

For: State and County Offices

**Work-Around Process for Handling Multi-County Producers
and Loans/LDP's Exceeding COC Maximum Yields**

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

Producers with farms administered in more than 1 County Office may request to receive all of their loans and LDP's through 1 County Office. This was authorized as a convenience to the producer. In addition, production from different counties is often commingled in the same storage structure making it in the best interest of CCC to have these loans administered by only 1 County Office.

Currently, the Commodity Loan Processing System (CLPS) uses the producer's "Customer Profile" in eLDP to determine the producer's total reasonable, allocated, and available quantity. A producer's eLDP "Customer Profile" only includes the farms and eligible production from the County Office initiating the profile.

In addition, neither CLPS nor eLDP allows loans and LDP's exceeding the total available quantity in the producer's eLDP "Customer Profile".

Work-around processes have been developed to allow for processing MAL's and LDP's on:

- production from farms administered in other County Offices
- quantities exceeding the total available quantity.

In a future software enhancement, all of the producer's farms and eligible production will be available to CLPS and eLDP to all County Offices in which the producer has a farming interest.

Disposal Date	Distribution
July 1, 2017	State Offices; State Offices relay to County Offices

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1 Overview (Continued)

B Purpose

This notice informs State and County Offices of work-around processes for:

- increasing the available quantity in the producer eLDP “Customer Profile” to allow a producer to receive loans and LDP’s in a county other than the county where the farm is administered
- increasing the total available quantity for loans in CLPS and LDP’s in the eLDP “Customer Profile” when a producer’s actual production is greater than the COC maximum established yield.

The policy documentation requirements for each process are also included.

C Contact

If there are policy questions about this notice, State Offices shall contact DeAnn Allen, PSD, by either of the following:

- e-mail to deann.allen@wdc.usda.gov
- telephone at 202-720-9889.

If there are automation questions about this notice, State Offices shall contact Laura Schlote, PECD by either of the following:

- email to laura.schlote@wdc.usda.gov
- telephone at 202-720-7785

2 Multi-County Producers

A Policy Regarding Multi-County Producers

According to procedure in 8-LP, subparagraph 501 A, a producer who farms in more than 1 county may request all or a specified portion of the producer’s loans and LDP’s through 1 of the County Offices.

Currently, it is **not** possible to add farms administered in other counties to a producer’s eLDP “Customer Profile”. The “Customer Profile” in eLDP reads the producer’s eligible acres and share from FSA-578 certified through the Crop Acreage Reporting System (CARS) in the County Office initiating the profile according to 15-PS.

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2 Multi-County Producers (Continued)

A Policy Regarding Multi-County Producers (Continued)

A work-around process has been developed that will allow a producer who farms in more than 1 county to receive all or a specified portion of that producer's loans and LDP's through 1 of those County Offices. This work-around process shall be used until the common payment eligibility process can be enhanced for MAL's and LDP's.

The work-around process increases the COC yield for the individual producer thus allowing for the increase of the applicable total available quantity in the County Office that will be processing the producer's loans and LDP's. The producing County Office that is moving the producer's available quantity to the processing County Office will edit that producer's profile preventing duplicate benefits from being issued.

The **processing** county is the County Office that the producer has requested to process all or a determined quantity of the producer's loans and LDP's. The producer **must** have a farming interest in the county.

The **producing** county is the administrative County Office for the farm on which the producer grew the eligible loan and LDP commodities. The farming operation **must** be administered under the same name as the operation in the processing county.

Important: All impacted County Offices must maintain open communication to successfully implement this policy.

B Initial Procedure Required in Both the Processing and Producing County Offices

Before the processing County Office can accept and the producing County Offices move all or a specified amount of a producer's total available quantity from 1 County Office and to another, **both** the processing and producing County Offices **must** complete the following actions:

- COC has determined the maximum yields for each eligible commodity, according to 8-LP subparagraph 230 E, and documented these yields in the COC minutes. These yields are used to determine a producer's a reasonable quantity for loans and LDP's
- COC determined yields have been entered into the eLDP County Commodity Yields Screen according to 15-PS subparagraph 204 B and CLPS directives
- eLDP "Customer Profile" has been established for the applicable producer according to 15-PS paragraphs 251 and 252, PS notices and CLPS directives.

Note: In establishing the "Customer Profile" in eLDP, a CCC-633EZ Page 1 date is required. This date **must** be the date the producer signed CCC-633EZ Page 1.

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2 Multi-County Producers (Continued)

C Initial Request by Processing County Office

If the processing County Office receives a request from a multi-county producer to receive all or a specified portion of their loans and LDP's in that County Office, the processing County Office shall request from the producing County Offices a copy of the producer's eLDP "Customer Profile" showing the eligible acres and total available quantity.

D Initial Action by Producing County Offices

The producing County Office, before establishing a "Customer Profile", shall:

- verify that all farm numbers listed on the eLDP "Customer Profile" were fully reported because full acreage reports are **required** for any production from that farm to be eligible for loan and LDP

Notes: Cross through any farms that were **not** fully reported.

The CARS Farms with Unreported Cropland Report shall be used to verify full reporting. See 2-CP, paragraphs 318 and 380.5 for additional information.

- send the eLDP "Customer Profile" to the processing County Office.

Note: Retain and notate on a separate copy of the producer's eLDP "Customer Profile" that the total available quantity or a specified portion was sent to (Enter Name of County) County Office as the processing County Office and date sent.

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2 Multi-County Producers (Continued)

E Work-Around Procedure in Processing County Office to Determine the Revised Available Quantity

When all of the eLDP “Customer Profile’s” from the producing County Offices have been received by the processing County Office, the processing County Office shall complete the following steps.

Step	Action
1	<p>Processing County Office shall complete a worksheet to manually determine the updated yield that must be entered for each requested commodity in the eLDP “Customer Profile”. See Exhibit 1 for an example scenario and completed worksheet.</p> <p>Exhibit 2 is a suggested worksheet and instructions. State Offices may develop a worksheet for their County Offices. Any worksheet developed other than Exhibit 2 must include all of the following:</p> <ul style="list-style-type: none"> • producer’s name and crop year • requested processing County Office with commodities reported on FSA-578 • producing County Offices with commodities reported on FSA-578 • total acres reported of each commodity in the processing County Office • total available quantity for each commodity in each County Office from profile • updated yield computations to enter in eLDP “Customer Profile” • preparer’s signature and date • second party reviewer’s signature and date • section for entering date records were updated in eLDP “Customer Profile”.
2	<p>The processing County Office shall:</p> <ul style="list-style-type: none"> • total all the available quantity from the eLDP “Customer Profile’s by commodity from all producing County Offices • divide the total available quantity for each commodity by the total acres for that commodity reported on the FSA-578’s in the processing County Office to determine the required updated yield needed to compute total available quantity for this producer.

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2 Multi-County Producers (Continued)

E Work-Around Procedure in Processing County Office to Determine the Revised Available Quantity (Continued)

Step	Action
2 (Cont.)	<p>After completing computations for all applicable commodities in the processing County Office:</p> <ul style="list-style-type: none"> • the individual preparing the worksheet must sign and date • all computations on the worksheet must be reviewed by a second party in the County Office • the eLDP “Customer Profile” from the producing County Offices shall be attached and retained in a folder for the producer with other documents required for loans including UCC-1 filings, lien searches, and lien waivers <p>Note: If the County Office does not have a folder for the producer with documents required for loans including UCC-1 filings, lien searches, and lien waivers, retain the computation worksheet and required attachments in a separate folder for the producer.</p> <ul style="list-style-type: none"> • enter in the producer’s eLDP “Customer Profile” as determined on the worksheet, the following according to 15-PS, subparagraph 252 B: <ul style="list-style-type: none"> • updated COC yield • the new total quantity for each commodity as the “Total Allocated Quantity”.
3	<p>Notify the producing County Offices that the eLDP “Customer Profile” in the producing County Office for this producer must be edited to decrease the “Total Allocated Quantity” for each applicable farm by commodity. See subparagraph F for additional information.</p>
4	<p>Processing County Office shall process, disburse, and service loan and eLDP requests when submitted or requested by the producer according to current policy.</p>

Important: If a commodity was **not** planted by the producer in the processing county, it will **not** appear on the producer’s eLDP “Customer Profile”, and the commodity **cannot** be added to the producer’s eLDP “Customer Profile”. Any loans on this commodity **must** be requested in the county or a county where the producer reported the commodity.

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2 Multi-County Producers (Continued)

F Decreasing the Available Quantity in Producing County Offices

The producing County Offices **must** edit the producer's eLDP "Customer Profile" to prevent duplicate loans and LDP's from being issued according to the instructions in 15-PS, subparagraph 252 B, when notified by the processing County Office that the total available quantity from this county has been added to the producer's eLDP "Customer Profile" in the processing County Office. The producing County Offices shall reduce the "Total Allocated Quantity" for each applicable commodity by farm to the quantity that the producer requests to remain in that County Office or edit to "1", if all available quantity is moved to the processing County Office.

Notes: The eLDP system will **not** allow a "Total Allocated Quantity" of "0". The "Total Allocated Quantity" must be "1" or greater.

Do **not** delete the producer's profile.

Graze-Out payments must be processed in the administrative County Office for the farm and cannot be moved to another County Office.

Important: All employees in the producing County Offices **must** be aware of the action taken and there can be **no** subsequent changes to the producer's eLDP "Customer Profile" without coordinating with the processing County Office.

3 Increasing Producer Available Quantity

A Policy on Quantities Exceeding COC Maximum Yield

Policy allows for the quantity offered for loan or LDP to exceed the COC maximum established yield, if the producer presents specific documentation proving that a specific quantity of a commodity was produced on a given set of specific acres.

According to 8-LP, subparagraph 230 G, if the quantity offered for loan or LDP exceeds COC maximum established yield by:

- up to 10 percent, then:
 - producer shall provide a statement of reasonableness, considering items such as farming practices and prior year's production
 - CED will make a determination to approve or deny the request based on the CED's knowledge and current yields in the area
 - CED will document approvals in loan or LDP file and refer denials to COC

3 Increasing Producer Available Quantity (Continued)

A Policy on Quantities Exceeding COC Maximum Yield (Continued)

- more than 10 percent, then:
 - producer shall provide a statement of reasonableness, considering items such as farming practices and prior year's production
 - COC will make determination to approve or deny the request based on comparable yields and farming practices in the area
 - CED will document the decision in the loan or LDP file and in the COC minutes. Statement of reasonableness from producer shall be attached to the applicable CCC-666 or CCC-633EZ.

Note: Using yields from other producers' farms is **not** permitted.

All approvals and justifications for approvals, including supporting statement, shall be documented in the producer's loan or LDP file and shall include the CED or COC signature and date as follows:

- for loans, in CCC-666, item 19B, "Remarks" section
- for LDP's, on applicable CCC-633 EZ page as follows, in the "Additional Information" section:
 - page 2, item 32
 - page 3, Item 56
 - page 4, item 86.

B Work-Around Process for Increasing an Individual's Available Quantity

When the process in subparagraph A is completed, the work-around process allows for the producer's total available quantity to be increased by editing the producer's individual yield for the specific commodity in the eLDP "Customer Profile".

To determine the applicable yield to enter, divide the total available quantity for the commodity approved for the producer by the total acres planted on the farm or in the county to determine the new yield.

County Offices shall follow the automation instructions in 15-PS, subparagraph 252 B to edit in the producer's eLDP "Customer Profile" the yield by farm to allow for the increased production. County Office shall document in the producer's MAL or LDP folder, the date the yield was increased in the "Customer Profile".

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3 Increasing Producer Available Quantity (Continued)

B Work-Around Process for Increasing an Individual’s Available Quantity (Continued)

The following is an example of how the processing County Office will determine the new yield to enter into the producer’s eLDP “Customer Profile”.

Step	Action
1	Producers profile currently shows the following: <ul style="list-style-type: none">• acres reported = 100 acres of corn• COC yield for corn = 160 bu. per acre• original total reasonable quantity = 100 x 160 = 16,000 bu.
2	Producer requested a corn MAL for 5,000 bu. which was disbursed and left a total available quantity of 11,000 bu.
3	Producer requested another corn MAL for 12,000 bu. and is short 1,000 bu. of available quantity.
4	Following procedure in 8-LP, subparagraph 230 G, CED approved the additional 1,000 bu. of corn for this producer.
5	Total quantity under MAL for this producer will be 17,000 bu. Taking the total available quantity approved and dividing by the acres on the farm equals the new approved yield. (17,000 ÷ 100 acres = 170 bu. per acre)
6	County Office shall follow 15-PS, subparagraph 252 B to edit the yield in producer’s eLDP “Customer Profile” from 160 to 170, and increase the “Total Allocated Quantity” to match the total quantity approved.

4 Editing eLDP “Customer Profiles”

A Joint Operation eLDP “Customer Profiles”

For both work-around processes described in paragraphs 2 and 3, to edit the eLDP “Customer Profile” for the members of joint operations, County Offices shall follow:

- Notice PS-727, subparagraph 3 B
- CLPS directives.

B eLDP “Customer Profile” Edits

County Offices are only authorized to edit the eLDP “Customer Profile” for the 2 processes described in paragraphs 2 and 3. Any other edits to the eLDP “Customer Profile” using these processes are **not** authorized.

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5 Action

A State Office Action

State Offices shall:

- assist their County Offices with the work-around processes to increase and/or decrease the total available quantity, when applicable
- ensure that their County Offices are following the policy steps provided in this notice.

B County Office Action

County Offices shall:

- request assistance from their State Office, if needed, to follow the procedure in this notice
- honor requests from producers to receive all of their loans and LDP's in 1 County Office.

Work-Around Process for Handling Multi-County Producers

A Scenario for the Work-Around Process for Handling Multi-County Producers

Follow these steps in the work-around for multi-county producers requesting all of their MAL’s and LDP’s in 1 County Office.

Step	Action
1	<p>Joe Producer:</p> <ul style="list-style-type: none"> • has farms administered in 4 County Offices; Carroll, Clinton, Green, and Jones • farms as an individual entity • requests that Clinton County process all of his MAL’s and LDP’s for 2016 crop year. <p>The following information is provided by the producer:</p> <ul style="list-style-type: none"> • produced barley, oats, and soybeans in Carroll County • produced corn, oats, and soybeans in Clinton County • produced corn and soybeans in Green County • produced corn in Jones County.
2	<p>Clinton County, informs Carroll, Green, and Jones Counties that Joe Producer has requested all his MAL’s and LDP’s be processed in Clinton County, and requested eLDP “Customer Profiles” be established in each county with a copy sent to Clinton County.</p>
3	<p>Clinton County established the eLDP “Customer Profile” for Joe Producer and received the 3 “Customer Profiles” from Carroll, Green, and Jones Counties. The information on the “Customer Profile” was used to complete the worksheet and to compute the revised yield Clinton County must enter in Joe’s “Customer Profile”, increasing his total available quantity to accommodate the production from the other counties, as follows:</p> <ul style="list-style-type: none"> • for corn: <ul style="list-style-type: none"> • Clinton County: 155 acres planted = 27,125 bu. total available quantity for corn • Green County: 6,400 bu. total available quantity for corn • Jones County: 7,200 bu. total available quantity for corn • total available quantity = 40,725 bu. ÷ 155 acres in Clinton County = 263 bu./acre • for oats: <ul style="list-style-type: none"> • Carroll County: 500 bu. total available quantity for oats • Clinton County: 10 acres planted = 550 bu. total available quantity for oats • total reasonable quantity = 1,050 bu. ÷ 10 acres in Clinton County = 105 bu./acre • for soybeans: <ul style="list-style-type: none"> • Carroll County: 1,000 bu. total available quantity for soybeans • Clinton County: 80 acres planted = 4,800 bu. total available quantity for soybeans • Green County: 1,100 bu. total available quantity for soybeans • total available quantity = 6,900 bu. ÷ 80 acres in Clinton County = 87 bu./acre.

Work-Around Process for Handling Multi-County Producers (Continued)

A Scenario for the Work-Around Process for Handling Multi-County Producers (Continued)

Step	Action
4	<p>Clinton County must inform Joe that only commodities planted in the processing county and included on the producer’s eLDP “Customer Profile” in that County Office can be edited. Barley from Carroll County cannot be processed in Clinton County and will have to be processed in Carroll County.</p>
5	<p>To increase the total available quantity for Joe Producer to include production from Carroll, Green, and Jones Counties, Clinton County shall edit the applicable COC yield (COC Irrigated Yield or COC Non Irrigated Yield) in Joe’s eLDP “Customer Profile”, according to 15-PS, subparagraph 252 B, with the following yields:</p> <ul style="list-style-type: none"> • corn: 263 bu. per acre • oats: 105 bu. per acre • soybeans: 87 bu. per acre. <p>Clinton County shall also manually update, per commodity, the “Total Allocated Quantity” to the total available quantity from the worksheet, as follows:</p> <ul style="list-style-type: none"> • corn: 40,725 bu. • oats: 1,050 bu. • soybeans: 6,900 bu. <p>This action will:</p> <ul style="list-style-type: none"> • increase Joe’s total available quantity in Clinton County • allow MAL’s and LDP’s to be processed in Clinton County for commodities grown in the other counties.
6	<p>Clinton County shall notify Carroll, Green, and Jones Counties that they are to:</p> <ul style="list-style-type: none"> • immediately edit the “Total Allocated Quantity” for each applicable commodity in the eLDP profiles for Joe Producer to “1” <p>Note: Carroll County shall not edit the barley yield or quantity for Joe Producer because any barley loans he requests must be processed in Carroll County.</p> <ul style="list-style-type: none"> • send Clinton County a copy of their updated producer profile for Joe Producer when this action has been completed.
7	<p>Clinton County shall enter the date notified by the other County Office and attach the updated profiles to the worksheet for Joe.</p>

Work-Around Process for Handling Multi-County Producers (Continued)

B Example Work-Around Process for Handling Multi-County Producers

Producer: Joe Producer Crop Year: 2016
 Multi-County Producers Requesting Loans and LDP's in 1 County Office

Type of County Office	County Office Name	Commodities Reported on FSA-578	eLDP Profile Date	
			Profile Received in Processing Office	Final Date and Action
Processing	Clinton	Corn, Soybeans, Oats		8-23-16 - edited yields and updated allocated quantity
Producing	Jones	Corn	8-18-16	8-25-16 - updated allocated quantity
Producing	Green	Corn, Soybeans	8-18-16	8-28-16 - updated allocated quantity
Producing	Carroll	Soybeans, Oats, Barley <i>Note: Barley loans can be processed by Carroll County Office only.</i>	8-18-16	8-24-16 - updated allocated quantity for corn and soybeans
Producing				

Commodity	County Office	Total Acres Reported in Processing County	Total Available Quantity for Commodity on eLDP "Customer Profile"	Updated Yield to Enter in eLDP Profile in Processing County Office
Corn	Processing - Clinton	155 Acres	27,125 Bu.	$40,725 \div 155$ (acres in processing County) = 262.7 or 263 bu./acre
	Producing - Jones	N/A	7,200 Bu.	
	Producing - Green	N/A	6,400 Bu.	
	Producing - Carroll	N/A		
	TOTAL		40,725 Bu.	
Soybeans	Processing - Clinton	80.0 Acres	4,800 Bu.	$6,900 \div 80$ (acres in processing County) = 86.25 or 87 bu./acre
	Producing - Green	N/A	1,100 Bu.	
	Producing - Carroll	N/A	1,000 Bu.	
	Producing - Carroll	N/A		
	TOTAL		6,900 Bu.	
Oats	Processing - Clinton	10 Acres	550 Bu.	$1,050 \div 10$ (acres in processing County) = 105 bu./acre
	Producing - Carroll	N/A	500 Bu.	
	Producing - Carroll	N/A		
	Producing - Carroll	N/A		
	TOTAL		1,050 Bu.	
	Processing			
	Producing	N/A		
	Producing	N/A		
	Producing	N/A		
	TOTAL			

Prepared by: PT Signature 8/22/2016 (Sign & Date)
 Second Party Review: CED Signature 8/23/2016 (Sign & Date)

Work-Around Process for Handling Multi-County Producers

A Instructions for Completing Worksheet Titled, “Work-Around Process for Handling Multi-County Producer Worksheet”

FOR the entry titled...	ENTER...
Producer	name of producer.
Crop Year	applicable crop year.
Type of County Office	processing or producing, as applicable.
County Office Name	name of the County Office for corresponding processing or producing entry.
Commodities Reported on FSA-578	commodities in which the producer has a share that were produced in each County Office from FSA-578’s and eLDP “Customer Profile”.
eLDP Profile Date:	date the:
<ul style="list-style-type: none"> • Profile Received in Processing Office • Final Date and Action 	<ul style="list-style-type: none"> • initial eLDP “Customer Profile” was received in processing County Office from producing County Offices • producer’s eLDP “Customer Profile” was edited by the processing and producing County Offices and action taken.

FOR the column titled...	ENTER...
Commodity	each commodity for which eligible quantity will be moved to another County Office for processing.
County Office:	
<ul style="list-style-type: none"> • Processing • Producing 	<ul style="list-style-type: none"> • name of the processing County Office • names of producing County Offices with 1 county per line.
Total Acres Reported in Processing County	total acres of the applicable commodity from all farms in the processing County Office from the producer’s FSA-578’s.
Total Available Quantity for Commodity on eLDP “Customer Profile”	either of the following: <ul style="list-style-type: none"> • “Total Available Quantity” for the commodity in each County Office from the eLDP “Customer Profile” “Commodity Summary” section • “Total Available Quantity” for the commodity from each County Office that the producer wants to move to the processing County Office. <p>Note: This is the quantity that shall be entered by the processing County Office as the “Total Allocated Quantity” for each commodity in the producer’s eLDP “Customer Profile”.</p>

Work-Around Process for Handling Multi-County Producers (Continued)

A Instructions for Completing Worksheet Titled, “Work-Around Process for Handling Multi-County Producer Worksheet” (Continued)

FOR the columns titled...	ENTER...
Updated Yield to Enter in eLDP “Customer Profile” in Processing County Office	<p>results of dividing “Total Available Quantity” from all County Offices by the “Total Acres Reported in Processing Co”. This will determine the yield the processing County Office must enter into the eLDP “Customer Profile” to increase the producer’s total reasonable quantity to include the production from the other County Offices.</p> <p>Note: Processing County Office must also edit the producer’s “Total Allocated Quantity” to match the total determined on this worksheet.</p>
Prepared by	signature and date of the County Office employee completing the worksheet.
Second Party Review	signature and date of the County Office employee reviewing the worksheet for completeness and accuracy.

County Offices shall follow subparagraph 2 E and 15-PS, subparagraph 252 B for additional instructions.

Work-Around Process for Handling Multi-County Producers (Continued)

B Reproduce Locally

Work-Around Process for Handling Multi-County Producers

Producer: _____

Crop Year: _____

Multi-County Producers Requesting Loans and LDP's in One County Office

Type of County Office	County Office Name	Commodities Reported on FSA-578	eLDP Profile Date	
			Profile Received in Processing Office	Final Date and Action
Processing				
Producing				
Producing				
Producing				
Producing				

Commodity	County Office	Total Acres Reported in Processing County	Total Available Quantity for Commodity on eLDP "Customer Profile"	Updated Yield to Enter in eLDP Profile in Processing County Office
	Processing - Producing - Producing - Producing - TOTAL	N/A N/A N/A N/A		
	Processing - Producing - Producing - Producing - TOTAL	N/A N/A N/A N/A		
	Processing - Producing - Producing - Producing - TOTAL	N/A N/A N/A N/A		
	Processing - Producing - Producing - Producing - TOTAL	N/A N/A N/A N/A		

Prepared by: _____ **(Sign & Date)**

Second Party Review: _____ **(Sign & Date)**