claims
From the Common Receivable System (CRS) to the Automated Claims System (ACS)**

Approved by: Deputy Administrator, Management



1 Overview

A Background

The Debt Collection Improvement Act of 1996 requires timely and efficient collection of debts owed to the Federal Government. According to FSA, receivables for farm program debts shall be transferred to claim status 31 calendar days after the first demand letter is sent.

To ensure timely transfer of receivables to claims, CRS has been modified to invoke the transfer to claims process automatically.

B Purpose

This notice advises State and County Offices that:

- eligible receivables will be automatically transferred to ACS during start-of-day processing on Wednesdays
- the change is effective with issuance of County Release No. 564, which should be available in the County Offices by June 3, 2005.

C Contact

State and County Offices with questions about this notice should contact either of the following:

- Robin Crouthamel, KCFO, Debt Management Division at 816-926-1613
- Barbara Nowell at 703-305-1433.

Disposal Date	Distribution
January 1, 2006	State Offices; State Offices relay to County Offices

Notice FI-2695

2 Action

A Transfer Process

The transfer process is as follows:

- during Wednesday start-of-day processing, any receivable with a recorded first demand letter dated **at least** 31 calendar days prior will be automatically transferred to claim status
- FSA-671 will print from ACS when the claim is established
- the claim will then be reported to Treasury for offset.

Note: If the user does **not** want to wait until Wednesday for the automatic transfer, the menu option may be used to transfer a receivable to a claim.

B Action

County Offices shall:

- record the referral/status code in ACS if the receivable/claim is in appeal, bankruptcy, or litigation
- ensure that corrective action is taken to resolve any invalid receivables.

Note: These actions must be taken promptly to prevent ineligible debts from being reported to Treasury for offset in error.