

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Common Management and Operating Provisions 1-CM (Revision 3)	Amendment 37
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Approved by: Acting Deputy Administrator, Farm Programs



Amendment Transmittal

A Background

Because of the recent enactment of the 2008 Farm Bill, definitions and acronyms have been updated to comply with current statute.

B Reasons for Amendment

Subparagraph 707 A has been amended to remove the CFR reference related to signature authority.

Exhibit 2 has been amended to:

- add a definition for “Beginning Farmer or Rancher”
- remove the definition for “Limited Resource Producer” and replace it with “Limited Resource Farmer or Rancher”
- add a definition for “Socially Disadvantaged Farmer or Rancher Except DCP”
- add a definition for “Socially Disadvantaged Farmer or Rancher for DCP”.

Exhibit 102 has been amended to change LFP from “Livestock Feed Programs” to “Livestock Forage Disaster Program”.

Page Control Chart		
TC	Text	Exhibit
	25-65, 25-66	2, pages 1, 2 page 3 Page 4 (add) 102, pages 7, 8

Section 3 General Rules of Authority

707 Policy on Evidence of Authority and Signature Limitations

A General Rule for Signature Authority

* * * County Offices shall verify that a signature authority is on file in the County Office before accepting a signature on any program or related documents on behalf of another. See subparagraph C for special rules for spouses.

Note: Evidence of signature authority related to non-FSA/CCC forms and documents such as, cash leases, is not required and does not have to be on file.

The following types of evidence for authorized signature may be acceptable, if dated on or before the signature date. COC may require any of the following for authentication:

- presentation of the original document, such as corporate charter, bylaws, court orders of appointment, trust agreement, last will and testament, articles of partnership, articles of organization, operating agreements
- FSA-211
- notarization
- an affixed official seal.

Example: Documentation, such as corporate charter, indicating who is authorized to sign for a corporation must be on file in the County Office before County Office may accept a signature on any program document for the corporation.

Note: Before July 20, 2004, certain properly executed affidavits may have been used as evidence of signature authority. Properly completed affidavits on file before July 20, 2004, shall continue to be honored as evidence of signature authority by State and County Offices. Affidavits filed after July 18, 2001, must be witnessed by an FSA employee or notarized to be considered acceptable.

County Office may also require the person receiving authority to:

- provide ID
- file a signature with the County Office.

B Maintaining Documentation

The entire document presented does **not** have to be maintained. However, all applicable pages that identify the entity, pertinent authority, and any limitations, etc, **must** be maintained.

Example: If the trust is represented to be an irrevocable trust, procedure in 1-PL requires review of the trust agreement to determine if it contains a provision that would result in the trust being considered a revocable trust for payment limitation purposes (see 1-PL, subparagraph 362 B).

707 Policy on Evidence of Authority and Signature Limitations (Continued)

C Signature Authority for Spouses

Spouses:

- may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, effective August 1, 1992, unless written notification denying a spouse this authority has been provided to the County Office
- shall not sign FSA-211 on behalf of the other
- shall not sign on behalf of the other as an authorized signatory for partnerships, joint ventures, corporations, or other similar entities

Exception: Spouses may sign on behalf of each other for a husband/wife joint venture *--with a permanent tax ID number and sole proprietorship, unless written notification denying a spouse authority has been provided to the County Office (see subparagraph 710 F or 712 A as applicable).

Notes: See paragraphs 709 through 711.

See applicable directives for acceptable spouse signatures for FLP loans.--*

- must have a power of attorney on file or sign personally for claim settlements, such as promissory notes.

Important: A spouse's authority to sign documents on behalf of the other spouse does **not**:

- override the FOIA/PA requirements of 5 U.S.C. 552 and 552A
- entitle a spouse to review or receive Agency records of the other spouse.

Note: See 2-INFO for more information about FOIA/PA requirements and Agency records.

County Office shall not provide Agency records of a producer to that producer's spouse unless written authority to provide such records has been provided to the County Office.

Example: Joe and Jane Black, husband and wife, may sign documents on behalf of each other because no written notification denying such authority has been provided to the County Office. Jane Black has requested a copy of Joe Black's Agency records. County Office shall not provide the records to Jane Black unless Joe Black provides the County Office written authority to release the records to Jane Black.

Definitions of Terms Used in This Handbook

Administrator

An administrator is an individual appointed by the court to administer the assets and liabilities of the deceased.

Agent

An agent is an individual authorized by the producer to act for him or her using his or her own discretion to transact business for the producer.

Affidavit

An affidavit is a written declaration or statement of facts confirmed by the oath or affirmation of the party making the declaration or statement of fact.

Note: It is not an instrument that is used to convey authority upon an individual or entity, which is the reason why it was no longer considered as acceptable evidence for signature authority as of July 20, 2004. Affidavits filed after July 18, 2001, must be witnessed by an FSA employee or notarized to be considered acceptable.

Authorized User

Authorized user means USDA Service Center employees who have been certified to have received sufficient training commensurate with their requested role in the use of SCIMS on AD-2017 by their respective agency's State or County SCIMS Security Officer and have been processed through FSA security operations by their respective agency's State SCIMS Security Officer.

*--Beginning Farmer or Rancher

A beginning farmer or rancher is an individual or entity for which **both** of the following are true:

- the farmer or rancher or entity has **not** operated a farm or ranch for more than 10 years
- the farmer or rancher substantially participates in the operation.

Note: If the farmer or rancher is an entity, **all** members **must** be eligible beginning farmers or ranchers.--*

Conservator

A conservator is an individual appointed by the court to manage the affairs of an incompetent.

County

The term county means:

- any county, parish, or administrative unit equivalent to a county
- any price support cooperative approved by the Policy and Procedure Branch, PSD.

Definitions of Terms Used in This Handbook (Continued)

Critical Producer Data

Critical producer data is:

- customer name
- current mailing address
- tax identification number.

Customer Core Data

Customer core data means name and address data that has been determined to be used by at least 2 of the agencies in the Service Center.

Executor

An executor is an individual named in the deceased's will to administer assets and liabilities of the estate.

Facsimile Signature

A facsimile signature is an approved copy or reproduction of an original signature, such as a rubber stamp.

FAXed Signature

A FAXed signature is a signature received on forms and documents through telefacsimile transmission through a FAX machine.

Foreign Entity

A foreign entity is a corporation, trust, estate, or other similar organization, that has more than 10 percent of its beneficial interest held by individuals who are not:

- citizens of the United States
- lawful aliens possessing a valid Alien Registration Receipt Card (Form I-551 or I-151).

Guardian

A guardian is an individual who legally is responsible for the care of a minor, estate, or both.

Definitions of Terms Used in This Handbook (Continued)

*--Limited Resource Farmer or Rancher

A limited resource farmer or rancher is a farmer or rancher that meets the criteria for **both** of the following:

- the farmer or rancher directly or indirectly has gross farm sales not more than \$100,000 in both of the previous 2 years to be increased starting in FY 2004 to adjust for inflation using price paid by farmer index as compacted by NASS
- the farmer or rancher has a total household income at or below the national poverty level for a family of 4, or less than 50 percent of county median household income in both the previous 2 years, to be determined annually using Commerce Department data.

A limited resource farmer or rancher status may be determined by using the web site for USDA Limited Resource Farmer and Rancher Online Self Determination Tool located at <http://www.lrftool.sc.egov.usda.gov/>.--*

Linkage

Linkage is a requirement that producers obtain at least the catastrophic level of insurance for each crop of economic significance grown on each farm in the county in which the producer has an interest, if insurance is available in the county for the crop, to be eligible for certain USDA benefits.

Manager

A manager is an individual chosen or appointed to manage, direct, and administer the affairs of another individual corporation.

Power of Attorney

A power of attorney is either of the following:

- any legal form determined acceptable by the regional attorney
- FSA-211 (includes FSA-211A).

Resolution

A resolution is a determination of policy of a corporation by the vote of its board of directors bearing the signature(s) of the corporate secretary and/or other authorized officers, as applicable.

*--Socially Disadvantaged Farmer or Rancher Except DCP

A socially disadvantaged farmer or rancher except DCP, is a farmer or rancher who is a member of a group whose members have been subject to racial or ethnic prejudice because of their identity as members of a group without regard to their individual qualities.

Note: This definition is applicable to all programs **except** DCP.--*

Definitions of Terms Used in This Handbook (Continued)

***--Socially Disadvantaged Farmer or Rancher for DCP**

A socially disadvantaged farmer or rancher for DCP, is a farmer or rancher who is a member of a group whose members have been subject to racial, ethnic, or **gender** prejudice because of their identity as members of a group without regard to their individual qualities.

Note: This definition, which includes gender as a prejudice, is applicable to **only** DCP.--*

Trustee

A trustee is an appointed individual entrusted with another's property, such as in bankruptcy cases.

Approved Abbreviations and Acronyms (Continued)

A Mandatory Abbreviations and Acronyms (Continued)

Abbreviation or Acronym	Term
GSA	General Services Administration
HRD	Human Resources Division
ICC	Interstate Commerce Commission
IRS	Internal Revenue Service
ITSD	Information Technology Services Division
* * *	* * *
KCCC	Kansas City Computer Center
KCCO	Kansas City Commodity Office
* * *	* * *
LA	loss adjusters
LAN	local area network
LDP	loan deficiency payment
LFP	*--Livestock Forage Disaster Program--*
LMD	Loan Making Division
LSA	Loan Servicing Agent
LSPMD	Loan Servicing and Property Management Division
MSD	Management Services Division
MSPB	Merit Systems Protection Board

Approved Abbreviations and Acronyms (Continued)

A Mandatory Abbreviations and Acronyms (Continued)

Abbreviation or Acronym	Term
m.t.	mountain time
NAD	National Appeals Division
NAP	Noninsured Crop Disaster Assistance Program
NASCOE	National Association of FSA County Office Employees
NASS	National Agricultural Statistics Service
NFC	National Finance Center
NRCS	Natural Resources Conservation Service
OALJ	Office of Administrative Law Judges
OBPA	Office of Budget and Program Analysis
--OBPI	Office of Business and Program Integration, FSA--
OC	Office of Communications
OCFO	Office of the Chief Financial Officer
OCIO	Office of the Chief Information Officer
--OCR	Office of Civil Rights, FSA--
OCR	Office of Congressional Relations, USDA
--OEA	Office of External Affairs, FSA--
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OFR	Office of Federal Register
OGC	Office of the General Counsel
OHRM	Office of Human Resources Management