

For: State and County Offices

NRRS Automated Dishonored Check Process

Approved by: Associate Administrator for Operations and Management



1 Overview

A Background

The functionality for dishonored checks in NRRS has been automated. NRRS will automatically update the status on the remittance when a check is dishonored by Treasury. Only National and State Office users will be able to dishonor a check manually. National Office users will also have the ability to reverse a dishonored check.

B Purpose

This notice provides information about the new dishonored check functionality and financial transaction status.

Disposal Date	Distribution
June 1, 2016	State Offices; State Offices relay to County Offices

Notice FI-3272

1 Overview (Continued)

C Contacts

If there are questions about this notice, State Offices shall contact the appropriate office as follows.

Issue	Contact
Software-Related Problems	National Help Desk at 800-255-2434 or 816-926-1552. Note: Select option 3 for hardware and application software.
Procedure for Dishonored Checks	<ul style="list-style-type: none">• Carrie Miller by either of the following:<ul style="list-style-type: none">• e-mail to carrie.miller@kcc.usda.gov• telephone at 816-926-2853.• Rhonda Anthony by either of the following:<ul style="list-style-type: none">• e-mail to rhonda.anthony@kcc.usda.gov• telephone at 816-926-6330.
Policy on Dishonored Checks	Veronica Richardson by either of the following: <ul style="list-style-type: none">• e-mail to veronica.richardson @wdc.usda.gov• telephone at 202-772-6029.

2 Dishonored Check Process

A Financial Transaction Status Field

The Remittance Detail Screen will have a new “Financial Transaction Status” field. This field will indicate the status of the remittance and eliminate the need for the field office to contact the Receivable Management Office (RMO) for the check status. One of the following three statuses will be displayed:

- **DISHONORED** indicates that the check has been returned from Treasury, generally for insufficient funds
- **PENDING** indicates that the check is still waiting to clear at Treasury
- **SETTLED** indicates that the check has cleared at Treasury.

2 Dishonored Check Process (Continued)

A Financial Transaction Status Field (Continued)

NRRS will automatically:

- update the financial transaction status from the Treasury file for each remittance
- notify the program applications of the reversal

Note: External program applications such as MPP, NAP and DLS using the NRRS Web Collection Service to transmit external receipts to NRRS will automatically cancel or delete the repayment or collection on their applications once the dishonored check notification is received. CLPS, however, does not automatically process the repayment deletion for MAL. This process will remain a manual process until a future CLPS enhancement.

- establish a \$25 dishonored check fee receivable for any dishonored farm program remittance.

B Screen Examples of the Financial Transaction Status

The following is an example where the financial transaction status is “**SETTLED**” for an internal receipt.

The screenshot displays the NRRS web interface. At the top, there are navigation links: NRRS Home, About NRRS, Help, Contact Us, Exit NRRS, and Logout of eAuth. On the left, a sidebar menu includes Remittances (Add Remarks, View History, Print/View Details), Main Menu, and Go To (NPS, OLP, eFMS, FSA-FS, FI). The main content area is titled "Remittance Details" and shows the following information:

- Remittance Id: [6432105](#)
- Effective Date (mm/dd/yyyy): 11/23/2015
- Remittance Amount (\$): 506.00
- Remaining Amount (\$): 0.00
- Remitter Name: .
- Schedule Number: 2055
- Remittance Type: Check
- Schedule Date (mm/dd/yyyy): 11/23/2015
- Check/Item Number: 112
- Receiving Office: Merced, CA
- Tax ID: ****3253
- Dishonor Status: N
- Tax ID Type: S
- Financial Transaction Status: **SETTLED**
- Source System: NF
- Remittance Status: Verified

Below the remittance details, there is a "Receipts" section with a table:

ID	Collection Type	Amount (\$)
6430005	Direct Sales	\$ 506.00

There is also an "External Receipts" section with a table:

ID	Source System	Amount (\$)
No External Receipts exist.		

At the bottom of the main content area, there is a link for "View Check Image". The footer of the page includes the version number "NRRS-Web-9.3.1" and a list of links: NRRS Home, FSA Internet, FSA Intranet, USDA.gov, Site Map, Policies and Links, FOIA, Accessibility Statement, Privacy, Non-Discrimination, Information Quality, USA.gov, and White House.

2 Dishonored Check Process (Continued)

B Screen Examples of Financial Transaction Status (Continued)

The following is an example where the financial transaction status is “**SETTLED**” for an external receipt.

NRRS Home		About NRRS	Help	Contact Us	Exit NRRS	Logout of eAuth						
Remittance Details												
Remittances Add Remarks View History Print/View Details Main Menu Go To NPS OLP eFMS FSA-FS FI	Remittance Id: 6416216	Effective Date (mm/dd/yyyy): 11/12/2015										
	Remittance Amount (\$): 250.00	Remaining Amount (\$): 0.00										
	Remitter Name: [REDACTED]	Schedule Number: 1076										
	Remittance Type: Check	Schedule Date (mm/dd/yyyy): 11/16/2015										
	Check/Item Number: 8585	Receiving Office: District of Columbia, DC										
	Tax ID: ***2544	Dishonor Status: N										
	Tax ID Type: S	Financial Transaction Status: SETTLED										
	Source System: OY	Remittance Status: Verified										
	Receipts											
	<table border="1"> <thead> <tr> <th>ID</th> <th>Collection Type</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td colspan="3">No Internal Receipts exist.</td> </tr> </tbody> </table>							ID	Collection Type	Amount (\$)	No Internal Receipts exist.	
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External Receipts												
<table border="1"> <thead> <tr> <th>ID</th> <th>Source System</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>180029</td> <td>OY</td> <td>\$ 250.00</td> </tr> </tbody> </table>							ID	Source System	Amount (\$)	180029	OY	\$ 250.00
ID	Source System	Amount (\$)										
180029	OY	\$ 250.00										
View Check Image NRRS-Web-9.3.1												

The following is an example where the financial transaction status is “**PENDING**” for an internal receipt.

NRRS Home		About NRRS	Help	Contact Us	Exit NRRS	Logout of eAuth						
Remittance Details												
Remittances Add Remarks View History Print/View Details Main Menu Go To NPS OLP eFMS FSA-FS FI	Remittance Id: 6432103	Effective Date (mm/dd/yyyy): 11/23/2015										
	Remittance Amount (\$): 303.00	Remaining Amount (\$): 0.00										
	Remitter Name: [REDACTED]	Schedule Number: 2055										
	Remittance Type: Check	Schedule Date (mm/dd/yyyy): 11/23/2015										
	Check/Item Number: 1121	Receiving Office: Merced, CA										
	Tax ID: ***3253	Dishonor Status: N										
	Tax ID Type: S	Financial Transaction Status: PENDING										
	Source System: NF	Remittance Status: Verified										
	Receipts											
	<table border="1"> <thead> <tr> <th>ID</th> <th>Collection Type</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>6430003</td> <td>Existing Receivable</td> <td>\$ 303.00</td> </tr> </tbody> </table>							ID	Collection Type	Amount (\$)	6430003	Existing Receivable
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6430003	Existing Receivable	\$ 303.00										
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View Check Image NRRS-Web-9.3.1												

2 Dishonored Check Process (Continued)

B Screen Examples of Financial Transaction Status (Continued)

The following is an example where the financial transaction status is “DISHONORED” for an internal receipt.

NRRS Home		About NRRS	Help	Contact Us	Exit NRRS	Logout of eAuth						
Remittances Add Remarks View History Print/View Details Main Menu Go To NPS OLP eFMS FSA-FS FI	Remittance Details											
	Remittance Id: 6426112	Effective Date (mm/dd/yyyy): 11/24/2015		Remittance Amount (\$): 100.00		Remaining Amount (\$): 0.00						
	Remitter Name:	Schedule Number: 2248		Schedule Date (mm/dd/yyyy): 11/24/2015		Receiving Office: LAFAYETTE, WI						
	Remittance Type: Check	Check/Item Number: 987654321		Tax ID: ****6783		Dishonor Status: Y						
	Tax ID Type: E	Source System: NF		Financial Transaction Status: DISHONORED		Remittance Status: Verified						
	Receipts											
	<table border="1"> <thead> <tr> <th>ID</th> <th>Collection Type</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>6429008</td> <td>Farm Loan</td> <td>\$ 100.00</td> </tr> </tbody> </table>						ID	Collection Type	Amount (\$)	6429008	Farm Loan	\$ 100.00
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NRRS Home		About NRRS	Help	Contact Us	Exit NRRS	Logout of eAuth						
Remittances Add Remarks View History Print/View Details Main Menu Go To NPS OLP eFMS FSA-FS FI	Remittance Details											
	Remittance Id: 6433546	Effective Date (mm/dd/yyyy): 11/24/2015		Remittance Amount (\$): 100.00		Remaining Amount (\$): 0.00						
	Remitter Name:	Schedule Number: 2057		Schedule Date (mm/dd/yyyy): 11/24/2015		Receiving Office: Merced, CA						
	Remittance Type: Check	Check/Item Number: 2121		Tax ID: ****6924		Dishonor Status: Y						
	Tax ID Type: S	Source System: OY		Financial Transaction Status: DISHONORED		Remittance Status: Verified						
	Receipts											
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182121	OY	\$ 100.00										
View Check Image												
NRRS-Web-9.3.1												

2 Dishonored Check Process (Continued)

B Screen Examples of Financial Transaction Status (Continued)

The following is an example where the financial transaction status is “NA”. This status is reserved for money orders, wires or other certified funds.

NRRS Home		About NRRS		Help		Contact Us		Exit NRRS		Logout of eAuth	
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Remittances Add Remarks View History Print/View Details Main Menu Go To NPS OLP eFMS FSA-FS FI	Remittance Details																
	Remittance Id: 6434704						Effective Date (mm/dd/yyyy): 11/25/2015										
	Remittance Amount (\$): 100.00						Remaining Amount (\$): 0.00										
	Remitter Name:						Schedule Number: 2058										
	Remittance Type: Money Order						Schedule Date (mm/dd/yyyy): 11/30/2015										
	Check/Item Number: 5151						Receiving Office: Merced, CA										
	Tax ID: ****3098						Dishonor Status: N										
	Tax ID Type: S						Financial Transaction Status: NA ←										
	Source System: OY						Remittance Status: Verified										
	Receipts																
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182133	OY	\$ 100.00															
View Check Image																	
NRRS-Web-9.3.1																	

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2 Action

A RMO

RMO will continue to notify field offices about a dishonored check through an e-mail notification. This is only to ensure that the field office can follow up with the customer timely to have the check replaced.

B County Office

The County Office shall follow instructions in this table when a dishonored check notification is received from RMO.

Step	Action
1	Notify the payer by telephone and confirm by letter that a replacement remittance is due immediately, and that it must be either of the following: <ul style="list-style-type: none">• certified or cashier’s check• money order.
2	Take the necessary steps to secure collateral, CCC-owned commodities, or other property affected by the dishonored check. When notified a check is dishonored: <ul style="list-style-type: none">• immediately take steps to prevent removal of loan collateral, CCC-owned commodities, or other property, based on the dishonored check• for insufficient funds or no account, establish safeguards to prevent the removal of collateral, commodities, or other property based on other uncertified checks from the same person or organization• if the dishonored remittance is associated with a CLPS/MAL external receipt, the MAL repayment must be manually deleted in CLPS. Do not certify and sign the refund payment in NPS for the NRRS collection overpayment associated with the dishonored check.