

For: Tobacco State and County Offices

**Instructions for Voluntary Terminations (VT's), Involuntary Terminations (IT's), and Voluntary Cancellations (VC's) of Tobacco Transition Payment Program (TTPP) Contracts and Report Selection Capabilities**

Approved by: Acting Deputy Administrator, Farm Programs



**1 Overview**

**A Background**

Notice TB-1230:

- provided instructions for entering VT's, IT's, and VC's
- **incorrectly** stated that BQL's from VC contracts will be made available for future contracts.

**Note:** This notice corrects the instruction for VC's provided in TB-1230.

Since the release of the associated software:

- the VC function has been used incorrectly on several contracts
- several questions have been received by the National Tobacco Processing Center (NTPC) and the technical staff in Kansas City.

This notice has been updated to correct these instructions. Users shall review this notice carefully to ensure that contracts are processed correctly. Forthcoming software will provide further confirmation of the action being taken and the resulting impact to the contract by providing additional messages.

Disposal Date	Distribution
December 1, 2007	Tobacco State Offices; State Offices relay to applicable County Offices

## Notice TB-1236

### 1 Overview (Continued)

#### A Background (Continued)

TTPP software:

- allows Service Center users to modify base quota level (BQL) shares paid erroneously; generating an underpayment or overpayment transaction for each year the shares were paid
- does **not** allow BQL's to be reduced to zero to make them available for other contracts

**Note:** It is necessary to be able to identify and track contracts that have been terminated at the request of the contract owner or because of TTPP requirement violations.

- "Cancel Contract" option is used to manage owner requested and violation cancellations.

**Notes:** "Cancel Contract" option deletes the contract and renders it unavailable in search results. TTPP software has been modified to allow Service Center users to enter:

- IT's using the BQL Correction process in Contract Maintenance
- VC's using the Update Contract process in Quota Holder Data or Producer Data Maintenance.

Contracts:

- will be updated with a terminated or canceled status and remain available in search results and reports
- resulting from a CCC-971 transaction will **not** be allowed to change to zero BQL at this time; this will be addressed with a future modification.

#### B Purpose

This notice:

- provides instructions about:
  - VT's
  - IT's
  - VC's
  - TTPP reports
- obsoletes Notice TB-1230.

## Notice TB-1236

### 2 Action

#### A County Office Action

County Offices shall:

- become familiar with new TTPP software that allows modifications to BQL's associated with unsold paid contracts
- become familiar with all new TTPP reports
- take action to correct contracts that require termination or cancellation
- obtain State Office approval for adjustments to the total farm BQL
- obtain State Office approval before processing an IT.

#### B State Office Action

State Offices shall:

- become familiar with the new TTPP software
- ensure that County Offices follow the provisions in this notice
- review and concur on all involuntary terminations before the County Office terminates the contract
- notify DAFP of contract terminated through IT's
- contact Michele Corcoran at 800-673-2331 with questions about this notice.

### 3 General Information – VT's, IT's, and VC's

#### A Overview

It is **important** to understand how the system will process contracts requiring VT's and IT's or VC's:

- VT's and IT's will be created using BQL Correction software
- VC's will be entered using Quota Holder Data or Producer Data Maintenance software.

**Note:** Once a contact has been voluntary/involuntary terminated or voluntarily canceled, the status **cannot** be changed. BQL's on VT or IT contracts will be made available for future contracts. BQL's on VC contracts will **not** be available for future contracts.

## Notice TB-1236

### 3 General Information – VT's, IT's, and VC's (Continued)

#### A Overview (Continued)

If it is determined that contracts were erroneously paid because of incorrect BQL's, users will continue to have the ability to access the approved contracts and adjust BQL values. See Notice TB-1231.

When Quota Holder Data or Producer Data Maintenance is used to change the status of a contract to VC, all future payments to the contract will be stopped. Receivables will **not** be created for any past payments to the contract. Once a contract owner voluntarily cancels a contract they should **not** be allowed to sign up for the same BQL at a later date. If a contract holder wants to voluntarily cancel their contract and return past payments, the Service Center user **must** use VT. The contract holder **must** request a VC or VT **in writing**. The County Office **must** attach the request to the original contract.

If the County Office believes a contract holder has misrepresented a fact affecting program determination or adopted a scheme or device to defeat the purpose of the program, the County Office should use IT. The following table provides additional detail.

**Notes:** When BQL changes for VT's or IT's are made and confirmed, TTPP will cancel the original contract and create a replacement contract. Both the original and replacement contracts will be displayed on the BQL Correction Update Successful Screen. The original contract will now be in canceled (CL) status and the new resulting contract will be in VT or IT status.

No new CCC-955/CCC-956's will be printed or signed by contract holders. All appeal rights **must** have been exhausted before a termination being processed.

When a contract is involuntarily terminated, the County Office **must** notify the State Office for concurrence **before** processing the termination. The State Office **must** inform DAFP of the contract termination.

**Notice TB-1236**

**3 General Information – VT’s, IT’s, and VC’s (Continued)**

**A Overview (Continued)**

<b>Action</b>	<b>Situation</b>	<b>Contract Status</b>	<b>Receivable</b>
Voluntary Cancellation	Contract holder does <b>not</b> want to receive any future payments and requests their contract be canceled.	VC	No overpayment requests will be created.
Voluntary Termination	Contract holder does <b>not</b> want to receive any future payments and is returning all payments received.	VT	TTPP will create an overpayment request for each payment received by the contract holder on the contract being terminated.
Involuntary Termination	Contract holder has: <ul style="list-style-type: none"> <li>• erroneously represented a fact affecting a program determination</li> <li>• adopted a scheme or devices that tends to defeat the purpose of the program</li> <li>• made any fraudulent representations affecting a program determination.</li> </ul>	IT	<p>TTPP will create an overpayment request for each payment received by the contract holder on the contract being terminated.</p> <p>All TTPP contracts for the contract holder will be terminated and all monies received must be refunded. Contracts that have been sold will require the original contract holder to refund the entire contract value for all contracts.</p>

**B Contract Status for VT’s, IT’s, and VC’s**

Only contracts in **approved (AP)** or **in-dispute (DI)** statuses can be terminated or canceled.

**Note:** **Sold** contracts are permanently locked. A forthcoming notice will provide instructions.

## Notice TB-1236

### 3 General Information – VT's, IT's, and VC's (Continued)

#### C Overpayment Processing

To ensure that overpayments (receivables) are processed in a timely fashion so they may be applied against future payments, the County Office should be aware of certain system requirements, see Notice **FI-2762**.

Since TTPP is a web-based system, an overpayment (receivable) generated from a modified TTPP contract will be transmitted back to the originating County Office. National Payment Services (NPS) uses a debt datamart to find and display receivable information. Overpayment information is transmitted by the originating County Office to NPS's datamart during end-of-day processing. To ensure that all outstanding TTPP receivables are accessible to NPS, ensure that end-of-day processing is performed **daily**.

#### D Processing Treasury Checks Returned to the County Office

Deface the Treasury check by stamping or writing the words "**Void**" or "**Canceled**" across the face of the check and return the Treasury check to the following address:

NFC  
PO Box 34668-1068  
Kansas City MO 64116-1068.

#### E Report Request Menu

The individual reports are available through a "Reports" link. The reports link will access a Report Selection Criteria Menu that will provide the users with a wide report selection.

4 System Functionality

A VC's

This is an example of the TTPP View Contract Results Screen. Service Center users may arrive at this screen from various screens depending on the contract type and the search criteria selected. The following example is of a Quota Holder Contract. The same process and screens will allow the user to cancel a Producer Contract.

To begin the Voluntary Cancellation Process the user will CLICK “Update” to view the Update Contract screen.

The screenshot displays the 'View Contract - Results' page for the Tobacco Transition Payment Program. The page includes a navigation menu, a 'Links' sidebar, and a main content area with the following sections:

- Contract Details:** A table listing contract information such as Form Number (CCC-956), Contract Number (999999999999), Contract Status (Approved), Approval Date (2006-10-18), and Total Contract Value (\$245.00).
- Contract Origination:** A section containing tax and company information, including Tax ID (9999999999), Full Name (JOHN DOE COMPANY), and Address (123 FIRST STREET, WASHINGTON, DC 12345).
- Program Year Summary:** A table showing BQL and TPA values for the years 2002 and 2003, with a total of 245 BQL and 0.0 TPA.
- Apply prompt payment interest:** A table with radio buttons for selecting 'Yes' or 'No' for the years 2005 and 2006.
- Navigation:** Buttons for 'Previous', 'Update', 'View PDF', and 'View CCC960' are located at the bottom of the screen.

Notice TB-1236

4 System Functionality (Continued)

A VC's (Continued)

This is an example of the Update Contract Screen. The user will select “Voluntary Cancellation” from the Contract Status drop-down box and CLICK “Submit.”

TTPP will update the status of the contract to VC.

**Note:** BQL will not be available for future contracts. TTPP will not create receivables for any payments on the contract. If the contract owner wants to return payments, receivables **must** be created manually.

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Tobacco Transition Payment Program

TPP Home | About FSA | Help | Contact Us | Logout

**Links**  
 Section 508  
 Accessibility  
 Manage Farm (Quota Holder)  
 Quota Holder Data  
 Producer Data  
 Manage contract payment  
 Prompt Pay Interest  
 Contract Maintenance Reports

**Update Contract**

Form Number	CCC-955
Contract Number	999999999999
Contract Status	Approved
CCC-960 Status	In dispute
Annual Installments	Voluntary Cancellation
State FSA Code	47
County FSA Code	003
Farm Number	0000066
FSA Crop Code	Burley
Contract Price Per Pound	\$7.00
Total Contract BQL	1000
Total Contract Value	\$7,000.00

**Contract Origination**

Tax ID	*****9991
Tax ID Type Code	Employer ID
Full Name	JOHN J DOE
Address	9999 FIRST ST. WASHINGTON, DC 12345-6789
Phone Number	999999999999

Tract Number	Tract Quota Pounds	Owner Quota Pounds
0002581	4000	1000
<b>Total</b>		1000

Previous Submit

## Notice TB-1236

### 4 System Functionality (Continued)

#### A VC's (Continued)

This is an example of the Update Contract – Results Screen that will be displayed with a message that the contract was successfully updated. The user may click the contract number link to view the details of the contract and review the contract status.

The screenshot displays the USDA Tobacco Transition Payment Program interface. At the top left is the USDA logo and the text "United States Department of Agriculture". The main title is "Tobacco Transition Payment Program". A navigation bar contains links for "TTPP Home", "About FSA", "Help", "Contact Us", and "Logout". On the left, a "Links" sidebar lists: "Section 508", "Accessibility", "Manage Farm (Quota Holder)", "Quota Holder Data", "Producer Data", "Manage contract payment", "Prompt Pay Interest", and "Contract Maintenance". The main content area has a blue header "Update Contract - Results" and a message: "Contract Number: [999999999999](#) was successfully updated." Below the message is a button labeled "Click to view contract details".

## Notice TB-1236

### 4 System Functionality (Continued)

#### B VT and IT Process

This is an example of the TTPP Homepage. To begin the BQL correction process, users will CLICK “Contract Maintenance” in the Links box.

USDA United States Department of Agriculture  
Tobacco Transition Payment Program

TTPP Home | About FSA | Help | Contact Us | Logout

**Links**  
Section 508  
Accessibility  
Manage Farm (Quota Holder)  
Quota Holder Data  
Producer Data  
Manage contract payment  
Prompt Pay Interest  
Contract Maintenance  
Reports

**Tobacco Transition Payment Program Homepage**

On October 22, 2004, The President signed the American Jobs Creation Act of 2004, (Pub. L. 108-357) which includes the Fair and Equitable Tobacco Reform, commonly referred to as the tobacco buyout.

Under this legislation, payments are made to tobacco quota holders and producers. This legislation also ends all aspects of the Federal tobacco marketing quota and price support loan programs effective with the 2005 crop.

Please select Link to continue

Contracts to be modified:

- must be in AP or DI status
- cannot have an assignment against the contract
- cannot be the result of CCC-971.

**Note:** Because CCC-959 assignments are contract specific, users **must** take the following steps, according to 63-FI, before the contract can to be modified.

Step	Action
1	Require the assignee to revoke CCC-959.
2	Cancel the assignment attached to the contract to be corrected.
3	Access TTPP and modify the contract BQL according to procedures outlined in this notice; canceling the original contract and creating a new resulting contract.

## Notice TB-1236

### 4 System Functionality (Continued)

#### B VT and IT Process (Continued)

This is an example of the Contract Maintenance Screen. Users will CLICK “**BQL Correction.**”

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Tobacco Transition Payment Program

TTPP Home | About FSA | Help | Contact Us | Logout

**Links**

- Section 508 Accessibility
- Manage Farm (Quota Holder)
- Quota Holder Data
- Producer Data
- Manage contract payment
- Prompt Pay Interest
- Contract Maintenance Reports

**Contract Maintenance**

Select one of the actions for contract maintenance:

- CCC-971 Transfer
- [BQL Correction](#)**
- BQL Correction on Pending Contract
- Tax ID Correction

## Notice TB-1236

### 4 System Functionality (Continued)

#### B VT and IT Process (Continued)

This is an example of the BQL Correction Screen. Users will enter the contract number to be terminated and CLICK “Continue”.

The screenshot shows the USDA Tobacco Transition Payment Program (TTPP) website. The header includes the USDA logo and the text "United States Department of Agriculture" and "Tobacco Transition Payment Program". A navigation bar contains links for "TTPP Home", "About FSA", "Help", "Contact Us", and "Logout". On the left, there is a "Links" menu with items: "Section 508", "Accessibility", "Manage Farm (Quota Holder)", "Quota Holder Data", "Producer Data", "Manage contract payment", "Prompt Pay Interest", and "Contract Maintenance". The main content area is titled "BQL Correction" and features a "Contract No." label next to a text input field containing "999999999999". Below the input field are two buttons: "Continue" and "Submit".

**Note:** “Submit” will be displayed when users CLICK “Continue”.

Possible error messages:

- “Valid Contract Number is required”
- “There are assignments, claims, or receivables against the contract XXXXXX”
- “The payment was not found for contract XXXXXX”
- “The Overpayment was not found for contract XXXXXX”
- “Pending Contract is not from BQL change”
- “Overpayment is unprocessed or payment is not signed in NPS for contract: XXXXXX”
- “NPS error for contract XXXXXX”
- “No Contract data found for contract number: XXXXXX”
- “Contract status is not in AP or DI”
- “Contract is sold”
- “Contract is from 971”.

**Note:** CCC-971 resulting contract BQL **cannot** be modified.

4 System Functionality (Continued)

B VT and IT Process (Continued)

This screen will be displayed with the total tract BQL originally available, the amount of unclaimed BQL, and the current contract BQL.

**Links**

- Section 508
- Accessibility
- Manage Farm (Quota Holder)
- Quota Holder Data
- Producer Data
- Manage contract payment
- Prompt Pay Interest
- Contract Maintenance Reports

**BQL Correction**

**Quota Holder Contract Info**

Contract Number	999999999999
Contract Status	Approved
Annual Installments	10
Total Contract BQL	107
Total Contract Value	\$749.00

Related Contracts for Tract Number:

Tract number	Total Tract BQL	Unclaimed BQL	Contract BQL	New Contract BQL
0002420	12550	11253	107	<input style="width: 40px;" type="text" value="107"/>
<b>Total</b>	12550	11253	107	

NOTE: When the value of New Contract BQL is empty, it means this tract is NOT related to current contract.

6-14-07

Page 13

4 System Functionality (Continued)

B VT and IT Process (Continued)

This is an example of the user modifying the new contract BQL from 107 pounds to zero pounds. When the new BQL is entered, CLICK “Submit”. Users must ENTER “0” for the new contract BQL to terminate the contract.

**Links**

- Section 508 Accessibility
- Manage Farm (Quota Holder)
- Quota Holder Data
- Producer Data
- Manage contract payment
- Prompt Pay Interest
- Contract Maintenance Reports

**BQL Correction**

**Quota Holder Contract Info**

Contract Number	999999999999
Contract Status	Approved
Annual Installments	10
Total Contract BQL	107
Total Contract Value	\$749.00

Related Contracts for Tract Number:

Tract number	Total Tract BQL	Unclaimed BQL	Contract BQL	New Contract BQL
0002420	12550	11253	107	<input style="width: 40px; text-align: center;" type="text" value="0"/>
<b>Total</b>	12550	11253	107	

NOTE: When the value of New Contract BQL is empty, it means this tract is NOT related to current contract.

Possible error messages:

- “New BQL exceed the available BQL”
- “For input string: “64d90” is not a valid BQL value”.

4 System Functionality (Continued)

B VT and IT Process (Continued)

When users CLICK “Submit” on the screen displayed on page 14, this Summary Screen will be displayed. This screen informs the user that a receivable will be created before the database is updated. When the zero BQL has been verified, the user **must** CLICK “Continue”.

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Tobacco Transition Payment Program

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**Links**

- Section 508 Accessibility
- Manage Farm (Quota Holder)
- Quota Holder Data
- Producer Data
- Manage contract payment
- Prompt Pay Interest
- Contract Maintenance Reports

**BQL Correction**

**Quota Holder Contract Info**

Contract Number	999999999999
Contract Status	Approved
Annual Installments	10
Total Contract BQL	107
Total Contract Value	\$749.00

The requested change to zero BQL requires that receivables be generated to recover all payments made to this contract.

if no payments are to be recovered, utilize the Quota Holder Data or Producer Data screen to set the contract to Voluntarily Cancelled status, which will just stop future payments.

Continue Cancel

**Note:** The screen also displays a message informing the user to use the Quota Holder Data or Producer Data Screen to set the contract to VC status if no payments are to be recovered. See subparagraph A for instructions on processing VC’s.

4 System Functionality (Continued)

B VT and IT Process (Continued)

When users CLICK “Continue” on the screen displayed on page 15, this Summary Screen will be displayed. This screen requires users to CLICK the radio box next to either of the following:

- “Voluntary Termination”
- “Involuntary Termination”.

When BQL has been verified, CLICK “Submit”.

**Links**

- Section 508 Accessibility
- Manage Farm (Quota Holder)
- Quota Holder Data
- Producer Data
- Manage contract payment
- Prompt Pay Interest
- Contract Maintenance Reports

**BQL Correction**

**Quota Holder Contract Info**

Contract Number	999999999999
Contract Status	Approved
Annual Installments	10
Total Contract BQL	107
Total Contract Value	\$749.00

Tract number	Total Tract BQL	Unclaimed BQL	Contract BQL	New Contract BQL
0002420	12550	11253	107	0
<b>Total</b>	12550	11253	107	0

Termination Type:

**Voluntary Termination**

**Involuntary Termination**

4 System Functionality (Continued)

B VT and IT Process (Continued)

When users CLICK “Submit” on the screen displayed on page 16, this Confirmation Screen will be displayed. When all information has been verified, CLICK “Confirm”.

Since this adjustment reduces BQL, the system will generate an overpayment request (receivable) against each payment made against the contract when the termination is confirmed.

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Tobacco Transition Payment Program

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**Links**  
 Section 508  
 Accessibility  
 Manage Farm (Quota Holder)  
 Quota Holder Data  
 Producer Data  
 Manage contract payment  
 Prompt Pay Interest  
 Contract Maintenance Reports

**BQL Correction**

**Quota Holder Contract Info**

Contract Number: 99999999991  
 Contract Status: Approved  
 Annual Installments: 10  
 Total Contract BQL: 107  
 Total Contract Value: \$749.00

Related Contracts for Tract Number:

Tract number	Total Tract BQL	Unclaimed BQL	Contract BQL	New Contract BQL
0002420	12550	11253	107	0
<b>Total</b>	12550	11253	107	0

4 System Functionality (Continued)

B VT and IT Process (Continued)

This is an example of the BQL Correction Update Successfully Screen. TTPP software canceled (CL) the original contract and issued the voluntarily terminated contract as a replacement with a zero BQL. Users can click on the contract number of the selected Tax ID to view contract details.

Tax ID	Contract BQL	Value	Contract Number	Contract Status
*****9991	107	\$749.00	999999999999	CL
*****9992	100	\$0.00	999999999991	PE

C TTPP Reports

This is an example of the new Report Selection Criteria Screen that will be displayed after users CLICK “Reports” under the Links on the TTPP Main Menu.

4 System Functionality (Continued)

C TTPP Reports (Continued)

This is an example of the Search Reports by Name Screen. When conducting a Report Search by Name, reports by Farm, Tract, Contract Maintenance, or Contract Payment are available.

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**Links**  
Section 508  
Accessibility  
Manage Farm (Quota Holder)  
Quota Holder Data  
Producer Data  
Manage contract payment  
Prompt Pay Interest  
Contract Maintenance Reports

**Search Reports By Name**

Report Name: Farm  
Farm  
Tract  
Contract Maintenance  
Contract Payment  
Unpaid Contracts Report

County:

Farm No.

View PDF Report

This is an example of a report request by name for farm number 66.

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Tobacco Transition Payment Program

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**Links**  
Section 508  
Accessibility  
Manage Farm (Quota Holder)  
Quota Holder Data  
Producer Data  
Manage contract payment  
Prompt Pay Interest  
Contract Maintenance Reports

**Search Reports By Name**

Report Name: Farm

County: Bedford

Farm No. 66

View PDF Report

**Notice TB-1236**

**4 System Functionality (Continued)**

**C TTPP Reports (Continued)**

This is an example of the report results for farm number 0000066.

**Note:** The last contract displayed has a Contract Status of “Voluntary Cancellation.”

TTPP Contracts for Farm Number: '0000066'								
State: TENNESSEE				County: Bedford				
Contract Number	Producer Name	Tax ID / Type	Contract Approval Date	Contract Status	Form Number	Tobacco Type	Program year BQL	
99999999995	SMITH FARMS	*****9991(S)	04-13-2007	Approved	CCC-955	Burley	580	
							Contract Total BQL	580
Contract Number	Producer Name	Tax ID / Type	Contract Approval Date	Contract Status	Form Number	Tobacco Type	Program year BQL	
99999999996	JONES FARMS	*****9992(S)	null	Pending	CCC-955	Burley	400	
							Contract Total BQL	400
Contract Number	Producer Name	Tax ID / Type	Contract Approval Date	Contract Status	Form Number	Tobacco Type	Program year BQL	
99999999997	DOE FARMS	*****9993(S)	08-23-2006	Pending	CCC-955	Burley	450	
							Contract Total BQL	450
Contract Number	Producer Name	Tax ID / Type	Contract Approval Date	Contract Status	Form Number	Tobacco Type	Program year BQL	
99999999998	JOHNSON FARMS	*****9994(S)	04-13-2007	Approved	CCC-955	Burley	20	
							Contract Total BQL	20
Contract Number	Producer Name	Tax ID / Type	Contract Approval Date	Contract Status	Form Number	Tobacco Type	Program year BQL	
999999999910	WILLIAMS FARMS	*****9995(S)	04-13-2007	Approved	CCC-955	Burley	500	
							Contract Total BQL	500
Contract Number	Producer Name	Tax ID / Type	Contract Approval Date	Contract Status	Form Number	Tobacco Type	Program year BQL	
999999999911	TOBACCO FARM	*****9996(S)	04-13-2007	Voluntary Cancellation	CCC-955	Burley	1000	
							Contract Total BQL	1000

This is an example of a report request by tract.

TTPP Contracts for Tract Number: '0000045'								
State: KENTUCKY				County: Shelby				
Contract Number	Producer Name	Tax ID / Type	Contract Approval Date	Contract Status	Form Number	Tobacco Type	Tobacco Quota Pounds	
99999999999	SMITH JAMES	*****9994(S)	08-09-2005	Pending	CCC-955	Burley	2722	
							283	
							Contract Total Pounds	3005

This is an example of the Contract Payment Report. The Contract Type code will be displayed on this report.

TTPP Contract Payment Report								
Form Number: CCC-955								
Quota Holder Contracts								
Parent Contract Identifier	Contract Number	Producer Name	Tax ID / Type	Contract Approval Date	Contract Status Code	Tobacco Type	Tract Number	Contract Type
	99999999999	FARMER	*****9996(S)	07-12-2005	Cancelled	Burley	0000160	ORG
Program Year	Payment Amount and Status			Program Year	Over Payment Amount and Status			
2005	55.30	Sent to NPS		No Overpayments Sent				
2006	55.30	Sent to NPS						
Total Paid	110.60							