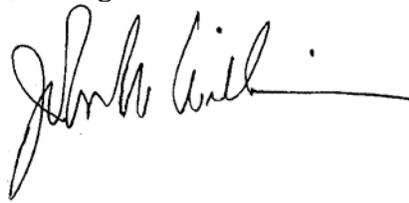


For: State and County Offices

Disabling County Office Administrative Expense System (COE) on System 36

Approved by: Deputy Administrator, Management



1 Overview

A Background

The FSA Modernization Project requires that all applications residing on System 36 migrate to a new platform. COE is 1 of several applications required to migrate from System 36. COE is the application used by County Offices to pay administrative expenses such as rent, utilities, supplies, postage, etc. OIG recommended that County Office administrative expenses be migrated to systems maintained by Controller Operations Division (COD) in New Orleans, LA. OIG cited FSA for maintaining a redundant system with COD which contributed to additional costs being borne by the Department to operate and maintain duplicate system functionalities.

FSA management concurred with the OIG recommendation. FSA adopted a phased-in approach to the migration of COE to COD. Effective July 1, 2006, the migration to COD systems was completed for all administrative expenditures.

B Purpose

This notice:

- advises State and County Offices that the following COE functions are being disabled:
 - issuing a payment
 - making an administrative collection
- provides instructions for :
 - making corrections to payments issued through System 36 **before** migration to COD
 - handling administrative collections received in the State or County Office.

Disposal Date

January 1, 2007

Distribution

State Offices; State Offices relay to County Offices

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1 Overview (Continued)

C Contact

State Offices with questions about this notice should contact Debbie Simmons by e-mail at debbie.simmons@wdc.usda.gov.

2 Disabling COE Functions on System 36

A Functions To Be Disabled in County Release No. 597

County Release No. 597 will disable the following COE options on Menu NCA300, Personnel/Payroll, Payroll and Other Payments Menu:

- 1, Calculate Payroll Payments
- 2, Prepare Other Administrative payments
- 3, Select/Print Payables
- 5, Enter Manually Prepared Payments
- 7, Create/Modify Earnings and Leave Statement
- 8, Print Earnings Statement and Leave Record
- 9, View/Print Pending Adjustment Records
- 10, Modify Pending Adjustment Records
- 11, Manual Payment Accounting Corrections.

Option 1, Make an Administrative Collection will be disabled on Menu NCA500, Personnel/Payroll Administrative Collections Menu.

County Release No. 597 is scheduled for mailing September 11, 2006.

B Functions To Be Disabled in a Future Release

The COE functions to correct or cancel an administrative expense payment or collection that was recorded through System 36 will remain on System 36 through the end of FY 2006. Follow the instructions in 115-FI, paragraph:

- 97 to correct an administrative expense transaction code
- 99 to cancel an erroneously issued payment
- 124 to modify collection information
- 125 to cancel an erroneously recorded collection.

Note: Corrections shall **not** be recorded **after** September 30, 2006.

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3 State Office Administrative Disbursements

A Payments to be Issued by COD

All State Office administrative expenses disbursed on behalf of County Offices shall be made through a COD system or by purchase card.

B Discontinue Using Program Code "STOADM"

All State Offices shall discontinue using program code "STOADM" through the System 36 Accounting application's Disbursement/Check Writing function effective immediately. The code will be removed from the Accounting table in a future release.

4 Handling Administrative Expense Refund Collections

A Overview

Administrative expenses are paid through various systems at NFC or COD in New Orleans, LA. Therefore, refunds for overpayments of administrative expenses must be processed by NFC or COD.

B Handling Collections for Administrative Expense Refunds

Record collections for administrative expense refunds on a separate FSA-603. Do **not** enter these collections in the computer. Mail the collection to KCFO at the following address:

KCFO/FAD/AAOB, Stop 8558
PO Box 419205
Kansas City, MO 64141-6205.

Include a memo stating the:

- State and County code
- appropriate budget object code as listed in 98-FI
- reason for the collection
- State or County Office contact person and telephone number.

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5 Issuing Payments for Program Expenses

A Program Expenses Paid by Automated Program Application

Continue using the appropriate program application to issue payments for programs that interface payments to the System 36 Accounting application or the web-based National Payment Service.

B Program Expenses Paid Through System 36 Disbursement/Check Writing Function

Continue using System 36 for program payments that do **not** have a program application that interfaces to the System 36 Accounting application. Instructions for issuing program payments that do **not** have a program application that interfaces to the System 36 Accounting application and the applicable program codes are found in 1-FI.

Note: Loan recording fees are an example of a program expense paid through System 36.

6 Final COE Mainframe Processing of Payments Issued After July 1, 2006

A Final Biweekly Run for FY 2006

The COE mainframe biweekly run will **not** be processed in August or September. The final biweekly run of the COE mainframe will be processed as of September 30, 2006, and will include all activity processed in August and September.