UNITED STATES DEPARTMENT OF AGRICULTURE
Farm Service Agency
Washington DC 20250

For: State and County Offices

Instructions for Processing In-Process Sugar Loan Settlements in APSS

Approved by: Deputy Administrator, Farm Programs

1   Overview

A   Background

The Farm Security and Rural Investment Act of 2002 now provides for a new type of marketing assistance loan for sugar called "In-Process" loans. These loans are available to processors of domestically grown sugarcane and sugar beets for In-Process sugars and syrups.

In-Process sugar loans are not available for any of the following:

*   raw sugar
*   liquid sugar
*   invert syrup
*   other finished products.

All In-Process cane or beet sugar loans are processed as **farm-stored** certified loans according to 10-SU, paragraph 128. Premiums and discounts apply to **In-Process cane** sugar loans, after a **processed quantity** has been determined, at s**ettlement** and **not** at loanmaking.

Software for processed sugar loan **forfeitures** is now being developed and will be released in the near future.

B   Purpose

This notice provides County Offices with instructions for processing In-Process sugar loan **settlements** in APSS.

Note: 10-SU will be amended to contain the APSS instructions provided in this notice and for sugar forfeitures.

Disposal Date	Distribution
April 1, 2004	State Offices; State Offices relay to County Offices

2   Settlement Information

A   Computing the In-Process Settlement Value

The In-Process loan settlement value is calculated according to the following steps.

- The loan value for the "entered" **processed sugar quantity** (see subparagraph 3 A, step 6,) is recalculated using 100 percent of the applicable loan rate.

- If the settlement is for:

  - cane sugar, premiums and discounts are applied to the loan value
  - if the settlement is for beet sugar, premiums and discounts do **not** apply.

- The settlement value is the difference between the initial in-process loan value and the above computation.   If an amount is due to:

  - the producer, the amount is issued to the producer
  - CCC, a receivable is established for that amount.

B   Processing Settlements in APSS

The settlement process in APSS shall be used for In-Process sugar loans that are delivered because those loans were originally issued as farm-stored loans. However, because In Process sugar loan quantities must be converted to a processed or refined quantity to facilitate a delivery, the APSS settlement process in paragraph 3 uses "warehouse" screens. Beginning with paragraph 3, step 7, the user entries according to steps 7 through 12 shall be made according to the warehouse receipt or KC-227, as applicable.

3   Processing In-Process Sugar Loan Settlement Transactions in APSS

   A   In-Process Sugar Loan Settlements

County Offices shall complete In-Process sugar loan settlements according to the following.

Step	Action	Result
1	On Menu PCA005: • ENTER "5", "Settle a Loan" • PRESS "Enter".	Screen PCA11000 will be displayed.
2	On Screen PCA11000: • enter producer verification information • PRESS "ENTER".	Screen PCA12000 will be displayed.
3	On Screen PCA12000: • ENTER "Y" or "N", as applicable, to the following question, "Is this the correct producer?" • PRESS "ENTER".	Screen PCA14000 will be displayed.

4	On Screen PCA14000:
	
	• ENTER "Y" or "N", as applicable, to the following questions:
	
	    • "Is this the correct loan?"
	    • "Do you wish to see bin/receipt for this loan?"
	
	• PRESS "ENTER".
		Screen PSA05000 will be displayed.

5	On Screen PSA05000: • ENTER "Y" or "N", as applicable to the question, "Has this in-process sugar loan quantity been converted to processed sugar?" **Note:** Loan quantity has to be converted before settlement process will continue. PRESS "ENTER".	**If:** • **Yes,** Screen PSA10000 will be displayed. • **No,** Main Menu PCA005 will be displayed.

3   Processing In-Process Sugar Loan Settlement Transactions in APSS (Continued)

A   In-Process Sugar Loan Settlements (Continued)

Step	Action	Result
6	On Screen PSA10000: • amount to be settled will be system-displayed • enter the quantity for delivery (**processed sugar quantity**) • enter the final date for delivery • PRESS "Enter".	Screen PSA10005 will be displayed.
7	On Screen PSA10005: • ENTER "1", "Warehouse Storage" • PRESS "Enter".	Screen PSA11000 will be displayed.
8	On Screen PSA11000, enter the following: • warehouse receipt/lot number • moisture when received (if excessive) • date commodity deposited (mmddyy) • date receipt issued (mmddyy) • gross pounds • net weight (bu., cwt., lb.) • warehouse code where delivered • polarity degree. **Note**: When entering an In-Process **beet** sugar settlement you **will not** be prompted to enter the polarity degree. Polarity degree only applies to In-Process cane sugar settlements. PRESS "Enter".	Screen PSA02501 will be displayed.
9	On Screen PSA02501: • enter the sugar area number • PRESS "Enter".	Screen PSA21000 will be displayed
10	On Screen PSA21000, the calculated settlement rate will be displayed. PRESS "Enter".	Screen PSA21000 (Cont.) will be displayed.

2   Processing In-Process Sugar Loan Settlement Transactions in APSS (Continued)

A   In-Process Sugar Loan Settlements (Continued)

Step	Action	Result

11	On Screen PSA21000:
	
	• enter the following:
	
	   • storage start date (mmddyy)
	   • date receipt received in County Office
	   • received (R, B, A, or T)
	
	• ENTER "Y" or "N", as applicable, to the following question:
	
	   • "Are storage charges for early delivery applicable?"
	   • "Is storage credit over 60 days applicable?"
	   • "If loan was called, enter required settlement date? (mmddyy)"
	   • "Do you have additional receipts/lots to process?"
	
	• PRESS "Enter".
		PSA24000 will be displayed.

12	On Screen PSA24000, enter the following, as applicable: • hauling • shelling • weighing • grading • other charges. PRESS "Enter".	Screen PCA97000 will be displayed.
13	On Screen PCA97000 , enter the following: • printer ID to print forms and reports • number of copies to be printed. Press "Enter".	Screen PCE60010 will be displayed.
14	On Screen PCE60010: • CCC-692 will be printed. • ENTER "Y or "N" to the question, "Do you wish to reprint this form?" • Press "Enter".	Main Menu PCA005 will be redisplayed.