

**For:** State and County Offices

**2012 Subsidiary Rollover Preparations**

**Approved by:** Acting 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 County Offices to ensure that any updates to web-based and System 36 subsidiary file records are performed immediately
- provides guidelines for verifying files **before** web-based 2012 subsidiary rollover
- provides information on what happens to updates to subsidiary after 2012 Web rollover, but before to 2012 System 36 rollover
- identifies dates relative to 2012 subsidiary rollover.

<b>Disposal Date</b>	<b>Distribution</b>
January 1, 2012	State Offices; State Offices relay to County Offices

**Notice PL-223**

**1 Overview (Continued)**

**C Rollover Details**

The following table contains subsidiary applications, the program year of each particular application, and the effect that 2012 rollover has on each application.

<b>Subsidiary Application</b>	<b>Year</b>	<b>Action</b>
Joint Operation/ Entity File	2008 through 2012	County Offices will be able to update these files after 2012 rollover in System 36.
	2007	County Offices will <b>not</b> be able to access these files after 2012 rollover in System 36.
Combined Producer File	2007 and all years forward.	County Offices will be able to update these files in the Web Based Combined Producer Process after 2012 Web rollover.
Common Attribution Payment Limitation Allocation	2009 and all years forward.	
Multi-County Payment Limitation	2010 through 2012	County Offices will be able to update these files after 2012 rollover in System 36.
	2009	County Offices will <b>not</b> be able to access these files after 2012 rollover in System 36.
Payment Limitation: <ul style="list-style-type: none"> <li>• Program Adjustments</li> <li>• Inheritance Adjustment</li> </ul>	2012 and prior years when payment limitation adjustments are applicable to the program.	County Offices will be able to update adjustments in web-based payment limitation for these years after 2012 Web rollover.
Eligibility	1999 and all years forward.	County Offices will be able to update these files in the Web Based Eligibility process after 2012 Web rollover.
Business Type in SCIMS	2012	County Offices will be able to change the business type of customers in SCIMS after 2012 Web rollover.
	2011 and prior years.	County Offices will have to request a designated State Office employee change the business type in SCIMS after 2012 Web rollover.

## Notice PL-223

### 1 Overview (Continued)

#### D Entity and Joint Operation Files

System 36 currently allows users to create, revise, or delete 2007 through 2011 entity or joint operation files. The entity and joint operation file:

- for each of the years 2007 through 2011 is uploaded and processed for availability to web-based applications
- permitted entity flags are:

- required to be updated manually to ensure that the producer receives payment on a maximum of 3 permitted entities

**Note:** Permitted entity flags shall only be updated if payments are being issued for a program under “Person” rules.

- not processed to determine if more than 3 permitted entities have been selected.

After 2012 System 36 rollover, users will be able to create, revise, or delete 2008 through 2012 entity and joint operation files. The entity and joint operation file:

- for each of the years 2008 through 2012 will be uploaded and processed for availability to web-based processes

**Note:** While 2007 entity and joint operation files cannot be updated on System 36, 2007 files will be available to web-based processes.

- will **not** be processed to determine if more than 3 permitted entities have been selected.

**Notes:** When a producer has more than 3 permitted entities, County Offices are required to manually update permitted entity flags for 2008 through 2012 and ensure that the producer receives payment on a maximum of 3 permitted entities.

Permitted entity flags shall only be updated if payments are being issued for a program under “Person” rules.

## Notice PL-223

### 2 Updating Subsidiary Files Before Web Rollover

#### A Combined Producer

County Offices shall verify the accuracy of the 2011 combined producer file in the Web-Based Subsidiary System **before September 16, 2011**. The 2011 combined producer file will rollover to the 2012 combined producer file. If an incorrect 2011 combination is rolled over to 2012, **both years** must be corrected. Data rolled over to 2012 will include the common attribution payment limitation allocations loaded according to 3-PL (Rev. 1), paragraphs 97 and 98.

#### B System 36 Payment Limitation Allocation to Multi-County Producers

County Offices shall verify the accuracy of the payment limitation allocation to multi-county producers on System 36 **before September 2, 2011**. Specifically verify for the year:

- 2009, because these files will **no** longer be available after 2012 rollover
- 2011, because these files will be rolled over to 2012.

All updates to 2009 payment limitation allocations for multi-county producers shall be completed **by COB September 2, 2011**. Updates made after September 2, 2011, will **not** have sufficient time to upload to the mainframe, process, and download to all counties involved.

The 2012 subsidiary rollover process will disable the option to update 2009 payment limitation allocations on System 36.

The 2011 payment limitation dollars allocated to multi-county producers will rollover to 2012 for the following programs:

- “GRP/CSP”
- “GRP/RP”.

The NAP 2011 payment limitation allocations will **not** rollover to 2012. However, the 2011 and 2010 options for NAP will be available. All other programs will be administered in the Web environment, according to 3-PL (Rev. 1), and payment limitation will no longer be allocated on System 36 to multi-county producers.

## Notice PL-223

### 2 Updating Subsidiary Files Before Rollover (Continued)

#### C Entity and Joint Operation File

County Offices shall verify the correctness of the 2011 entity and joint operation file on System 36 **before September 9, 2011**.

All data in the 2011 entity and joint operation file will rollover to the 2012 entity and joint operation file. If an incorrect 2011 entity or joint operation record is rolled over to 2012, **both years** must be corrected. Data rolled over to 2012 will include member contribution, substantive change, and permitted entity flags.

#### D Business Type

County Offices shall review all business type codes **before** 2012 Web rollover on **September 16, 2011**. The 2011 business type will be rolled over to the new 2012 producer record.

After rollover for 2012 is completed, County Offices will:

- only be able to access and change a business type for current year (2012) in SCIMS
- **not** be able to change or correct any prior year business types in SCIMS.

**Note:** County Offices are **required** to submit all business type changes for prior years to their designated State Office employee.

## Notice PL-223

### 3 Updates After Web-Based Subsidiary Rollover and Before System 36 Rollover

#### A Web-Based Subsidiary Updates

After the 2012 web-based subsidiary file rollover is complete, web-based subsidiary file updates **cannot** be replicated to System 36 until after 2012 rollover has been completed on System 36. Changes to the 2008 through 2012 records will be held in queue until System 36 rollover has been completed. When subsidiary rollover occurs on System 36, files held in queue for that county will be processed. To prevent a large amount of files in the queue, County Offices are encouraged to update web-based subsidiary files before **September 16, 2011**.

#### B System 36 Subsidiary Updates

Changes made to System 36 entity and joint operation files will be uploaded and processed for availability to web-based applications.

**Exception:** Permitted entity flags will not be processed to identify suspended producers.

### 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 **after 8 p.m. c.t. on September 16, 2011**, to process subsidiary rollover on the Web
- it is anticipated that web-based subsidiary file software will be available beginning Monday, **September 19, 2011**
- software to process subsidiary rollover on System 36 will be transmitted to County Offices on Monday, **September 19, 2011**
- County Offices shall install 2012 rollover software as soon as possible
- after 2012 rollover software has been installed on System 36:
  - subsidiary file software will be available according to subparagraph 1 C
  - web-based subsidiary file updates held in queue will be downloaded to System 36.

Notice PL-223

4 Important Dates and Action (Continued)

B Web-Based Subsidiary Rollover Values After Rollover

Information in the web-based eligibility file will be rolled from 2011 to 2012 according to the following table.

Eligibility Field	How the Value Will Be Rolled From 2011 to 2012		
Foreign Person	2011 value will be rolled to 2012.		
Actively Engaged	2011 value for all fields will be rolled to 2012.		
Cash Rent Tenant and Cropland Factor	2011 value for both fields will be rolled to 2012.		
AD-1026	2011 value for all fields will be rolled to 2012.		
Conservation Compliance – HELC	2011 value will be rolled to 2012.		
Conservation Compliance – PCW	2011 value will be rolled to 2012. <b>Exception:</b> When the 2011 value is “Not Compliant” or “Good Faith”, the 2012 value will be set to “Compliant”.		
Conservation Compliance – Converted WL	2011 value will be rolled to 2012.		
Conservation Compliance – Farm/Tract Eligibility	<b>If 2011 value is...</b>	<b>AND PCW value was...</b>	<b>THEN...</b>
	“Past Violation” or “Reinstated”		2011 values will be rolled to 2012 including year and state/county.
	not “Past Violation” or “Reinstated”	not reset to “Compliant”	2011 values will be rolled to 2012.
Adjusted Gross Income:	<b>If 2011 value is...</b>	<b>THEN...</b>	
	“Exempt”	2012 values will be rolled to “Exempt”.	
	not “Exempt”	2012 Certification/COC Determination will be set to “Not Filed” and entries for all of the following fields will be removed:	
<ul style="list-style-type: none"> <li>• Commodity Program</li> <li>• Direct Payment</li> <li>• Conservation Program.</li> </ul>		<ul style="list-style-type: none"> <li>• Effective Program Year</li> <li>• Date Documentation Filed by Producer</li> <li>• COC Disapproval Date.</li> </ul>	
Controlled Substance	2012 value will be determined based on the “Year of Conviction” and the “Number of Years of Ineligibility”.		
NAP Non Compliance	2012 value will be determined based on the “Year of Violation”.		

**Notice PL-223**

**4 Important Dates and Action (Continued)**

**B Web-Based Subsidiary Rollover Values After Rollover (Continued)**

<b>Eligibility Field</b>	<b>How the Value Will Be Rolled From 2011 to 2012</b>
Delinquent Debt	2011 value for both fields will be rolled to 2012.
Socially Disadvantaged Farmer or Rancher:  <ul style="list-style-type: none"> <li>• Includes Racial, Ethnic, and Gender</li> <li>• Includes Racial and Ethnic, but NOT Gender</li> </ul>	2011 value for both fields will be rolled to 2012.
Beginning Farmer or Rancher	2012 value will be set to “No”.
Limited Resource-Farmer or Rancher	2012 value will be set to “No”.
Fraud – Including FCIC Fraud	2012 value will be determined based on the “Year of Violation” and the “Years of No Program Benefits”.
FCI	2011 value will be rolled to 2012.
Person Eligibility – 2002 Farm Bill	2011 value for all fields will be rolled to 2012.
Actively Engaged – 2002 Farm Bill	2011 value for all fields will be rolled to 2012.
Permitted Entity – 2002 Farm Bill	2011 value will be rolled to 2012.
AGI – 2002 Farm Bill	2011 value for all fields will be rolled to 2012.

The following 2011 files will be rolled to the 2012 files:

- combined producers
- common attribution payment limitation allocations entered in the web-based combined producer process.

The following 2011 adjustments entered in the web-based payment limitation process will **not** roll to 2012:

- program adjustment increase
- program adjustment decrease
- inheritance adjustment.

## Notice PL-223

### 4 Important Dates and Action (Continued)

#### C System 36 Subsidiary Rollover Values After Rollover

The following 2011 files will be rolled to 2012:

- payment limitation allocations for GRP/CSP and GRP/RP
- multi-county files
- all active entity and joint operation files, including member contribution and substantive change flags and shares.

### 5 Action

#### A State Office Action

State Office program specialists shall ensure that County Offices have read the contents of this notice and understand the actions surrounding 2012 rollover.

#### B County Office Action

CED's shall ensure that **any** required updates to the subsidiary file, either on the Web or in System 36, are completed **immediately**.

When a producer has more than 3 permitted entities, County Offices must manually verify permitted entity flags are set correctly to ensure that producers do not receive more than 3 permitted entities.

**Important:** County Offices have become accustomed to eligibility and combined producer records that update in real time. County Offices are reminded that entity and joint operation file changes **must** be uploaded and processed. Time needs to be allowed for this turn-around of data that can take a week or more.