

For: Tobacco State and County Offices

Preparing for FY 2009 Tobacco Transition Payment Program (TTPP) Annual Payments

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

The FY 2009 TTPP annual payment cycle is scheduled for processing on January 9, 2009. County Offices are required to ensure that contract assignments are entered according to established TTPP procedures before payment processing.

To assist users during this review, the Unpaid Contracts Report will provide users with a complete list of all contracts in “Approved” or “In-Dispute” status. The Payment (Reconciliation) Status Report provides detailed information for contract payments.

B Purpose

This notice provides:

- guidance about payment validation for the 2009 TTPP annual payment cycle
- instructions for using the Unpaid Contracts Report (Pre-Payment Report)
- instructions for the Payment (Reconciliation) Status Report.

2 Action

A County Office Action

County Offices are authorized to begin disbursing payments on January 12, 2009.

Before the later of January 12, 2009, and the date the County Office disburses payments, the County Office shall:

- follow internal controls and procedures to reasonably ensure that payments and disbursements are valid and sufficiently supported to prevent improper payments

Disposal Date	Distribution
July 1, 2009	Tobacco State Offices; State Offices relay to applicable County Offices

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2 Action (Continued)

A County Office Action (Continued)

- become familiar with TTPP automated subsidiary eligibility checks for producer contract payments
- become familiar with the Unpaid Contracts Report and the Payment (Reconciliation) Status Report
- use the Unpaid Contracts Report to validate all contracts in “Approved” and “In-Dispute” statuses
- ensure that all assignments are established at the contract level
- ensure that all assignees are loaded in the State and County Information Management System
- ensure that remaining contracts with invalid base quota levels (BQL’s) or taxpayer ID numbers are placed into “In-Dispute” status
- ensure that all contracts where CCC-971 was not processed are placed into “In-Dispute” status, excluding contracts where CCC-971 was filed after November 1, 2008, that are not effective until the FY 2010 payment
- run the TTPP Selection Register Report on January 2, 2009, using a date range of last run date of the TTPP Selection Register Report to December 31, 2008, to ensure that all new approved contracts that will receive the first payment under TTPP have been reviewed before FY 2009 annual payments

Note: The last run date and the criteria entered are printed on the TTPP Selection Register Report.

- run the TTPP Selection Register Report for the period January 2, 2009, through January 8, 2009, to ensure that all new approved contracts that will receive the first payment under TTPP have been reviewed before FY 2009 annual payments.

B State Office Action

State Offices shall:

- ensure that County Offices follow the provisions of this notice
- contact Misty Jones at 202-720-3996 with questions about this notice.

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3 Pre-Payment Procedures for 2009 Annual Payment Processing

A When to Place Contracts Into “In-Dispute” Status

The following TTPP contracts **should** be updated to “In-Dispute” status before 2009 payment processing:

- erroneous contract payments identified through CCC-770 TTPP checklist review process
- contracts that have been paid erroneously in either 2005, 2006, 2007, or 2008 that have **not** been corrected because of software limitations
- contracts where CCC-971 was filed by November 1, 2008, that have **not** been processed, including CCC-971’s filed after November 1, 2008, because of death
- contracts that are currently under administrative appeal.

B TTPP Automated Subsidiary Eligibility Checks

During FY 2009 payment processing, TTPP will perform checks using the following criteria for producer contracts.

IF the original contract was...	THEN TTPP will...
<p>paid in full in a prior year (2005, 2006, 2007, or 2008)</p>	<p>not check any subsidiary flags except for the “controlled substance violation” flag on the existing contract holder or the new contract holder as a result of CCC-971 transfer.</p> <p>Note: CCC-971 resulting producer contracts are only checked for “controlled substance violations” before payment.</p>
<p>not paid in full in a prior year (2005, 2006, 2007, or 2008)</p>	<p>perform a full subsidiary eligibility check on the original contract holder; however, no checks are made to new contract holders as a result of CCC-971 transfer.</p> <p>Note: If the transferring contract holder was partially paid or not eligible for payment at the time of transfer, CCC-971 transfer would have been denied. Partial payments can occur, for example, when 1 of the members of a general partnership has an ineligible subsidiary flag. The system would have deducted the ineligible member’s share of the payment.</p>

4 System Functionality for Reports

A Report Overview

The cover page includes a legend decoding the different abbreviations used in the requested report.

An Unpaid Contracts Report (see subparagraph B) is available through TTPP Reports Menu and will be used as a Pre-Payment Report to validate contract owners and amounts before payment. This report will list all contracts in either “Approved (AP)” or “In-Dispute (DI)” status. County Offices shall print and review this report not later than January 9, 2009. If it is run before January 9, 2009, the County Office shall run it again on January 9, 2009, for the period since the last report run date.

The Payment (Reconciliation) Status Report (see subparagraph C) displays TTPP contracts as a single line item.

B Unpaid Contracts Report (Pre-Payment Report)

The Unpaid Contracts Report is available to users through the “Search Reports By Name” TTPP reports link.

The screenshot shows the USDA Tobacco Transition Payment Program website. At the top left is the USDA logo with the text "United States Department of Agriculture". To the right of the logo is the title "Tobacco Transition Payment Program". Below the title is a navigation bar with links: "TTPP Home", "About FSA", "Help", "Contact Us", and "Logout". The main content area is divided into two sections. On the left is a "Links" sidebar with a list of links: "Section 508", "Accessibility", "Manage Farm (Quota Holder)", "Quota Holder Data", "Producer Data", "Manage contract payment", "Prompt Pay Interest", and "Contract Maintenance Reports". On the right is a "Report Selection Criteria" section with a list of report links: "Contract Status Report", "Payment Status Report", "Deleted and/or Added Quota Holders Report", "Deleted and/or Added Producers Report", and "Search Reports By Name".

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4 System Functionality for Reports (Continued)

B Unpaid Contracts Report (Pre-Payment Report) (Continued)

Under the “Report Name” drop-down box, select “Unpaid Contracts Report”. Under “Contract Status”, select “Approved” or “In-Dispute”. Under “Program Year”, select “2009” and CLICK “View PDF Report.”

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

Search Reports By Name

Report Name: Unpaid Contracts Report

Contract Status: Approved

Program Year: 2005
Select One
2005
2006
2007

View PDF Report

The following is an example of the cover page, with legend, that will be displayed on each TTPP Unpaid Contracts Report request.

TTPP Unpaid Contracts Report , Cover Page - State: GEORGIA(13)
County: Appling(001) Date: 11-02-2006
Year: 2006 Status: Approved

Legend:
Contract Type QH - Quota Holder Contract (CCC-955)
Contract Type PR - Producer Contract (CCC-956)

Contract Origin:
ORG - Original Contract created by County Office
BQ-Incr - Contract is the result of BQL change that increased the BQL of the original contract
BQ-Decr - Contract is the result of BQL change that decreased the BQL of the original contract
BQ-NoChg - Contract is the result of BQL change that had a net zero change to the BQL of the original contract
TXN - Contract is the result of Tax Id change to a different person (different tax id, different person)
TXC - Contract is the result of Tax Id change to the same person (different tax id, same person - e.g. typo in tax id)
971 - Contract is the result of a CCC-971 transfer process

Contract Status:
AP - Approved
DI - In Dispute

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4 System Functionality for Reports (Continued)

B Unpaid Contracts Report (Pre-Payment Report) (Continued)

The following is an example of the TTPP Unpaid Contracts Report. The report is sorted by the last 6 digits of the contract number, then crop code.

TTPP Unpaid Contracts Report- State: GEORGIA(13)											
						Year: 2006		County: Appling(001)		Date: 11-02-2006	
								Status: Approved			
Contract Number	Contract Status	Approval Date	Contract Origin	Contract Type	Total Contract Amount	Annual Installments	Name	Tax ID/Type	Annual Payment Amount	Amount Paid	Amount Owed
999999999999	AP	07/12/2006	ORG	QH	\$3,101.00	10	JOHN DOE	****X0000(B)	\$310.10	\$0.00	\$310.10
999999999999	AP	07/13/2006	ORG	PR	\$16,912.00	10	JOHN DOE	****X0000(B)	\$1,691.20	\$0.00	\$1,691.20
999999999999	AP	07/12/2006	ORG	QH	\$16,912.00	10	JOHN DOE	****X0000(B)	\$1,691.20	\$0.00	\$1,691.20
999999999999	AP	09/23/2006	ORG	QH	\$1,400.00	10	JOHN DOE	****X0000(B)	\$140.00	\$0.00	\$140.00

The following is an example of the TTPP Unpaid Contracts Report summary page.

TTPP Unpaid Contracts Report- State: GEORGIA(13)			
		Year: 2006	County: Appling(001)
			Date: 11-02-2006
		Status: Approved	
Total Number of Contracts	Total Annual Payment Amount	Total Amount Paid to-date	Total Amount Owed
10	\$7,586.70	\$ 0.00	\$ 7,586.70

C Payment (Reconciliation) Status Report

The following is an example of the Payment (Reconciliation) Status Report cover page with legend.

Payment Reconciliation Report, Cover Page -State: GEORGIA(13)			
		County: Berrien(019)	Date: 11-03-2006
Program Year: 2005		Start Date: 10/10/2005	End Date: 10/10/2006
		Payment Status: Failed	
<p>Legend: Contract Type QH - Quota Holder Contract (CCC-955) Contract Type PR - Producer Contract (CCC-956)</p> <p>Contract Origin: ORG - Original Contract created by County Office BQ-Incr - Contract is the result of BQL change that increased the BQL of the original contract BQ-Decr - Contract is the result of BQL change that decreased the BQL of the original contract BQ-NoChg - Contract is the result of BQL change that had a net zero change to the BQL of the original contract TXN - Contract is the result of Tax Id change to a different person (different tax id, different person) TXC - Contract is the result of Tax Id change to the same person (different tax id, same person - e.g. typo in tax id) 971 - Contract is the result of a CCC-971 transfer process</p> <p>Contract Status: AP - Approved DI - In Dispute CL - Cancelled SI - Sold</p> <p>Note: For failed payment requests due to Eligibility errors, the data shown is for all years (the data can not be shown by year at this time). For other than Eligibility errors, the data is shown by requested year.</p>			

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4 System Functionality for Reports (Continued)

C Payment (Reconciliation) Status Report (Continued)

The following is an example of the Payment (Reconciliation) Status Report.

Example: In this example, the user selected Approved Contracts that have failed because of an error condition. The report is sorted by the last 6 digits of the contract number, then crop code.

Payment Reconciliation Report - State: GEORGIA(13) County: Berrien(019) Date: 11-03-2006											
Program Year:2005			Start Date: 10/10/2005		End Date: 10/10/2006		Payment Status:Failed				
Contract Number	Contract Status	Approval Date	Contract Origin	Contract Type	Total Annual Contract Install-Amounts	Name	Tax ID/Type	Annual Payment Amount	Transaction Amount	Payment Request Date	Status
999999999999	AP	07/08/2005	ORG	PR	\$31,927.00	10 DOE JOHN	*****XX(S)	\$3,192.70	\$3,193.00	09/01/2006	Prompt Pay Applicable Indicator Not Set
999999999999	AP	07/08/2005	ORG	PR	\$31,927.00	10 DOE JOHN	*****XX(S)	\$3,192.70	\$3,193.00	09/01/2006	Prompt Pay Applicable Indicator Not Set
999999999999	AP	07/08/2005	ORG	PR	\$31,927.00	10 DOE JOHN	*****XX(S)	\$3,192.70	\$3,193.00	09/01/2006	Prompt Pay Applicable Indicator Not Set
999999999999	AP	07/08/2005	ORG	PR	\$31,927.00	10 DOE JOHN	*****XX(S)	\$3,192.70	\$3,193.00	09/01/2006	Prompt Pay Applicable Indicator Not Set
999999999999	AP	07/08/2005	ORG	PR	\$31,927.00	10 DOE JOHN	*****XX(S)	\$3,192.70	\$3,193.00	09/01/2006	Prompt Pay Applicable Indicator Not Set
999999999999	AP	09/01/2006	ORG	QH	\$420.00	10 DOE JOHN	*****XX(S)	\$42.00	\$42.00	09/01/2006	Unsigned Payment Cancelled (NPS)

The following is an example of the TTPP Payment (Reconciliation) Status Report summary page.

Payment Reconciliation Report - State: GEORGIA(13) County: Berrien(019) Date: 11-02-2006											
Program Year:2005			Start Date: 10/10/2005		End Date: 10/10/2006		Payment Status:Failed				
Total Number of Contracts				Total Annual Payment Amount							
6				\$16,005.50							