

For: State and County Offices

**Important Additional Instructions for Reconciling Milk Income Loss Contract (MILC) Payments in APSS That Were Issued Using the Accounting “02URGENT” Code**

Approved by: Acting Deputy Administrator, Farm Programs



**1 Overview**

**A Background**

County Release No. 509 provided updated APSS software for processing MILC payments.

Notice PS-473 provided instructions for using the MILC software contained in County Release No. 509 to:

- record MILC payments in APSS that were issued using the “02URGENT” code
- make MILC payments after County Release No. 509 was installed.

**B Purpose**

This notice provides additional instructions to State and County Offices for resolving problems related to the MILC payment processing by **July 31, 2003**, as detailed in subparagraph A.

<b>Disposal Date</b>	<b>Distribution</b>
December 1, 2003	State Offices; State Offices relay to County Offices

## Notice PS-476

### 2 County Office Action

#### A Unreconciled MILC Payments

Accounting reports as of the date of this notice indicate that more than 800 County Offices with MILC "02URGENT" code payments did either of the following:

- have not recorded all of those transactions in APSS according to Notice PS-473
- improperly recorded some or all transactions in APSS according to Notice PS-473.

#### B Importance of Reconciling MILC Payments

All MILC payments recorded using the "02URGENT" code **must** be reconciled between APSS software and Accounting software **before** new AS/400-based JAVA MILC software can be:

- Beta-tested in selected County Offices
- released nationwide.

To ensure that all MILC payments are reconciled timely, **all** County Offices with MILC shall:

- review instructions in Notice PS-473
- by **July 31, 2003**, enter all MILC payments into revised APSS MILC software that were originally issued using the "02URGENT" code according to instructions in Notice PS-473.

**Important:** When "02URGENT" MILC payments are recorded in APSS according to Notice PS-473, those records are assigned a Replacement/Reconciliation code. See the examples and additional information in subparagraph C.

#### C Examples of MILC Reconciliation Problem Conditions

The following are some examples of MILC reconciliation problem conditions.

- Some County Offices had "02URGENT" payments made several months ago without any new transactions since. These County Offices need to enter their MILC information regardless of whether there are any new payments to be made. Or perhaps, these payments are not actually "02URGENT" for MILC and should have been for another program.

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### 2 County Office Action (Continued)

#### C Examples of MILC Reconciliation Problem Conditions (Continued)

- Replacement/Reconciliation codes have been received by Kansas City for only part of a producer's "02URGENT" MILC payments. County Offices need to continue entering these MILC monthly payments, along with any MILC transition payments made with the "02URGENT" code.
- MILC data entered in APSS software is different from that recorded with the "02URGENT" code, therefore creating different calculated payments. County Offices need to cancel the incorrect payment.
- The Replacement/Reconciliation code has been received by Kansas City for more than the amount of the "02URGENT" payments. The Replacement/Reconciliation code was for the same amount of money as the MILC payment issued by the first release of (original) MILC APSS software under a different contract number. County Offices shall cancel the duplicate MILC transaction that was entered using the wrong or previous contract number.
- Replacement/Reconciliation codes have been received by Kansas City for producers without any "02URGENT" payments. County Offices shall do either of the following:
  - issue the MILC payment
  - research MILC's for the correct producer with the "02URGENT" payment.
- The Replacement/Reconciliation code amount agrees with the "02URGENT" payments for the same contract number, but not for the correct producers. County Offices shall correct the Replacement/Reconciliation code amount for each producer.

### 3 State Office Action and Monitoring

#### A Monitoring MILC Reconciliation Process

State Offices shall:

- use periodic reports provided to them by PSD to monitor their County Offices' status
- ensure that their respective County Offices complete all applicable MILC actions according to this notice by **July 31, 2003**.