UNITED STATES DEPARTMENT OF AGRICULTURE
Farm Service Agency
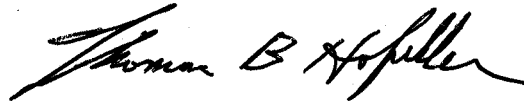Washington, DC 20250

For: FSA Offices

Centralized Interest Penalty and Additional Interest Penalty Payments

Approved by: Associate Administrator for Operations and Management

Thomas B Hofeller

1   Overview

A   Background

Payments moving to the National Payments Service (NPS) as part of the Payment Centralization initiative, will have prompt payment interest (PPI) systematically calculated. Payments issued before Payment Centralization may require an interest penalty (INTPEN) or additional interest penalty (ADDINTPEN) payment. The "INTPEN" and "ADDINTPEN" codes will not be moved to the Online Payments Web-Application. These codes will temporarily remain on the System 36 (S/36) Online Check Writing System to support history searches required for making pre-centralization related PPI payments. County Release No. 655 will contain changes related to INTPEN and ADDINTPEN payment processes.

B   Purpose

This notice provides:

- information about when PPI should be initiated through S/36
- detailed information about new required data fields for ADDINTPEN payment requests.

C   Contact

State Offices with questions about this notice shall contact Debbie Simmons, FMD, by either of the following:

- e-mail at debbie.simmons@wdc.usda.gov
- telephone at 703-305-1309.

Disposal Date	**Distribution**
September 1, 2009	All FSA Offices; State Offices relay to County Offices

2   Issuing INTPEN or ADDINTPEN Payments for Pre-Centralization S/36 Initiated Payments

A   Payments Initiated on S/36 Before Payment Centralization

Interest penalty and additional interest penalty payment requests needed for payments issued before Centralization will continue to be issued through the S/36 Online Check Writing System. S/36 will route INTPEN and ADDINTPEN payment requests through NPS for certification, signing, and disbursement. See 61-FI, Part 2, for instructions for issuing INTPEN and ADDINTPEN payments on S/36.

B   Screen Added for Entering ADDINTPEN Data

When users enter program code "ADDINTPEN", the following screen will be displayed on S/36.

To complete the payment request:

- enter the amount of the "Additional Interest Amount"

    Note: User must manually calculate the amount according to 61-FI, paragraph 3.

- enter the program code used to make the late payment in the "Original Program Code" field

- select the appropriate "Late Payment Reason"

- PRESS "Enter" to submit payment request to NPS.