

For: State and County Offices

MLA Overpayment Processing

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

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Background

Notice PF-99 informed State and County Offices that MLA payments are to be issued to producers who were eligible for FY 1998 PFC payments.

Notice PF-101:

- provided County Offices with:
 - MLA payment rates
 - instructions for proportioning FAV acre-for-acre payment reductions
 - instructions for issuing and canceling 1998 MLA payments
 - instructions for printing the MLA payment history print
- advised County Offices that the MLA overpayment process would be included in a future software release.

2-PF, Part 8, provides the procedure for processing PFC overpayments.

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Disposal Date October 1, 1999	Distribution State Offices; State Offices relay to County Offices
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Notice PF-106

1 Overview (Continued)

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Purpose

This notice:

- provides County Offices with:
 - information about how the MLA overpayment process is designed
 - procedure for accessing the MLA overpayment process
 - advises County Offices to follow the procedure in 2-PF to:
 - compute overpayments
 - print the overpayment register
 - transfer overpayments to CRS
 - cancel overpayments
 - reminds County Offices that an "**all farms**" overpayment process must be run at least every 60 calendar days for all PFC payment years.
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2 MLA Overpayment Process

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Overpayment Processing

The software that was developed to handle MLA overpayment functions is similar to the PFC overpayment software. However, the MLA overpayment process is separate from the PFC overpayment process.

Example: If a producer received PFC and MLA payments and it is later determined that the producer's share on CCC-478 was not correct, CCC-478 should be updated in the automated system accordingly. To determine the overpayment amounts, County Offices must run the overpayment according to:

- 2-PF, Part 8, for the PFC payment
- this notice for the MLA payment.

Reminder: 2-PF instructs County Offices that an "**all farms**" overpayment process shall be run at least once every 60 calendar days for PFC payments to ensure that:

- producers are timely notified of overpayments
 - the finality rule will not apply.
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Notice PF-106

2 MLA Overpayment Process (Continued)

B

Accessing MLA Overpayment Process

Access the MLA overpayment process from Menu FAX250 according to this table.

Step	Menu or Screen	Action		
1	FAX250	ENTER "3" or "4", "Application Processing".		
2	FAX09002	<p>Note: Menu FAX09002 will be displayed if option 4 was selected on Menu FAX250.</p> <p>Select the appropriate county to continue to Menu FAX07001.</p>		
3	FAX07001	ENTER "11", "PFC/Compliance".		
4	M00000	ENTER "4", "Production Flexibility Program".		
5	MGYEAR	ENTER "5", "1998 Program Year".		
6	MGC000	ENTER "2", "Production Flexibility Contract Payment Processing".		
7	MGCL00	<p>ENTER "2", "1998 Market Loss Assistance Payment Processing".</p> <p>Note: Menu MGCL00 is a new menu that allows County Offices to select the desired 1998 payment process. To access the 1998 PFC payment processing options, ENTER "1", "1998 PFC Payment Processing".</p>		
8	MGCS00	<p>Note: Menu MGCS00 is the main menu for the MLA payment processing options.</p> <ul style="list-style-type: none"> • ENTER "3", "Overpayment Processing" • PRESS "Enter". 		
	MGCSR0	<p>Note: Menu MGCSR0 is the main menu for the MLA overpayment processing options.</p>		
		IF the user wants to...	THEN, on Menu MGCSR0, ENTER...	Result
		<ul style="list-style-type: none"> • compute overpayments • print the overpayment register • transfer overpayments to CRS • continue a suspended overpayment batch 	"1", "Process Overpayments".	Menu MGCSR1 will be displayed.
cancel an overpayment that has been transferred to CRS	"2", "Cancel Overpayments".	Screen MGCLAA02 will be displayed.		

Continued on the next page

Notice PF-106

2 MLA Overpayment Process (Continued)

C

Computing Overpayments

County Offices shall compute MLA overpayments every 60 calendar days to ensure that:

- producers are notified of overpayments in a timely manner
- the finality rule will not apply.

On Menu MGCSR1, ENTER "1", "Compute Overpayments", to calculate MLA overpayments by:

- a specific farm
- a range of farms
- all farms
- selected farms.

Note: The system will force an "all farms" overpayment process if MLA overpayments have not been computed in the last 60 calendar days.

Reminder: The MLA overpayment process is separate from the PFC overpayment process, and County Offices shall run both processes in determining 1998 overpayments.

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Printing Overpayment Register

Once MLA overpayments are computed, County Offices shall print the overpayment register by accessing option 2, "Print Overpayment Register", on Menu MGCSR1.

The messages on the MLA overpayment register are exactly like those that print on the PFC overpayment register. See 2-PF, Part 5, for an explanation of overpayment register messages.

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Transferring Overpayment Amounts to CRS

Once it is determined that an MLA overpayment amount is due, County Offices shall transfer the overpayment to CRS by accessing option 3, "Select and Transfer Overpayments to CRS", on Menu MGCSR1.

The process to transfer MLA overpayments to CRS is similar to that used in the PFC application. See 2-PF, paragraphs 224 through 227, for additional information about transferring overpayments to CRS.

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Notice PF-106

2 MLA Overpayment Process (Continued)

F **Canceling** **Overpayments**

If it is discovered that an MLA overpayment has been transferred to CRS erroneously, the overpayment shall be canceled by accessing option 2, "Cancel Overpayments", on Menu MGCSR0.

Note: Overpayments cannot be canceled until subsequent transactions, such as collections applied to the receivable, have been canceled in CRS. See 67-FI.

The process to cancel MLA overpayments is similar to that used in the PFC application. See 2-PF, paragraph 229, for additional information about canceling overpayments.

G **DD Review**

As with PFC payments, DD's shall review the MLA overpayment register to ensure that County Offices are:

- running the overpayment process in a timely manner
 - collecting overpayments in a timely manner
 - correcting information in the system.
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