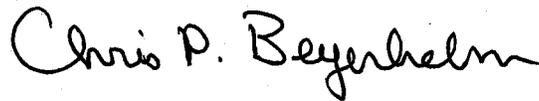


For: State and County Offices

Mishandled Deposits for FLP Payments Submitted to Lock Box

Approved by: Deputy Administrator, Farm Loan Programs



1 Handling Mishandled Deposits

A Background

The National Office and Finance Office in St. Louis, Missouri, have been notified that a reconciliation of payments submitted to the Lock Box and the Schedules of Deposit is being conducted. This reconciliation covers from 2009 to the present. It has been brought to FLP's attention that some FLP customers have been affected by mishandled deposits.

B Purpose

This notice advises all FLP offices of the proper handling of these mishandled deposits.

C Contact

If there are any questions about this notice, contact Tamara Wilson, LSPMD, by telephone at 202-690-4012 or Lisa Randolph, FLOO, by telephone at 314-679-6851.

D State and County Office Action

If a County Office is contacted by Kansas City about a mishandled FLP payment, or a borrower contacts FLP staff about their check not being cashed, the following steps should be taken.

Step	Action
1	County Office employees should contact the FLP staff in the appropriate State Office. The State Office should notify Tamara Wilson, LSPMD, by telephone at 202-690-4012 and Lisa Randolph, FLOO, by telephone at 314-679-6851.
2	FLP State Office staff should instruct the County Office to dishonor the applicable receipt and add a remark to the receipt indicating that the remittance check has been mishandled at the Lock Box and cannot be located.

Disposal Date	Distribution
August 1, 2013	State Offices; State Offices relay to County Offices

Notice FLP-636

1 Handling Mishandled Deposits (Continued)

D State and County Office Action (Continued)

Step	Action
3	<p>FLP State Office staff should instruct the County Office to contact the borrower and request 1 of 2 things:</p> <ul style="list-style-type: none">• a copy of the cancelled check• a replacement check. <p>Note: FLP staff should also make the borrower aware that they can be reimbursed any fees incurred to place a stop payment request on the mishandled check, if the borrower incurred any fees. The contact with the borrower should be clearly documented. FLP State Office staff should work with the appropriate County Office staff to process the reimbursement of any fees the borrower may have incurred through On-Line Payment and NPS. If the borrower does provide a replacement check, the original date of credit will be used when creating the new NRRS receipt.</p>
4	<p>State Offices should contact the National Office in cases where the borrower refuses to provide the information requested, a replacement remittance, or if the borrowers account has been paid in full.</p>

Note: A miscellaneous claim should **not** be established for any FLP collections when the check has been mishandled.

FLP has to correct the borrower's account as described in this subparagraph.