#### UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency Washington DC 20250

For: State and County Offices

#### Processing Promissory Notes (CCC-279's) in the National Receipts and Receivables System (NRRS)

Approved by: Associate Administrator for Operations and Management

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#### 1 Overview

#### **A** Background

As a result of implementing NRRS, the intended method for identifying receivables being resolved by a promissory note (CCC-279) in the system was to change the status of the receivables to "Open-Promissory Note". State and County Offices would then be able to service promissory notes by recording installment payments in NRRS. However, this functionality has caused problems with the accounting for receivables and NRRS is **not** fully capable of recording installment payments accurately or servicing promissory notes.

#### **B** Purpose

This notice notifies State and County Offices of the following:

- changes in handling signed CCC-279's
- recording receivable settlements in NRRS for receivables being settled by CCC-279
- instructions for handling signed CCC-279's and supporting documentation after the settlement has been recorded in NRRS.

Disposal Date	Distribution
December 1, 2010	State Offices; State Offices relay to County Offices

#### **1 Overview (Continued)**

#### **C** Contacts

If there are questions about this notice:

- County Offices shall contact the State Office
- State Offices shall contact the appropriate office as follows.

Issue	Contact
Policy	• Thom Harris by either of the following:
	<ul> <li>e-mail to tom.harris@wdc.usda.gov</li> <li>telephone at 703-305-1439</li> </ul>
	• Steve Huckaby by either of the following:
	<ul> <li>e-mail to stephen.huckaby@kcc.usda.gov</li> <li>telephone at 816-926-2850.</li> </ul>
Software	Contact the National Help Desk at 800-255-2434 or 816-926-1552.
	Select option:
	<ul> <li>"1", for problems with NRRS</li> <li>"3", for hardware and other software.</li> </ul>

#### 2 NRRS Promissory Note Process

#### A Changes in Handling Signed CCC-279's

Currently, the method for setting up CCC-279's for receivables in NRRS is to change the status of the receivable to "Open-Promissory Note". Because NRRS does **not** have the ability to accurately account for or service CCC-279's, this method will no longer be used.

The promissory note process on receivables in NRRS will now be handled similar to the prior process in the System 36 environment. Receivables that are being settled through the promissory note process will be closed (settled in-full) in NRRS when the State or County Office enters into a repayment agreement with a customer. The signed CCC-279 will then be sent to the Kansas City, Financial Services Center, Receivable Servicing Group (RSG) for servicing. All customer installment payments and offsets should be sent to RSG to be applied in the promissory note software. This will enable proper accounting and servicing for all CCC-279's.

### 2 NRRS Promissory Note Process (Continued)

#### **B** Recording Receivable Settlements in NRRS for Signed CCC-279's

When a State or County Office receives a signed CCC-279 from a customer, take the following steps in NRRS to settle the receivables being resolved through the promissory note process.

Step	Action
1	On the Welcome to the NRRS Home Page, under Receivables Menu, CLICK "Search".
	Welcome to the NRRS Home Page
	Receivables New Receivable Search Welcome to the National Receipts & Receivables System. Please use the menu options at the left to select the appropriate function
	Receipts         Record New Receipt         Search         Deposits    10 debt collections were received in the previous business day and have not been added to a schedule of deposit. Please ensure that all deposits are made before COB.
	Prepare Deposit Verify Deposit Search Reports
	Failed Letter Report Home
	<ul> <li>following for the receivable being resolved by the signed CCC-279, and CLICK</li> <li>"Search":</li> <li>receivable number to "Search By Receivable"</li> <li>TIN to "Search By Customer".</li> </ul>
	<b>CITY COMPLEX-FSA</b> Search for a Receivable
	Receivables       Search By Receivable         New Receivable       Receivable ID:         Search       Reference Type:         Record New Receipt       Select reference type         Search       Reference Number:
	Deposits     Search     Reset Form     Cancel       Prepare Deposit     Verify Deposit     Search By Customer
	Search     Tax ID:       Reports     Tax ID :       Failed Letter Report     Tax ID Type:     Select ID type •
	Home Search Reset Form Cancel

## 2 NRRS Promissory Note Process (Continued)

# **B** Recording Receivable Settlements in NRRS for Signed CCC-279's (Continued)

Step	Action			
3	On the Receivable Search Results Screen that will be displayed, CLICK "Select			
	link to view the receivable.			
	Receivable Search Results			
	Receivable Results         Recv ID         Orig St         Orig Cnty         Current Balance         Debt Status			
	Select 5807806 35 - NM 005 - CHAVES \$2,292.00 Open			
	Total: \$2,292.00			
	Back Cancel			
4	This is an example of the Receivable Details Screen that will be displayed. Under			
	Receivables Menu, CLICK "Settle Receivable Full".			
	Receivable Detaile			
	Receivables Receivable Details			
	Settle Receivable Full Receivable ID: 21832 Settle Receivable Dartial Receivable Status: Open			
	Settle Receivable Partial         Receivable Status: Open           Change Status         Date of Indebtedness: 09/09/1991			
	Change Customers Budget Fiscal Year: 1990			
	Add Remarks State / County: NE (31) / Buffalo (019) View History Establishment Discovery Code: Program Operations			
	Establishment Basis Reason Code: Noncompliance with Program Requirements			
	Main Menu Audit Number: DCIA Status: Referred to Treasury Offset			
5	The Settle Receivable - Full Screen will be displayed. In the "Settlement Date"			
5	field, enter the date of the signed CCC-279; from the "Settlement Type" drop-down			
	menu, select "Promissory Note"; enter remarks and CLICK " <b>Submit</b> ". User will			
	then be prompted to confirm the settlement.			
	Settle Receivable - Full			
	Receivable ID: 923003			
	State / County: WI (55) / LAFAYETTE (065)			
	Current Total Balance: \$1,224.47			
	DCIA Status: NOT_REFERRED Recv Establishment Date: 04/01/2010			
	Date of Indebtedness: 10/01/2019			
	Settlement Date: MM/DD/YYYY			
	Settlement Type: Un-Collectible			
	Program Principal: Un-Collectible			
	Program Interest: Judgment Full			
	Program Fees: Relief Granted Full Small Balance Write-Off			
	Remarks: Promissory Note			
	Withdrawal			
	Submit Reset Cancel			

#### 2 NRRS Promissory Note Process (Continued)

# C Handling Signed CCC-279's and Supporting Documentation After Settlement Has Been Recorded in NRRS

After signed CCC-279's have been recorded through the NRRS promissory note process:

• State or County Office will send the original signed CCC-279 to the following address for servicing:

USDA, FSC, RSG, P.O. Box 419205, Mail Stop 8528, Kansas City MO 64141-6205

- State or County Office will FAX all supporting documentation for the receivable covered by CCC-279 to the Receivable Imaging System at 816-823-4240
- CCC-279 will be maintained and serviced by RSG in the Kansas City Promissory Notes System
- RSG will notify the customer when a signed CCC-279 is received and mail payment coupons to the customer
- RSG will notify State and County Offices if CCC-279 becomes delinquent and can be offset or if the customer has chosen to pay installments by offset
- RSG will notify the County Office when CCC-279 has been paid in-full.