

For: State Offices

Adjusted Gross Income (AGI) Issues in the Web-Based Application

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

On March 4, 2005, a software modification to the AGI common routine used by various payment processes was transmitted to County Offices. After installing the revised routine, many County Offices reported that overpayment register information increased from several pages to hundreds of pages.

On March 10, 2005, the software was reset back to the status before March 4, 2005, pending a resolution to the problem.

On March 28, 2005, Information Bulletin No. 3316 advised County Offices that the problem with AGI updates had been identified and software modifications would be implemented in two phases. Phase 1 included the processes to:

- retransmit the modified AGI common routine to County Offices
- remove the requirement for processing prior year overpayments before a 2005 DCP direct payment could be issued.

Phase 2 of the process includes an edit to AGI eligibility data in the web-based application. Information Bulletin No. 3316 indicated additional information would be provided before the edit is run.

B Purpose

This notice advises:

- State and County Offices that an edit will be performed on the web-based AGI data on or about April 13, 2005
- County Offices of the action that may be required after the AGI edit is performed.

Disposal Date	Distribution
October 1, 2005	State Offices

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2 Problems Identified with AGI Since Migration to the Web-Based Application

A How AGI Was Implemented on the System/36

When the AGI eligibility flag was created in the subsidiary system on the System 36, the following factors had to be taken into consideration.

- If a producer or member of a joint operation or entity had an existing eligibility record, then the AGI flag would be updated to the eligibility record.
- For members of joint operations and entities that did not have an existing eligibility record, then the AGI flag would be updated to the entity file.

The AGI common routine used for various payment processes was then programmed to check the AGI flag, either from the eligibility record or the permitted entity file as applicable, to determine the percentage of the payment that could be issued to the producer on the program application or contract.

B Revised AGI Common Routine After Eligibility Migration

On March 4, 2005, a modification to the AGI common routine was transmitted to County Offices. This modification changed the process to read AGI eligibility data only from the eligibility file since all FSA customers now have an eligibility record.

Immediately after the AGI common routine was transmitted to County Offices, numerous reports were received that hundreds of pages of overpayments printed for 2003 and 2004 DCP. Initially it was unknown whether the problem that resulted in the massive number of overpayments was a problem with the common routine or a problem with the data in the eligibility file.

C Phase 1 for Correcting AGI Data

After thoroughly researching the problem that resulted from the March 4, 2005, transmitted software, it was determined that the AGI common routine functioned correctly. The problem is that the AGI data that was migrated to the web-based application for producers or members without existing eligibility records was set to "Not Filed", which is the default value for new customers in SCIMS.

As a result, the vast majority of members of joint operations and entities were listed on the DCP overpayment and nonpayment registers because "Not Filed" is not an eligible payment value and "N" had been downloaded to the System 36 based on the data in the web-based application.

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2 Problems Identified with AGI Since Migration to the Web-Based Application (Continued)

C Phase 1 for Correcting AGI Data (Continued)

Based on this research, software for the following was transmitted to County Offices on March 28, 2005.

- AGI common routine reads data from the eligibility file only.
- Removes the requirement for processing prior year overpayments before a 2005 DCP direct payment can be issued.

This process was:

- identified as phase 1 of 2 for correcting the problems with AGI data
- determined to be the most resourceful for ensuring that payments could be issued timely to producers and members that were otherwise eligible for payment.

Note: County Offices are still required to compute overpayments timely and take the appropriate action; however the 2005 DCP direct payment software no longer prevents payments from processing if there are 2003 overpayments.

D Phase 2 for Correcting AGI Data

On or about April 13, 2005, an edit will be performed on the web-based AGI data for approximately 9 million customers as follows.

- Any producer or member with a migrated AGI value of “Not Filed” will be changed to “Compliant - CCC-526”.
- If the producer’s web-based eligibility record has been updated since January 3, 2005, the producer’s eligibility record will not be changed regardless of the value currently set in the web-based application.

Effectively, this edit sets the AGI value from “Not Filed” to “Compliant - CCC-526” for all producers and members of joint operations and entities based on the original default rules established when the AGI provisions were implemented on the System 36.

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3 Action

A Introduction

After the edit described in subparagraph 2 D is performed, there may be instances where AGI data that was updated to an “N” on the System 36 before migration to the new web-based application is changed to “Compliant - CCC-526”. Unfortunately at this point there is no way to determine if the “N” value set on the System 36 is the result of the migrated data or a determination made by the County Office about the producer’s eligibility.

Since the vast majority of producers and members of entities meet the AGI eligibility requirements, it has been determined that the most effective change to the AGI data is to set the value to “Compliant - CCC-526” based on the original default rules for AGI. This will reduce the amount of workload required to correct the AGI data in the web-based application for producers that do not meet AGI requirements.

Reminder: Data that has been updated in the web-based application since January 3, 2005, will not be affected by this edit.

B County Office Action

After the edit is performed, County Offices shall review AGI data to ensure that the eligibility data in the web-based application is updated correctly for producers or members of joint operations or entities with either of the following conditions.

- Producer or member has not filed CCC-526 or certification of compliance with AGI provisions.
- Producer or member has been determined ineligible for program benefits, either based on a COC determination or certification by the producer that compliance cannot be met.

The “Ineligible AGI Producer/Member Report” developed on the System 36 is available to County Offices to identify producers that have been determined ineligible for program benefits based on AGI provisions. This option will be disabled until County Release No. 562 is installed by County Offices.

County Offices can use this report to ensure that the AGI data is updated correctly in the web-based application to reflect the producer’s or member’s AGI eligibility status.

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3 Action (Continued)

C Time Required to Complete Edit

While the edit to set the AGI value from “Not Filed” to “Compliant - CCC-526” will not take an extensive amount of time, the process to download the updated data to the System 36 eligibility file in affected County Offices **may** take up to several days. AGI updated data will be download on a State-wide basis nightly until the entire nation is completed. As a result, there may be several days in which the web-based eligibility and System 36 eligibility data may not be in sync. An information bulletin will be issued each day identifying the States that have completed.

Once the entire process is completed, the web-based eligibility and System 36 eligibility data should be in sync based on the download rules provided in 3-PL, Exhibit 6, subparagraph E. An information bulletin will be distributed when the download is complete.