

**UNITED STATES DEPARTMENT OF AGRICULTURE**

Farm Service Agency  
Washington, DC 20250

**Common Payment System  
9-CM**

**Amendment 8**

**Approved by:** Acting Deputy Administrator, Farm Programs



**Amendment Transmittal**

**A Reasons for Amendment**

Subparagraphs 66 E and 71 F have been amended to:

- update the member contribution message on the Nonpayment/Reduction Report and the Prepayment Report
- add a reference to 3-PL (Rev. 1).

<b>Page Control Chart</b>		
<b>TC</b>	<b>Text</b>	<b>Exhibit</b>
	5-31, 5-32 5-43, 5-44	



66 Nonpayment/Reduction Report (Continued)

E Nonpayment/Reduction Messages (Continued)

Message on Nonpayment/Reduction Report	Description/Corrective Action
Member data is not recorded in the entity file.	<p>Producer or member data:</p> <ul style="list-style-type: none"> <li>• is not recorded in the joint operation or entity file</li> <li>• has not uploaded to the mainframe</li> <li>• is not recorded in the Business File application.</li> </ul> <p>County Offices shall:</p> <ul style="list-style-type: none"> <li>• ensure that the joint operation or entity information is recorded in the Business File application and the farm operating plan is not in a suspended status</li> </ul> <p><b>Note:</b> See 3-PL (Rev. 1) for additional information.</p> <ul style="list-style-type: none"> <li>• ensure that the joint operation or entity data is recorded for the applicable year and at least 4 calendar days to 2 weeks have passed since the data was last updated</li> <li>• if the joint operation or entity is multi-county, ensure that the joint operation or entity file data is recorded in the county listed as the “Rc St &amp; Cty” on MABDIG for the applicable year.</li> </ul> <p>A farm operating plan is suspended in the Business File application because of changes made to the ownership structure of the entity/joint operation through another operation.</p> <p>A revised CCC-902 must be filed for the operation to update the member information. See 3-PL (Rev. 1) for additional information.</p>
Member does not meet the substantive change provisions.	Verify the substantive change flag is updated properly in the joint operation file.
Member has not designated to receive payment through the payment entity.	Verify the permitted entity flag is updated properly in the joint operation/entity file.
Member is a 3 <sup>rd</sup> level joint operation or entity.	Verify the member data has been recorded properly in the joint operation/entity file.
*--Member does not meet the member contribution provisions.	<p>Verify the member contribution flag is updated properly in the entity file or business file, as applicable.</p> <p>See 3-PL (Rev. 1), paragraphs 551 and 552 for additional information.--*</p>
Producer or member does not have an active eligibility record.	<p>Ensure that the producer or member is linked to the FSA County Office in SCIMS. If the producer/member is linked in SCIMS:</p> <ul style="list-style-type: none"> <li>• County Offices shall refer the case to the State Office specialist responsible for subsidiary processes</li> <li>• State Offices shall contact PECD for guidance.</li> </ul>
Producer or member has a delinquent debt.	<p>Check the subsidiary eligibility data to ensure that it is updated correctly based on the documentation filed by the producer and the determinations made by COC.</p> <p>See 3-PL (Rev. 1) for additional information for updating eligibility data.</p>
Producer or member has a fraud violation.	
Producer or member has a NAP non-compliance violation.	

66 Nonpayment/Reduction Report (Continued)

E Nonpayment/Reduction Messages (Continued)

Message on Nonpayment/Reduction Report	Description/Corrective Action
Producer or member has reached the maximum payment under payment limitation provisions.	The accumulated payments for the producer or member equal the effective payment limitation. See paragraph 15 for additional information.
Producer or member is not compliant with "person" provisions.	Check the subsidiary eligibility data to ensure that it is updated correctly based on the documentation filed by the producer and the determinations made by COC.  See 3-PL (Rev. 1) for additional information for updating eligibility data.
Producer or member is not compliant with actively engaged in farming provisions.	
Producer or member is not compliant with AD-1026 certification provisions.	
Producer or member is not compliant with adjusted gross income provisions.	
Producer or member is not compliant with beginning farmer or rancher certification provisions.	
Producer or member is not compliant with conservation compliance provisions.	
Producer or member is not compliant with controlled substance provisions.	
Producer or member is not compliant with limited resource farmer or rancher certification provisions.	
Producer or member is not compliant with socially disadvantaged farmer or rancher certification provisions.	
Producer or member is not compliant with the FCI (FSA-570) certification provisions.	
Producer or member is not compliant with the foreign person eligibility provisions.	
Producer or member is not fully compliant with cash rent tenant provisions.	
Producer or member is not linked in SCIMS * * *.	*--Ensure that the producer or member is linked to all FSA County Offices in SCIMS where the producer is participating.--*
Producer or member's business type is not eligible for payment.	Review the information recorded SCIMS and the joint operation/entity file, as applicable, to ensure that both of the following are correct: <ul style="list-style-type: none"> <li>• business type in SCIMS</li> <li>• entity type on System 36.</li> </ul>
Producer or member's entity type on the permitted entity file does not match the business type in SCIMS.	Follow 1-CM, paragraph 196 to correct System 36 data for the applicable years for the payment entity or member, as applicable.
Payment was attempted but failed because of an unexpected condition.	The payment was not processed because of an unexpected condition encountered during processing.  The payment will automatically be re-attempted during the next payment process.  <b>Note:</b> County Offices may refer the case to the State Office if the producer has been listed on the report a minimum of 5 calendar days.

**\*--71 Prepayment Report (Continued)**

**E Sort Order**

The information on the report is sorted by producer name.

**F Prepayment Report Messages**

The type of nonpayment conditions that will be determined are general eligibility reductions.

The following table identifies the general eligibility messages that may be listed on the Prepayment Report and the corrective action that may be taken to resolve the error, if applicable.

**Notes:** See Exhibit 4 for additional information on which payment eligibility rules apply to various programs.

The following messages are listed in alphabetical order.

Message on Prepayment Report	Description/Corrective Action
Entity or joint operation data is recorded on the permitted entity file, but the accumulated member shares do not equal 100 percent and the discrepancy exceeds 1 percent.	<p>If the entity or joint operation is recorded in the Business File application for 2012 and future years, indicating at least 1 contract is subject to 4-PL provisions, then the member shares:</p> <ul style="list-style-type: none"> <li>• have not been recorded for all members</li> <li>• are not recorded in whole percentages.</li> </ul> <p><b>Example:</b> Shares may be recorded as 0.3333 instead of 33.33%.</p> <p>If the entity or joint operation is only associated with contracts subject to 1-PL provisions, then:</p> <ul style="list-style-type: none"> <li>• County Offices shall refer the case to the State Office specialist responsible for subsidiary processes</li> <li>• State Offices shall contact PECD for guidance.</li> </ul>
Member data is not recorded in the entity file.	<p>Producer or member data is not recorded in the Business File application.</p> <p>County Offices shall ensure that the joint operation or entity information is recorded in the Business File application and the farm operating plan is not in a suspended status.</p> <p><b>Note:</b> See 3-PL (Rev. 1) for additional information.</p> <p>A farm operating plan is suspended in the Business File application because of changes made to the ownership structure of the entity/joint operation through another operation.</p> <p>A revised CCC-902 must be filed for the operation to update the member information. See 3-PL (Rev. 1) for additional information.</p>
Member does not meet the substantive change provisions.	Verify the substantive change flag is updated properly in the business file.
Member is a 3 <sup>rd</sup> level joint operation or entity.	Verify the member data has been recorded properly in the business file.

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71 Prepayment Report (Continued)

F Prepayment Messages (Continued)

Message on Prepayment Report	Description/Corrective Action
*--Member does not meet the member contribution provisions.	Verify the member contribution flag is updated properly in the business file.  See 3-PL (Rev. 1), paragraphs 551 and 552 for additional information.--*
Producer or member does not have an active eligibility record.	Ensure that the producer or member is linked to the FSA County Office in SCIMS. If the producer/member is linked in SCIMS: <ul style="list-style-type: none"> <li>• County Offices shall refer the case to the State Office specialist responsible for subsidiary processes</li> <li>• State Offices shall contact PECD for guidance.</li> </ul>
Producer or member has a fraud violation.	Check the subsidiary eligibility data to ensure that it is updated correctly based on the documentation filed by the producer and the determinations made by COC.
Producer or member is not compliant with actively engaged in farming provisions.	See 3-PL (Rev. 1) for additional information for updating eligibility data.
Producer or member is not compliant with AD-1026 certification provisions.	
Producer or member is not compliant with adjusted gross income provisions.	
Producer or member is not compliant with conservation compliance provisions.	
Producer or member is not compliant with controlled substance provisions.	
Producer or member is not compliant with the foreign person eligibility provisions.	
Producer or member is not fully compliant with cash rent tenant provisions.	
Producer or member is not linked in SCIMS.	
Producer or member's business type is not eligible for payment.	Review the information recorded in SCIMS and the joint operation/entity file, as applicable, to ensure that both of the following are correct: <ul style="list-style-type: none"> <li>• business type in SCIMS</li> <li>• entity type on System 36.</li> </ul>
Producer or member's entity type on the permitted entity file does not match the business type in SCIMS.	Follow 1-CM, paragraph 196 to correct System 36 data for the applicable years for the payment entity or member, as applicable.
Producer or member's tax ID number is not eligible for payment.	<ul style="list-style-type: none"> <li>• Verify that the producer or member has not provided a valid TIN. If a valid TIN has been provided, update SCIMS with the correct TIN.</li> <li>• Ensure that the TIN in the entity file for the producer or member matches the producer or member's TIN in SCIMS.</li> </ul>