

For: State and County Offices

Preparing for 2008 Subsidiary Rollover

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

Each year County Offices are reminded to review and correct all subsidiary and farm maintenance files before rollover. As in the past, software will automatically perform rollover of subsidiary and farm maintenance files.

B Purpose

This notice:

- requires that County Offices ensure that any updates to the subsidiary file records are immediately performed, **specifically the 2005 subsidiary files**

Note: Record changes after **September 7, 2007**, will **not** update the KC mainframe.

- provides guidelines for updating subsidiary files before **September 7, 2007**
- identifies potential problems that can be solved with action completed to subsidiary files before **September 7, 2007**
- pinpoints dates relative to 2008 subsidiary rollover.

Disposal Date

November 1, 2007
7-12-07

Distribution

State Offices; State Offices relay to County Offices

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2 Rollover Information

A Rollover Details

The following lists subsidiary applications, the program year of each particular application, and the effect that 2008 rollover has on that application.

Subsidiary Application	Year	Action
Joint Operation/Entity File	2008, 2007, and 2006	County Offices will be able to update these files after 2008 rollover in the System 36.
	2005	County Offices will not be able to access these files after 2008 rollover.
Combined Producer File	2007 and all years forward	County Offices will be able to update these files in the Web-Based Combination System after rollover.
	2006	County Offices will be able to update these files in the System 36 after rollover.
	2005	County Offices will not be able to access these files after 2008 rollover.
Multi-County Payment Limitation	2008, 2007, and 2006	County Offices will be able to update these files after 2008 rollover.
	2005	County Offices will not be able to access these files after 2008 rollover.
Eligibility	All Years	County Offices have the capability of updating eligibility records in the Web-Based Subsidiary System for all years 1999 forward, either before or after 2008 rollover.
Business Type in SCIMS	2008	County Offices will be able to change the business type of customers in SCIMS after rollover.
	2007 and 2006	County Offices will have to request that the designated State Office employee alter the business type after 2008 rollover in SCIMS.

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3 Updating Subsidiary Files Before Rollover

A Joint Operation/Entity File Updates

County Offices shall verify the correctness of the joint operation and entity files, specifically the 2005 year.

Note: County Offices should be aware that disaster legislation has been passed that includes FY's 2005, 2006, and part of 2007.

B Combined Producer Updates

County Offices shall verify the correctness of the combined producer file for 2005 and 2006 on the System 36 and 2007 in the Web-Based Subsidiary System.

C Subsidiary File Updates

County Offices shall update producer subsidiary files to ensure that the following are properly recorded:

- multi-county producer information
- payment limitation amounts for multi-county producer, if necessary.

See:

- 2-PL for additional information on updating subsidiary files on the System 36
- 3-PL for additional information on web-based eligibility files.

D Suspended Producers

Failure to rectify "S" flag problems will lengthen the correction process, because rolling over a suspended producer will add another layer of complexity to the problem. Before suspended producers can be paid, the "S" flag **must** be corrected. Generally, an "S" flag means that the producer is in violation of the 3 entity rule that will require a change in the entity file.

Because the entity file is still on the System 36, upload and download processing is required that is **not** real time.

County Offices shall review and correct all 2005 suspended producers **before** being locked out by 2007 rollover on **September 24, 2007**.

E Policy and Procedure for Entity Files

State and County Offices shall continue to follow the policy in 2-PL and **not** load a revocable trust, estate, or LLC in the entity file when that entity uses a social security number as the tax identification number.

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3 Updating Subsidiary Files Before Rollover (Continued)

F Business Type

Once rollover for 2008 is completed, County Offices will:

- **not** be able to:
 - access business type changes except for current year (2008) in SCIMS
 - change or correct any prior year business types in SCIMS
- be required to submit incorrect business type changes to the State Office (except current year changes).

County Offices shall review all business type codes before being locked out by 2008 rollover. Also, any incorrect business type for 2007 will be rolled over to the new 2008 producer record.

4 Important Dates and Action

A Preparing for Rollover

County Offices shall consider the following when preparing for rollover.

- Kansas City will make web-based subsidiary records unavailable at **COB September 21, 2007**.
- Software to process subsidiary rollover in the System 36 will be included in **County Release No. 624**. The software will be sent through regular mail from KC on **September 21, 2007**.

Note: County Offices shall not install the software until **September 25, 2007**. 2008 farm records and subsidiary file rollover in System 36 will occur during release installation.

- Web-based subsidiary file software will be available for use beginning **September 24, 2007**. As web-based subsidiary file updates **cannot** be replicated to the System 36 until after 2008 rollover has been completed on the System 36, these records will be held in queue until rollover has been completed on the System 36.

Note: Attempts to update 2005 subsidiary records on the System 36 between **September 7, 2007**, and installation of **County Release No. 624** will **not** be completed.

- The only System 36 subsidiary file software that will be unavailable will be the 2005 subsidiary files after the System 36 has rolled to 2008.

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4 Important Dates and Action (Continued)

B 2005 System 36 Subsidiary Files

It is imperative that County Offices realize the importance of **September 7, 2007**. Any subsidiary activity generated on the System 36 for 2005 after this date will **not** get updated to the KC mainframe. This may cause **any** payments earned by the affected producers to be significantly delayed. See Notice CM-567 for delays in 2004 payments relating to 2007 rollover.

5 Web-Based Subsidiary Rollover

A Values After Rollover

The following details how information in the web-based subsidiary file will be rolled from 2007 to 2008.

Subsidiary Field	How the Value Will be Rolled from 2007 to 2008	
Foreign Person	2007 value will be rolled to 2008.	
Person Eligibility		
Actively Engaged		
Cash Rent Tenant		
Permitted Entity		
AD-1026		
Conservation Compliance – Highly Erodible Land Conservation (HELC)		
Conservation Compliance – Converted Wetland (CW)		
Adjusted Gross Income		
Delinquent Debt		
Federal Crop Insurance		
Conservation Compliance – Planted Converted Wetland (PCW)	All values except “Not Compliant” or “Good Faith” shall be reset to “Compliant”.	
Conservation Compliance – Farm/Tract Eligibility	IF the value is...	THEN...
	“Past Violation” or “Reinstated”	2007 values will be rolled to 2008.
	not “Past Violation” or “Reinstated” and the PCW value was reset from “Not Compliant” or “Good Faith” to “Compliant”	calculate the value based on how CW and PCW determinations are set.
Controlled Substance	2008 values will be determined based on how determinations are loaded for 2007.	
Gross Revenue for NAP	Reset all values to “Not Filed”.	
NAP Non Compliance	2008 values will be determined based on how determinations are loaded for 2007.	
Delinquent Debt	This field applies to all years and will remain the same.	
Fraud, Including FCIC	2008 values will be determined based on how determinations are loaded for 2007.	

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6 Action

A County Office Action

County Offices shall ensure that **any** required updates to the subsidiary file, either on the web or in the System 36, are completed immediately.

Important: County Offices have become accustomed to eligibility records that update in real time. County Offices are reminded that other subsidiary record changes take upload and download processing. Time needs to be allowed for this turn-around of data, which can take a week or more. Tracking of all submitted record changes is recommended because all records that fail to be processed before rollover **must** be resubmitted. Any record changes submitted after **September 7, 2007**, are **not** guaranteed to be completed. Resources will **not** be available for resolving problem cases resulting from County Offices **not** timely updating permitted entity and combined producer files **before** 2008 rollover.

B State Office Action

State Offices shall ensure that County Offices have read the contents of this notice and understand actions surrounding the 2008 rollover.