



**United States
Department of
Agriculture**

Farm and Foreign
Agricultural Services

Farm Service
Agency

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Notice to the Trade

**BCD-62
EOD-136
DDOD-158
WLED-07**

DATE: October 30, 2003

SUBJECT: Conversion of Paper Checks to Electronic Fund Transfer (EFT)

Background

Recently Commodity Credit Corporation (CCC) implemented Paper Check Conversion (PCC), a new collection process. Checks received by CCC will be converted from a paper check to an EFT and posted against the check issuers' bank account. PCC is currently operational in selected sites across the nation and the Kansas City Commodity Office is one of the selected sites. A nation-wide rollout will occur over the next six months, establishing the new process in most service center and finance office locations. This new process will significantly reduce expenses and improve the efficiency associated with normal collection activities.

Changes to the Current Process

- Checks will not be returned, they will be destroyed within 14 days.
- The check amount will appear on the bank statement as an electronic transaction.
- The date should appear on the bank statement as YY/MM/DD followed by the check number (underlined) and the location of the office cashing the check. Example: (031003 10546 KANSMO).
- The EFT will usually occur within 24 hours from the time the check is received by CCC.
- An electronic image of the check will be archived in a centralized database for research and audit purposes.

More Information

For further information regarding PCC, visit the Farm Service Agency's website at <http://www.fsa.usda.gov/pas/pccnotice.htm>. You may also contact a marketing specialist in the appropriate division.

/s/ Steven P. Miteff for
George Aldaya
Director