

For: State and County Offices

Handling 2008 Through 2010 LIP Overpayments Created for Manual Reconciliation

Approved by: Deputy Administrator, Farm Programs



1 LIP Overpayments

A Background

Notice LDAP-27 provided instructions for creating receivables in the amount of any manual 2008 through 2010 LIP payment. These receivables were to be offset against the automated LIP payments that began on June 18, 2010. The receivables were created with a special debt basis code (10-451) that suppressed demand letter processing.

In most cases, the receivables were paid in full with the automated LIP payment and no future action is required. However, if the automated LIP payment was less than the manually calculated payment, a receivable balance remains.

B Purpose

This notice advises County Offices that the demand letters for the receivable balances created with the 10-451 debt basis code will be processed on or about August 23, 2010.

2 Action

A County Office Action

County Offices shall determine whether LIP receivable balances are valid before demand letters are sent on August 23, 2010. If the receivable balance is:

- valid, no additional action is required
- **not** valid, County Offices shall correct the application and/or overpayment, as applicable.

Note: A small balance write-off can be completed according to Notice FI-2948, subparagraph 5 A for receivables that are less than \$10.

Disposal Date	Distribution
December 1, 2010 8-16-10	State Offices; State Offices relay to County Offices

Notice LDAP-31

2 Action (Continued)

B State Office Action

State Offices shall:

- ensure that County Offices are immediately informed of the contents of this notice
- review the following, which provides the numbers of outstanding receivables that remain in each State as of July 14, 2010.

State Code	Receivable Count	Outstanding Amount
01	9	\$12,130.48
05	13	\$88,553.45
06	2	\$50,259.00
08	15	\$265,958.00
12	7	\$16,684.00
13	2	\$2,877.00
15	8	\$75,001.00
16	19	\$79,626.00
18	5	\$10,263.00
19	84	\$428,440.53
20	30	\$87,409.00
21	169	\$354,174.17
22	6	\$8,973.00
24	6	\$14,856.56
26	1	\$0.34
27	27	\$196,013.83
29	19	\$21,928.77
30	41	\$140,664.27
31	34	\$252,311.56
32	1	\$1.00
33	1	\$6,900.00
35	66	\$901,114.73
36	1	\$68,413.00
37	19	\$133,649.00
38	341	\$1,643,981.93
39	17	\$48,714.48
40	56	\$50,601.83
41	3	\$10,387.60
45	4	\$11,272.00
46	282	\$1,229,691.88
47	8	\$22,741.04
48	61	\$942,569.67
49	6	\$38,935.00
51	15	\$42,801.15
53	5	\$15,978.47
54	1	\$4,289.00
55	1	\$0.51
56	38	\$246,776.49
72	3	\$15,362.00