

**For:** State and County Offices

**Depositing FSA Administrative Refund Checks Using Over-the-Counter Channel (OTCnet)**

**Approved by:** Associate Administrator, Operations and Management



**1 Overview**

**A Background**

FSA Administrative Collection checks (jury duty, travel overpayment, postage, etc.) are processed in Kansas City using OTCnet. OTCnet is a secure, web-based system combining the functionality and features of Paper Check Conversion – Over-the-Counter (PCC-OTC) and Treasury General Account Deposit Network (TGA.net). PCC-OTC and TGA.net were previously used to electronically process collections.

**Note:** OTCnet will:

- convert paper checks presented to FSA into electronic debits to account holder’s bank accounts
- present many benefits to FSA, including reducing:
  - lost or misplaced checks, which will improve relations with customers and speed the check-clearing process
  - paper handling, therefore minimizing processing and handling costs
  - the potential for human error.

**B Purpose**

This notice:

- informs FSA employees of the display requirements for the **Notice to Customers Providing Checks in Person or by Mail**
- obsoletes Notice FI-3126.

<b>Disposal Date</b>	<b>Distribution</b>
April 1, 2013 2-12-13	State Offices; State Offices relay to County Offices

## Notice FI-3142

### 2 Actions

#### A Legal Notice

The legal notice shall be displayed in a visible area in State and County Offices to anyone paying FSA by check or a copy of Exhibit 1 **must** be provided.

**FSA Administrative Collection checks** will continue to be sent to the following FSA Kansas City address for electronic deposit.

USDA, FSA  
STOP 8558  
PO BOX 419205  
KANSAS CITY MO 64141-6205

**Note:** All other farm program and FLP program checks shall be deposited and then shredded in the County Office unless they are to be sent to the Lockbox.

#### B Requirement to Display Legal Notices

Federal Agencies are required by 31 CFR Part 210 to display the OTCnet legal notice. A copy of the legal notice may also be:

- provided when refunds and/or reimbursements are received
- attached to the initial notification or first demand letter.

#### C Contact

For questions about this notice contact Samantha Hoffmann by:

- e-mail at [samantha.hoffmann@kcc.usda.gov](mailto:samantha.hoffmann@kcc.usda.gov)
- telephone at 816-926-1446.

**Example of Legal Notice**

Following is the legal notice that will be displayed or provided to anyone submitting refunds and/or reimbursements.

 <p>The U.S. Department of the Treasury Financial Management Service</p> 
<b>Notice to Customers Providing Checks in Person or by Mail</b>
<b>CONVERSION OF CHECKS:</b> When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. When we use information from your check to make an electronic funds transfer, funds may be withdrawn from your account as soon as the same day you make your payment.
<b>INSUFFICIENT FUNDS:</b> The electronic funds transfer from your account can occur faster than a check is normally processed. Do not present a check to the cashier unless there are sufficient funds available in your checking account. If the electronic funds transfer cannot be completed because of insufficient funds, we may try to make the transfer up to two more times.
<b>AUTHORIZATION:</b> By presenting your check to the cashier you authorize the conversion of your check into an electronic funds transfer. If the electronic funds transfer cannot be processed for technical reasons, you authorize us to process the copy of your original check.
<b><i>Privacy Act – A Privacy Act Statement required by 5 U.S.C. § 552a(e)(3) stating our authority for soliciting and collecting the information from your check, and explaining the purposes and routine uses which will be made of your check information, is available from our internet site at (<a href="http://www.fms.treas.gov/otcnet/index.html">http://www.fms.treas.gov/otcnet/index.html</a>) or call toll free at (1-866-945-7920) to obtain a copy by mail. Furnishing the check information is voluntary, but a decision not to do so may require you to make payment by some other method.</i></b>