

For: State and County Offices

**2003 Crop Records Overlaid With 2004 Data and
2004 National Crop Table (NCT) Populated With the 2004 Insurance Price**

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

On March 26, 2004, Notice NAP-72 was issued informing State and County Offices:

- that the 2004 NCT was updated with the 2004 insurability file
- of changes to 2004 insurance records
- that 2004 application for payment and payment software was released.

Subsequently, FSA has been informed that some 2003 crop records in County Offices were overlaid with 2004 data. Although the correct crop data was displayed on the 2003 NCT, incorrect crop data was downloaded to County Offices. Because of this, incorrect 2003 NAP payments may have been issued as of March 25, 2004.

On March 30, 2004, an e-mail was sent to each State NAP specialist by the National Office specialist to immediately notify County Offices to discontinue issuing 2003 NAP payments. In addition, County Offices were instructed not to issue any 2004 NAP payments because the edit to update 2004 NCT with the 2004 insurability file was not successful.

After the edit process was run on March 25, 2004, FSA received numerous calls about removing approval flags on the 2004 NCT. Before the edit was run on the 2004 NCT, queries were run to determine crops that were:

- insurable in 2002 but not in 2004
- insurable in 2004 but not in 2002.

During this process, the State and/or National approval flags were removed so those crops could be identified and populated with the correct 2004 insurance price. This has caused concern and possible extra workload for State Offices to re-approve these crop records.

Disposal Date	Distribution
July 1, 2004 4-2-04	State Offices; State Offices relay to County Offices

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1 Overview (Continued)

B Purpose

This notice informs State and County Offices that:

- on March 31, 2004, 2003 crop records were retransmitted to County Offices with the correct 2003 crop data
- 2003 NAP payments can resume
- incorrect 2003 NAP payments may have been issued between March 25 and March 31, 2004
- on March 31, 2004, an additional edit was run to allow the correct insurance price to be displayed on the 2004 NCT
- 2004 NAP payments can be issued
- the National Office specialist will assist the State NAP specialist in approving crop records where the approval flag was removed from the 2004 NCT.

2 Action

A County Office Action

County Offices shall:

- resume issuing 2003 NAP payments
- ensure that the producer receives the proper 2003 payment with the correct 2003 price and yield data by completing the following:
 - access overpayment processing according to 1-NAP (Rev. 1), paragraph 1371
 - compute overpayments and generate an overpayment register according to 1-NAP (Rev. 1), paragraph 1372

Note: The overpayment process shall be run for “**ALL**” producers.

- transfer overpayments listed on the overpayment register to receivables according to 1-NAP (Rev. 1), paragraph 1373

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2 Action (Continued)

A County Office Action (Continued)

- process payments according to 1-NAP (Rev.1), paragraph 1321 to identify any underpayments

Notes: The payment process shall be run for “**ALL**” producers.

If a receivable was established for a producer during the March 25 to March 31, 2004, timeframe and the producer is no longer overpaid because of correct price and yield data, the payment issued by the system shall be issued to “CCC” for the amount of the receivable and applied to the established receivable.

- begin issuing 2004 NAP payments.

B State Office Action

State Offices shall:

- ensure that County Offices run the payment process as identified in subparagraph A for 2003 NAP payments
- ensure that 2003 NAP payments are resumed
- be aware that 2004 NAP payments can be issued
- be aware that the National Office specialist will assist the State NAP specialist in approving crop records that had been approved with a State and/or National approval flag and the approval flag changed to “N” on the 2004 NCT because of the edit of insurance records

Note: The National Office specialist will contact the State NAP specialist in the near future to identify those crop records that had the approval flag removed.

- identify 2004 crop records that were approved after March 1, 2004, but are currently not approved. For those records identified, State Offices shall work with the National Office for corrective action.