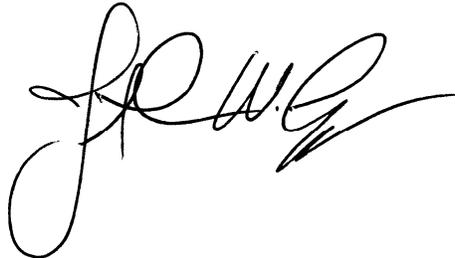


For: State and County Offices

Processing MILC Payments to Entities

Approved by: Deputy Administrator, Farm Programs



1 MILC Payment Processing

A Background

Notice PS-645:

- informed State and County Offices of MILC software problems that resulted in payments not made correctly to entities and embedded entities, such as corporations and joint operations
- provided work-around instructions to process these payments.

Information Bulletin No. 4772 informed County Offices that the software problem with checking the applicable flags for members of corporations or other entities has been fixed.

B Purpose

This notice advises State and County Offices:

- the MILC software is now functioning properly in checking eligibility of all dairy operations
- to begin processing MILC payments to all eligible entities which were not processed previously because of the MILC software problem.

Disposal Date	Distribution
August 1, 2009	State Offices; State Office relay to County Offices

Notice PS-648

1 MILC Payment Processing (Continued)

C Current Software Capabilities

MILC payments to all eligible individuals and entities should process correctly according to all eligibility rules.

The “**Transfer Contract**” process is **not** available at this time.

The current version of MILC software does **not** have the functionality to correct overpayments or underpayments. If the contract period payment request is **not** cancelled and any of the payments are signed in NPS, the remaining payments for that contract period will not be available for payment until **Payment Corrections, Phase III**.

Note: The Payment Corrections, Phase III, production date has yet to be determined.

A future LD notice will provide additional information about overpayments and underpayments.

D County Office Action

County Offices shall immediately process MILC payments according to subparagraph C.