

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Notice LP-2248

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 by multiple County Offices may request to receive all or a specified portion of loans and LDP's through a single County Office. This was authorized as a convenience to the producer. In addition, CCC will benefit from the administration of multi-county loans by only a single County Office since production from different counties is often commingled in the same storage structure.

Currently, the Commodity Loan Processing System (CLPS) uses a producer's eLDP Customer Profile to determine their 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, CLPS and eLDP do not allow loans and LDP's exceeding the total available quantity in the producer's eLDP Customer Profile.

Work-around processes have been developed to allow 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 producer's farms and eligible production will be available in CLPS and eLDP to all County Offices in which the producer has a farming interest.

Disposal Date	Distribution
August 1, 2019	State Offices; State Offices relay to County Offices

2-25-19

1 Overview (Continued)

B Purpose

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

- increasing the available quantity in the eLDP Customer Profile to allow a producer to receive loans and LDP's in a county other than 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

For policy questions about this notice, State Offices must contact Shayla Watson-Porter, PSD, by either of the following:

- e-mail to shayla.watson-porter@wdc.usda.gov
- telephone at 202-690-2350.

For automation questions about this notice, State Offices must contact Erin Gallahan, PECD, by either of the following:

- e-mail to erin.gallahan@wdc.usda.gov
- telephone at 202-690-9140.

2 Multi-County Producers

A Multi-County Producer Policy

According to 8-LP, subparagraph 501 A, a producer who farms in multiple counties may request all or a specified portion of their loans and LDP's through a single County Office.

Currently, it is **not** possible to add farms administered in other counties to a producer's eLDP Customer Profile. The eLDP Customer Profile 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.

2 Multi-County Producers (Continued)

A Multi-County Producer Policy (Continued)

A work-around process has been developed to allow multi-county producers to receive all or a specified portion of their loans and LDP's through a single County Office. This work-around process must 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 increasing the applicable total available quantity in the County Office 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 to prevent duplicate benefits being issued.

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

Before all or a specified portion of a producer's total available quantity can be accepted by the processing County Office, and before it can be moved by the producing County Offices, COC's of **both** the processing County Office and the producing County Office **must**:

- determine the maximum yields for each eligible commodity, according to 8-LP, subparagraph 230 E, and document these yields in the COC minutes

Note: These yields are used to determine a producer's reasonable quantity for loans and LDP's.

- enter the determined yields into the eLDP County Commodity Yields Screen according to 15-PS, subparagraph 50 B and CLPS directives
- establish an eLDP Customer Profile for the applicable producer according to 15-PS, paragraphs 100 through 102, PS notices, and CLPS directives.

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

2 Multi-County Producers (Continued)

C Initial Request by Processing County Office

After a 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, that processing County Office must request a copy of the producer's County Office eLDP Customer Profile from the producing County Office that shows the producer's eligible acres and total available quantity.

D Initial Action by Producing County Office

Before establishing an eLDP Customer Profile, the producing County Office must:

- verify that all farm numbers listed on the eLDP Customer Profile were fully reported

Note: Full acreage reports are **required** for any production from that farm to be eligible for loans and LDP's.

- generate the "Farms with a 578 in CARS and Unreported Cropland" CARS report to assist in verifying full reporting

Note: See 2-CP, paragraph 339 for additional information.

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

Note: On a separate file copy of the producer's eLDP Customer Profile, the producing County Office should note the date and name of the processing County Office to which the total available quantity or a specified portion was sent.

E Establishing a Customer Profile Before the Final Acreage Reporting Date

If a customer profile needs to be established before the final acreage reporting date (for example, a producer requests MAL for wheat on July 1, 2018, and the final acreage reporting deadline for corn is August 1, 2018), the County Office must ensure that the producer understands:

- if MAL or LDP is requested and processed before the final acreage reporting date, and the producer fails to complete fully reporting by the final acreage reporting date, then MAL or LDP could be determined in violation according to 8-LP, paragraph 401
- if MAL or LDP is determined in violation, the loan maturity date could be accelerated or LDP canceled according to 8-LP, paragraphs 401 and 410.

2 Multi-County Producers (Continued)

F Work-Around Procedure for Processing County Office to Determine the Revised Available Quantity

After the processing County Office has received eLDP Customer Profiles from the producing County Offices, the processing County Office **must** complete the following steps.

Step	Action
1	Determine the updated yield by: <ul style="list-style-type: none"> • completing FSA-1000 to manually determine the updated yield • entering the updated yield for each requested commodity in the producer's eLDP Customer Profile.
2	Compute the total available quantity by: <ul style="list-style-type: none"> • totaling all available quantity from the eLDP Customer Profile by commodity from all producing County Offices • dividing the total available quantity for each commodity by the total acres for that commodity reported on FSA-578 in the processing County Office to determine the required updated yield needed to compute total available quantity.
3	Sign and date FSA-1000.
4	Perform second-party review of FSA-1000.
5	Attach and retain the eLDP Customer Profile from the producing County Office in a folder for the producer that also includes 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 FSA-1000 and required attachments in a separate folder for the producer.</p>
6	Enter the following in the producer's eLDP Customer Profile as determined on FSA-1000, according to 15-PS, paragraphs 100 through 102: <ul style="list-style-type: none"> • updated COC yield • the new total quantity for each commodity as the "Total Allocated Quantity".
7	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 G for additional information.
8	Process, disburse, and service loan and eLDP requests when submitted or requested by the producer according to current policy.

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

2 Multi-County Producers (Continued)

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

Notes: See Exhibit 1 for an example scenario and a completed FSA-1000.

Exhibit 2 is a suggested FSA-1000 and instructions. State Offices may independently develop their own FSA-1000 for their County Offices, but FSA-1000 **must** include the following:

- 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 for each commodity in the processing County Office
- total available quantity for each commodity in each County Office from profile
- updated yield computations to be entered into the eLDP Customer Profile
- preparer's signature and date
- second party reviewer's signature and date
- section for entering that the date records were updated in the eLDP Customer Profile.

2 Multi-County Producers (Continued)

G 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, paragraph 104, when notified by the processing County Office that the total available quantity from the producing county has been added to the producer's eLDP Customer Profile in the processing County Office. The producing County Offices must 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 that there can be **no** later 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 loans or LDP's 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 loans or LDP's exceeds COC maximum established yield by:

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

Notes: Producer's statement of reasonableness must be attached to the applicable CCC-666 or CCC-633EZ.

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

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

- for loans, in CCC-666, item 18A, "Remarks" section
- for LDP's, on applicable CCC-633EZ 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.

3 Increasing Producer Available Quantity (Continued)

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

County Offices must follow the automation instructions in 15-PS, paragraph 104 to edit in the producer's eLDP Customer Profile the yield by farm to allow for the increased production. County Offices must document in the producer's MAL or LDP folder the date the yield was increased in the eLDP Customer Profile.

Note: Because of limitations with calculations, yields in the profile are limited to 9999. It is possible yields could exceed 9999 because of the combined production. Users who encounter this issue must enter it in the PECD SharePoint for resolution.

The following is an example of the processing County Office's determination of the new yield to enter into the producer's eLDP Customer Profile.

Step	Action
1	<p>Producer's eLDP Customer Profile currently shows the following:</p> <ul style="list-style-type: none"> • acres reported = 100 acres of corn • COC yield for corn = 160 bu. per acre • original total reasonable quantity = $100 \times 160 = 16,000$ 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 number of acres on the farm equals the new approved yield ($17,000 \div 100$ acres = 170 bu. per acre).
6	County Office must follow 15-PS, paragraph 104 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 must follow PS directives.

B Authorized 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.

5 Action

A State Office Action

State Offices must:

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

B County Office Action

County Offices must:

- request assistance from the State Office, if needed, to follow the procedure in this notice
- honor requests from multi-county producers to receive their loans and LDP's from a single County Office, as applicable.

Work-Around Process for Handling Multi-County Producers

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

The following scenario illustrates the steps of the work-around process for multi-county producers requesting all their MAL's and LDP's in a single 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 his MAL's and LDP's for the 2018 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	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.
3	<p>Clinton County established the eLDP Customer Profile for Joe Producer and received the 3 eLDP Customer Profiles from Carroll, Green, and Jones Counties. The information on the eLDP Customer Profile was used to complete FSA-1000 and to compute the revised yield that Clinton County must enter into Joe Producer's eLDP 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	Clinton County must inform Joe Producer that only commodities planted in the processing county and included on his 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.
5	<p>To increase the total available quantity for Joe Producer to include production from Carroll, Green, and Jones Counties, Clinton County must edit the applicable COC yield (COC Irrigated Yield or COC Non-Irrigated Yield) in Joe Producer's eLDP Customer Profile according to 15-PS, paragraph 104, 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 must also manually update, per commodity, the "Total Allocated Quantity" to the total available quantity from FSA-1000, 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 Producer'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 must 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 Customer Profiles for Joe Producer to "1" <p>Note: Carroll County must 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 eLDP Customer Profile for Joe Producer when this action has been completed.
7	Clinton County must enter the date notified by the other County Offices and attach the updated eLDP Customer Profiles to FSA-1000 for Joe Producer.

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

B Example of a Completed FSA-1000

The following is an example of a completed FSA-1000.

FSA-1000 (02-25-19)	U.S. DEPARTMENT OF AGRICULTURE Farm Service Agency MULTI-COUNTY PRODUCERS WORKSHEET			
Producer: <u>Joe Producer</u> Crop Year: <u>2018</u>				
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, Soybean, Oats		8-23-18 - edited yields and updated allocated quantity
Producing	Jones	Corn	8-18-18	8-25-18 - update allocated quantity
Producing	Green	Corn, Soybean	8-18-18	8-28-18 - update allocated quantity
Producing	Carroll	Soybean, Oats, Barley Note: Barley loans can be processed by Carroll County Office only.	8-18-17	8-24-18 - 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.	40,725/155 (acres in processing county) = 262.7 or 263 bu./acre
	Producing - Jones	N/A	7,200 Bu.	
	Producing - Green	N/A	6,400 Bu.	
	TOTAL		40,725 Bu.	
Soybeans	Processing - Clinton	80.0 Acres	4,800 Bu.	6,900/80 (Acres in processing county) = 86.25 or 87 bu./acre
	Producing - Green	N/A	1,100 Bu.	
	Producing - Carroll	N/A	1,000 Bu.	
	TOTAL		6,900 Bu.	
Oats	Processing - Clinton	10 Acres	550 Bu.	1,050/10 (Acres in processing county) = 105 bu./acre
	Producing - Carroll	N/A	500 Bu.	
	TOTAL		1,050 Bu.	

Prepared by: _____ PT Signature 08-22-2018 (Sign and Date)

Second Party Review: _____ CED Signature 08-23-2018 (Sign and Date)

Completing FSA-1000

A Instructions for Completing FSA-1000

The following are instructions for completing FSA-1000.

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 Customer 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 the processing County Office from the producing County Offices producer’s eLDP Customer Profile was edited by the processing and producing County Offices and action taken.
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”	<p>either of the following:</p> <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 must be entered by the processing County Office as the “Total Allocated Quantity” for each commodity in the producer’s eLDP Customer Profile.</p>

Completing FSA-1000 (Continued)**A Instructions for Completing FSA-1000 (Continued)**

FOR the entry titled...	ENTER...
Updated Yield to Enter in eLDP Profile in Processing County Office	<p>results of dividing “Total Available Quantity” from all County Offices by the “Total Acres Reported in Processing County”. 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 FSA-1000.</p>
Prepared by	signature and date of the County Office employee completing FSA-1000.
Second Party Review	signature and date of the County Office employee reviewing the FSA-1000 for completeness and accuracy.

Important: County Offices must follow subparagraph 2 E and 15-PS, paragraph 104 for additional instructions.

Completing FSA-1000 (Continued)

B Reproduce Locally

This exhibit is available in a fillable format at <https://inside.fsa.usda.gov/>.

- CLICK “Employee Forms” at the top of the screen.
- CLICK “Find Current Forms Using Our Form Number Search”.
- ENTER “FSA-1000” under “Form Number”.

FSA-1000 (02-25-19)	U.S. DEPARTMENT OF AGRICULTURE Farm Service Agency MULTI-COUNTY PRODUCERS WORKSHEET			
Producer: _____ Crop Year: _____				
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				
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

Prepared by: _____ (Sign and Date)

Second Party Review: _____ (Sign and Date)