

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

**Livestock Disaster Assistance Programs
For 2011 and Subsequent Years
1-LDAP (Revision 1)**

Amendment 31

Approved by: Acting Deputy Administrator, Farm Programs



Amendment Transmittal

A Reasons for Amendment

Subparagraph 44 A has been amended to clarify that reliable proof of livestock inventory is required when verifiable death loss records are provided.

Subparagraph 44 B has been amended to clarify that a producer may provide reliable death loss documentation in conjunction with verifiable beginning inventory records.

Subparagraph 44 C has been amended to require verifiable beginning inventory records when a third party certification is required and to remove the requirement for ending inventory records.

Subparagraph 44 D has been amended to require:

- verifiable beginning inventory records when a participant provides reliable proof of livestock death losses or a third party certification
- reliable beginning inventory records when a participant provides verifiable proof of livestock.

Subparagraph 44 F has been amended to:

- clarify that verifiable documentation for beginning inventory is required in Example 1
- remove the requirement for ending inventory documentation in Example 3.

Subparagraphs 70 B and C have been amended to add an important note to see subparagraph 73 B for when to delete loss condition data on the Calculated Beginning Inventory Worksheet(s).

Subparagraph 73 C has been amended to add an important note that if a notice of loss is disapproved and the participant has completed all other parts of CCC-852 and filed an application for payment, the County Office must:

- complete the Calculated Beginning Inventory Worksheet

Amendment Transmittal (Continued)

A Reasons for Amendment (Continued)

- enter the application payment data into the automated application software
- delete the loss condition data for the notice of loss that was disapproved for each livestock kind, type and weight range on the applicable Calculated Beginning Inventory Worksheets(s).

Subparagraph 75 A has been amended to ensure the County Office is satisfied with:

- proof of death loss documentation provided is verifiable along with reliable beginning inventory records
- proof of death loss documentation provided is reliable along with verifiable beginning inventory records.

Subparagraph 75 D has been amended to ensure DD reviews the first five CCC-852's each calendar year before approval where:

- verifiable proof of death loss records are provided along with reliable beginning inventory records
- reliable proof of death loss records are provided along with verifiable beginning inventory records
- third party certification is used to prove death along with verifiable documentation of beginning inventory.

Subparagraph 79 A has been amended to:

- add a note to refer to subparagraph 73 B for when to delete loss condition data on the Calculated Beginning Inventory Worksheet(s)
- clarify that item 8 includes all livestock purchased, born, or added to weight range through the ending date of eligible loss condition #1.

Subparagraph 80 A is amended to correct the number of adult beef cows supported by bank chattel inspection form in Scenario 1.

Subparagraphs 80 B, C and D has been amended to replace the screen prints to show 105 livestock for which a bank chattel inspection form was provided for Scenario 1.

Exhibit 11 has been amended to revise the language in the sample letter for disapproval of Notice of Loss.

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AD-1026 applicable to the year for which LIP benefits are requested must be on file for the participant and affiliates, if applicable, according to 6-CP.

If AD-1026 applicable for the year for which LIP benefits are requested is:

- already on file for the participant, and affiliates, if applicable, it is not necessary to obtain a new AD-1026 for LIP
- *--not on file for the participant, and affiliates, if applicable, County Office will obtain a--* completed AD-1026 applicable to the year for which LIP benefits are requested.

If a new AD-1026 is required to be filed, payments may be issued to eligible participants upon signing AD-1026, item 12. It is not necessary to withhold payments pending NRCS highly erodible land or wetland determinations. The continuous certification statement on AD-1026 requires participants to refund program payments if an NRCS determination results in the discovery of a HELC/WC violation.

I Prevention of Improper Payments

IPIA requires Federal agencies to evaluate programs to determine whether internal controls *--are sufficient to prevent improper payments. County Offices must take all steps necessary--* to ensure that program and payment eligibility requirements have been met before issuing any payments.

J Definition of Improper Payment

Improper payment, as defined by OMB, means any payment that should **not** have been issued or was issued in an incorrect amount under statutory, contractual, administrative, or other legally applicable requirement.

44 Supporting Documentation

A Verifiable Proof of Death

When CCC-852 is submitted, participants must provide **verifiable** documentation of livestock deaths claimed on CCC-852, including livestock that the participant claims died because of normal mortality. Adequate documentation must be provided that proves the death of eligible livestock occurred as a direct result of an eligible adverse weather event or eligible attack by animal or avian predator in the calendar year for which benefits are being requested.

The documentation must provide sufficient data that identifies the quantity and the livestock kind/type and weight range. Documents providing verifiable evidence may include, but are not limited to, any or a combination of the following:

- rendering truck receipts or certificates
- FEMA records
- National Guard records
- veterinary records
- records assembled for tax purposes
- private insurance documents
- written contracts
- bank or other loan documents
- purchase records
- productions records
- property tax records.

Note: In addition, livestock contract growers must provide a copy of their grower contract.

--Reliable proof of livestock inventory is still required according to subparagraph D when-- verifiable death loss records are provided.

Exception: See subparagraph F for acceptable proof of death records for livestock death losses occurring on or after October 1, 2011, and before January 1, 2015.

44 Supporting Documentation (Continued)**B Reliable Proof of Death**

If adequate verifiable proof of death records documentation is not available, including proof of death for normal mortality, the participant may provide reliable proof of death records, in conjunction with verifiable beginning inventory records, as proof of death.

See subparagraph D for acceptable verifiable documentation of beginning inventory required when reliable death loss documentation is provided. Reliable proof of death loss records may include, but are not limited to:

- contemporaneous producer records existing at the time of the event
- pictures with a date
- brand inspection records
- dairy herd improvement records
- other similar reliable documents.

Exception: See subparagraph F for acceptable proof of death records for livestock death losses occurring on or after October 1, 2011, and before January 1, 2015.

44 Supporting Documentation (Continued)

C Third Party Certifications for Proof of Death

If a participant is unable to provide verifiable or reliable records as proof of death, according to subparagraphs A or B, the participant must use a third party certification as proof of death in conjunction with verifiable beginning * * * inventory.

County Office and COC general knowledge of adverse weather or other factors (such as the degree to which predators are or were present) in the area are **not** acceptable as third party certification under any circumstance.

CED will provide a written monthly report to DD indicating the number of third party certifications reviewed and approved/disapproved.

Third party certification of livestock deaths may be accepted **only when all** of the following are met:

- livestock owner or contract grower, as applicable:
 - completes CCC-854 according to paragraph 45 and certifies to **all** of the following:
 - no other form of proof of death is available
 - number of livestock, by category, in inventory when the deaths occurred
 - physical location of livestock, by category, in inventory when the deaths occurred
 - provides verifiable documentation that supports the reasonableness of the number of livestock in inventory when the deaths occurred, as certified by participant according to paragraph 45
- *--**Important:** See subparagraph D for acceptable verifiable documentation of beginning inventory required when a third party certification is provided.--*
- third party completes and certifies on CCC-854 according to paragraph 45 to **all** of the following:
 - specific details about how the third party has knowledge of the animal deaths.

44 Supporting Documentation (Continued)

C Third Party Certifications for Proof of Death (Continued)

- the relationship or affiliation (if any) of the third party to the applicant

Note: The third party must be an independent source who is **not affiliated** with the farming operation. For instance, a third party cannot be a hired hand or a “family member” defined as a person whom a member in the farming operation or their spouse is related as lineal ancestor, lineal descendant, sibling, or spouse.

- telephone number and address of the third party
- number and kind/type and weight range of participant’s livestock that died because of the eligible adverse weather event
- any other details necessary for COC and DD to determine that the certification is acceptable.

Note: Although persons signing statements as third parties are not applicants, they are subject to examination by agency or other Government officials regarding the accuracy of their certifications. Third parties are expected to certify only to what they know to be factually true based on their own observation.

COC reviews the participant’s and third party’s certification on CCC-854 and determines all of the following:

- documents provided as evidence of livestock beginning * * * inventory are acceptable
- livestock beginning * * * inventory is reasonable based on documents provided
- claimed losses are reasonable
- third party is a reliable source in a position to have knowledge of loss
- certifications of participant and third party meet all requirements.

Important: COC will approve or disapprove the participant and third party certifications when review is complete, and document review in the COC minutes.

--44 Supporting Documentation (Continued)*C Third Party Certifications (Continued)**

Example: Jane Doe completes CCC-852 certifying 15 head of adult beef cows and 25 nonadult beef cattle less than 400 pounds died because of adverse weather.

Mrs. Doe completes CCC-854 indicating she has no proof of death of the cows and calves because they all drowned when a flash flood covered parts of their pastures, and none of the carcasses were ever located.

Mrs. Doe signs and dates CCC-854 indicating no proof of death is available because the livestock claimed on CCC-852 drowned, and no carcasses were ever located. She also certifies on CCC-854 that when the flash flood occurred she had 200 head of adult beef cows and 180 head of nonadult beef cattle less than 400 pounds in the pasture where the deaths occurred. As evidence of the beginning inventory, Mrs. Doe submits copies of bank loan documents for the purchase of 180 beef cows, purchase receipts for a total of 193 beef cows, and veterinary records indicating she had 185 beef calves wormed in July 2012. Mrs. Doe certifies on CCC-854 that she cannot locate the purchase receipts for the remaining 7 head of beef cows; however, she purchased them at the local county livestock auction in May 2011. Mrs. Doe certifies on CCC-854 that all the beef cows and calves in inventory when the animals drowned were physically located in fields 5, 6, and 7 on tract 1093 of FSN 458 in Jefferson County.

Mike Green, Mrs. Doe's neighbor, completes CCC-854 certifying that he has knowledge of the livestock deaths claimed by Mrs. Doe because his cattle are located in the pasture adjacent to Mrs. Does', and he witnessed the flash flood cover the area, and cattle being drowned before they could be safely rescued. After reviewing CCC-852, Mr. Green certifies on CCC-854 that he believes the information provided on CCC-852 is true and correct.

COC reviews Mrs. Doe's CCC-852, and CCC-854 provided by Mrs. Doe and Mr. Green, and the documents provided by Mrs. Doe to support the beginning inventory numbers. Based on the information provided, COC requests Mrs. Doe contact the local livestock auction company where the beef cows were purchased and request a copy of the purchase report or receipts.

After obtaining a purchase report from the local auction company indicating Mrs. Doe did purchase 7 beef cows in May 2011, COC determines the evidence of livestock inventory at time of the livestock deaths, and claimed livestock deaths are reasonable based on the information provided on CCC-854 and according to subparagraph H.

COC signs, dates, and approves CCC-854 provided by Mrs. Doe and Mr. Green, and documents the review in the COC minutes during the meeting in which Mrs. Doe's CCC-852 is approved by COC.--*

44 Supporting Documentation (Continued)

D Proof and Reasonableness of Livestock Beginning Inventory

Livestock owners and livestock contract growers must provide verifiable or reliable documentation of their livestock beginning * * * inventory according to this subparagraph.

*--When a participant provides reliable proof of livestock death losses, according to subparagraph B, or a third party certification, according to subparagraph C, the participant must provide verifiable evidence of beginning inventory records.

Documents that may provide verifiable evidence of livestock beginning inventory include,--* but are **not** limited to, any or a combination of the following:

- veterinary records
- canceled check documentation
- balance sheets
- inventory records used for tax purposes
- loan records
- bank statements
- farm credit balance sheets
- property tax records
- brand inspection records
- sales and purchase receipts
- private insurance documents
- chattel inspections.

--When a participant provides verifiable proof of livestock death losses, according to subparagraph A, the participant must provide reliable evidence of beginning inventory records. Documents that may provide reliable evidence of livestock beginning inventory include but are not limited to:--

- contemporaneous producer records existing at the time of the event
- brand inspection records
- docking records
- shearing records
- ear tag records
- trucking and/or livestock hauling records
- other similar reliable documents.

Note: None of the documents listed in this subparagraph, by itself, may be sufficient evidence to determine the reasonableness of the number of livestock in inventory when the deaths occurred. COC's must ensure that the documents submitted by *--participants provide verifiable or reliable evidence that supports the reasonableness--* of the number of livestock inventory when the deaths occurred, as certified by the participant.

*--44 Supporting Documentation (Continued)

D Proof and Reasonableness of Livestock Inventory (Continued)

COC's will determine the reasonableness of the livestock inventory and claimed losses using the following guidelines, when appropriate, for calving, farrowing, and kidding:

- 90 percent calving rate
- 103 to 105 percent for sheep
- 150 to 180 percent kidding rate
- 8.5 pigs per litter farrowing rate.

Example: A participant reports a livestock inventory of 150 beef cows, 5 beef bulls, and 155 beef calves when the deaths occurred. The normal calving rate would yield 135 (150 times 90 percent) calves. Based on the normal calving rate, 155 calves for 150 cows do not appear reasonable. COC should question the livestock inventory if it is not supported by verifiable documentation.

For newborn livestock (calves and lambs), COC may accept the combination of both the following as verifiable evidence of beginning inventory:

- verifiable beginning inventory of the adult livestock (cows and ewes), adjusted based on the applicable livestock stocking rate
- results from an ultrasound conducted by a third party, such as, but not limited to a veterinarian.

Example: Producer B reports a livestock beginning inventory of 50 beef cows, 2 bulls, and 44 beef calves. Producer B does not have verifiable beginning inventory for the 44 beef calves. However, Producer B provides the County Office with veterinary records and bank statements as verifiable evidence of a beginning inventory of 50 beef cattle. The normal calving rate of 90 percent would yield 45 (50 times 90 percent) calves. Producer B provides ultrasound reports from a veterinarian that confirms 44 out of the 50 head of adult beef cattle were pregnant. Based on the ultrasound reports and the calving rate, a beginning inventory of 44 calves appears reasonable. COC should question the newborn livestock beginning inventory if it appears unreasonable when compared to the applicable stocking rate and the ultrasound reports.

For newborn livestock, if a producer cannot meet these verifiable beginning inventory requirements, the producer's beginning inventory may be determined according to subparagraph I for open range operations.--*

--44 Supporting Documentation (Continued)*F Acceptable Proof of Livestock Death and Inventory for Livestock Losses Occurring October 1, 2011, Through December 31, 2014 (Continued)**

Documents that may provide acceptable evidence of livestock inventory include, but are not limited to, any or a combination of the following:

- veterinary records
- canceled check documentation
- balance sheets
- inventory records used for tax purposes
- bank statements
- farm credit balance sheets
- property tax records
- trucking and/or livestock hauling records
- brand inspection records
- sales and purchase receipts
- private insurance documents
- chattel inspections
- IRS records such schedule F and depreciation schedules
- docking records
- shearing records
- ear tag records.

COC may compare livestock numbers and carrying capacity to acreage reports filed by a producer during the calendar year of loss to determine reasonableness.

COC must review all documentation provided by the producer and based upon review of the documentation provided by the producer and personal knowledge of the producer's livestock operation, determine whether the number of death losses reported by the livestock producer are reasonable and whether the application for payment should be approved.--*

44 Supporting Documentation (Continued)

F Acceptable Proof of Livestock Death and Inventory for Livestock Losses Occurring October 1, 2011, Through December 31, 2014 (Continued)

In the following examples, the named individual or legal entity is fictitious and not intended to portray an actual person or entity. The examples are for illustration purposes only.

Example 1: Johnnie Thompson files 2012 CCC-852 and has no verifiable/reliable/3rd party/open range livestock beginning inventory documentation. Mr. Thompson provides a pocket diary in which he has recorded a loss of 100 head of cows and 50 calves because of a April 2012 blizzard.

This could be considered an acceptable reliable record to support proof of death loss for cows and calves. Mr. Thompson would still need to provide *--verifiable documentation for beginning inventory.--*

Example 2: Sue Bell files 2013 CCC-852. She has no records to support beginning inventory. Mrs. Bell provides the following records:

- 2013 tax return to document ending inventory of cows
- 2012 tax return to document beginning inventory of cows
- 2 years of sales documents for calves
- purchase receipts for replacement cows
- acreage report on file for 2013.

COC compares livestock numbers/carrying capacity to determine reasonableness. Based upon the review of the documentation provided by Mrs. Bell, COC personal knowledge of Mrs. Bell's livestock operation, COC has determined that the livestock death loss numbers reported are reasonable and should be approved.

Note: If COC determines documentation provided is not sufficient to support contemporaneous records, COC can require Mrs. Bell to file CCC-854, Third Party Certification. The CCC-854 according to subparagraph G does not require the third-party to certify to the specific number of livestock; however, the third party should be able to to verify the kind/type of livestock lost and provide specific details of the weather event that occurred that resulted in the loss of livestock.

44 Supporting Documentation (Continued)

F Acceptable Proof of Livestock Death and Inventory for Livestock Losses Occurring October 1, 2011, Through December 31, 2014 (Continued)

Example 3: Juan Ortiz files 2013 CCC-852 and reports a loss of 100 lambs and 50 ewes because of a May 2013 blizzard. Mr. Ortiz does not have proof of death loss documentation to provide to the County Office.

Mr. Ortiz provides CCC-854, "Third Party Certification" completed by a third party who certified that they witnessed the loss of the lambs and ewes because of the blizzard but did not have an exact physical count.

Note: This could be considered acceptable proof of death and a reliable record.

Mr. Ortiz has no verifiable documentation to support beginning * * * inventory but provides the following documentation:

- 2013 tax return , 2012 tax return, 2 years of sales documents for lambs
- shearing and docking records
- veterinarian records
- purchase receipts for replacement ewes
- acreage report.

COC reviews the documentation provided by Mr. Ortiz, the acreage report, and compares the livestock numbers/carrying capacity to determine reasonableness. Based upon their review and personal knowledge of Mr. Ortiz's livestock operation, COC determined that the livestock death numbers reported are reasonable and should be approved.

--44 Supporting Documentation (Continued)*G Eligible Death Losses Because of Eligible Attacks**

LIP compensates eligible livestock producers for livestock death losses because of eligible animal attacks, as defined in paragraph 23. LIP does not compensate livestock producers for probable eligible attacks; however, LIP only compensates livestock producers for confirmed kills.

Livestock producers must provide adequate proof that the death of the eligible livestock occurred as a direct result of an eligible attack, in the calendar year for which benefits are requested.

Documentation to substantiate eligible attacks must be obtained from a source such as, but not limited to, the following:

- APHIS, if available

Note: APHIS is **not** responsible for verifying livestock death losses for LIP. However, APHIS may intermittently assist on a case-by-case basis should the requestor be currently participating in APHIS Wildlife Services damage management programs or located nearby. The APHIS Wildlife Services ability to assist producers with confirmed kills is voluntary and at the Wildlife Services State Director's discretion.

- Department of Natural Resources
- other sources or documentation as determined by the Deputy Administrator.

Exception: See subparagraph J for acceptable proof of death records for livestock death losses occurring on or after October 1, 2011, and before January 1, 2015.

If a participant is unable to get APHIS or Department of Natural Resources to provide documentation to substantiate an eligible attack, the participant may provide verifiable documentation of livestock deaths because of the eligible attack, as provided in subparagraph E, in addition to proof of death for normal mortality.

COC must verify that both APHIS and Department of Natural Resources are not able to provide participants in the County Office verifiable documentation of livestock deaths because of eligible attacks. The County Office must document this in the COC minutes.--*

70 County Office Instructions for Processing CCC-852's

A Overview

The County Office must follow the instructions in this paragraph when processing a participant's LIP notice of loss and application for payment (CCC-852). It is important that the County Office process CCC-852's in the order provided in this paragraph.

B First Eligible Loss Condition For Livestock Kind, Type, and Weight Range

If the participant is filing livestock death losses due to the first eligible loss condition in the calendar year for livestock kind type, and weight range, the County Office must:

- accept participant's notice of loss (Parts A-B, CCC-852) when filed by participant, according to paragraph 71
- enter participant's notice of loss data into the automated LIP application software, according to paragraph 104
- accept participant's livestock data and documentation and complete the Calculated Beginning Inventory Worksheet, according to paragraph 79, for each livestock kind, type and weight range for which losses are claimed
- enter the participant's application for payment data into the automated LIP application software, according to paragraph 108 (Add Livestock Not Previously Recorded Screen)
- have the participant sign the application for payment when payment is requested
- attach the Calculated Beginning Inventory Worksheet(s), to the automated CCC-852.

***--Important:** See subparagraph 73 B for when to delete loss condition data in the Calculated Beginning Inventory Worksheet(s).--*

Follow procedure in this subparagraph if the following conditions are met:

- livestock move up in weight range, since the previous loss condition
- it is the first eligible loss condition to affect the livestock kind, type, and weight range that the livestock moved up to.

70 County Office Instructions for Processing CCC-852's (Continued)

C Subsequent Eligible Loss Condition and Final Year End Application

If the participant is filing livestock death losses due to a subsequent eligible loss condition or final year end application, in the calendar year for the **same** livestock kind, type and weight range, the County Office must:

- accept participant's notice of loss (Parts A-B, CCC-852) when filed by participant, according to paragraph 71
- retrieve the participant's previous automated notice of loss in the LIP application software, according to paragraph 104
- add participant's subsequent notice of loss data in the automated LIP application software, according to paragraph 104
- accept participant's livestock data and documentation and revise the participant's prior Calculated Beginning Inventory Worksheet to capture data for the subsequent loss and/or final year end application, according to paragraph 79, for each livestock kind, type and weight range for which losses are claimed
- edit participant's previous eligible loss condition's application for payment in the automated LIP application software, according to paragraph 109 (Edit Option – Add Losses for Previously Recorded Livestock)
- have the participant sign the automated application for payment when payment is requested
- attach the Calculated Beginning Inventory Worksheet(s) to the automated CCC-852.

***--Important:** See subparagraph 73 B for when to delete loss condition data in the Calculated Beginning Inventory Worksheet(s).--*

Follow procedure in this subparagraph if the following conditions are met:

- livestock move up in weight range, since the previous loss condition
- it is a subsequent loss condition or final year end application for the livestock kind, type, and weight range that the livestock moved up to.

73 Acting on Notice of Loss

A Approving Notice of Loss

COC must act on all completed and signed CCC-852, Part B, Notice of Loss, submitted. Notice of Loss, as certified by the participant must be approved or disapproved.

* * *

When acting on the notice of loss, COC must determine if the:

- cause of loss is an eligible loss condition
- notice of loss is timely filed.

The notice of loss must be acted on by COC in the:

- FSA administrative County Office for the farm where the death losses occurred, if the producers is on a farm, or
- physical location County Office where the death loss occurred, if the producer does not own or lease land.

If COC approves CCC-852, Part B, Notice of Loss, as certified by the participant and the participant has completed all other parts of CCC-852 and filed the application:

- notify the participant of approval
- thoroughly document the reasons for approving the notice of loss in the COC minutes.

Note: Documentation of COC action on Part B could be in an earlier COC minutes than final action on the completed application for payment, CCC-852.

73 Acting on Notice of Loss

B Disapproving Notice of Loss

COC may disapprove CCC-852, Part B, Notice of Loss, when:

- the participant claims livestock death losses because of an ineligible loss condition
- the participant files a late-file notice of loss.

If COC disapproves CCC-852, Part B, Notice of Loss, and the participant **has completed** all other parts of CCC-852 and filed the application for payment:

- notify participant of disapproval
- the participant will be provided appeal rights according to 1-APP
- thoroughly document reason for disapproval in the COC minutes.

If COC disapproves CCC-852, Part B, Notice of Loss, and the participant **has not completed** all other parts of CCC-852 and filed the application for payment:

- notify participant of disapproval. See Exhibit 11
- thoroughly document reason for disapproval in the COC minutes
- do not provide the participant appeal rights.

***--Important:** Calculated Beginning Inventory Worksheet(s) must be completed before an application for payment can be loaded in the automated application software and printed for producer signature. Therefore, if COC disapproves a participant's CCC-852, Part B, Notice of Loss, and the participant has completed all other parts of CCC-852 and filed an application for payment, the County Office must:

- enter the notice of loss data into the automated software
- disapprove the notice of loss in the automated application software
- complete the calculated beginning inventory worksheet(s), as applicable
- enter the application payment data into the automated application software
- delete the loss condition data for the notice of loss that was disapproved for each livestock kind, type, and weight range on the applicable Calculated Beginning Inventory Worksheet(s).--*

74 Application for Payment**A Filing Application for Payment**

To apply for LIP benefits, in addition to the notice of loss required in paragraph 71, eligible livestock owners and livestock contract growers must file a application for payment on CCC-852, Parts C through I, according to paragraph 83, in the administrative County Office for the farm where the death loss occurred and/or physical location County Office where the death loss occurred.

Reminder: A participant may file an application for payment at any County Office in the nation using nationwide customer service. See paragraph 116 for accessing the nationwide customer service software.

For all eligible loss conditions and final year end applications for payment in the calendar year, eligible livestock owners or contract growers must file an **automated** application for payment, CCC-852.

75 Acting on Application for Payment CCC-852 (Continued)

A Approving CCC-852 (Continued)

Before approving CCC-852, COC **must**:

- ensure that **all** program eligibility requirements are met
 - be satisfied with **all** the following:
 - claimed livestock deaths occurred as follows:
 - because of an eligible loss condition
 - on or after October 1, 2011
 - reasonableness of the claimed livestock deaths
 - ~~proof of death loss documentation provided is verifiable along with reliable beginning inventory records~~*
- * * *
- ~~reliable proof of death loss records along with verifiable beginning and ending inventory records provide adequate proof of death~~
 - third party certifications, if applicable, meet all requirements according to paragraph 45, along with verifiable beginning inventory records*
 - livestock beginning inventory history for calf and lamb open range operations meet all the requirements according to paragraph 44
 - acceptable proof of livestock death and inventory for livestock losses occurring October 1, 2011, through December 31, 2014, if applicable, meet all requirements according to paragraph 44
 - all signature requirements are met.

Note: See subparagraph B when:

- COC questions any data provided by participant
- disapproving CCC-852.

--75 Acting on Application for Payment CCC-852 (Continued)--**B Disapproving CCC-852**

COC must act on all completed and signed CCC-852's submitted. See subparagraph A when approving CCC-852.

Exception: Only COC has authority to act on (approve or disapprove) CCC-852's submitted that use producer records or third party certification as proof of loss, livestock beginning inventory for calf/lamb open range operations or acceptable proof of livestock death or inventory loss is acceptable according to paragraph 44.

If it is determined that any information provided on CCC-852 is not reasonable or is *--questionable, additional verifiable documentation or evidence must be requested from--* the participant, in writing, to support the data provided. Other agencies, organizations, or facilities may also be contacted to verify information provided by participants.

Important: See subparagraph C when contacting other agencies, organizations, or facilities to verify information provided by participants.

*--**Exception:** COC will **not** require tax records; however, participant may voluntarily--* provide tax records.

If all program eligibility requirements are **not** met, or it is determined that the information on CCC-852, or any additional supporting documentation provided by the participant, is **not** *--accurate or reasonable, then the following actions must be taken:--*

- disapprove CCC-852
- notify participant of disapproval
- provide participant applicable appeal rights according to 1-APP
- thoroughly document reason for disapproval in the COC minutes.

*--**Notes:** See paragraph 40 for late-file payments.
See paragraph 2 for unacceptable, incorrect, or false records and certifications.
See paragraph 3 for misrepresentations.--*

--75 Acting on Application for Payment CCC-852 (Continued)--**C Verifying Data With Other Agencies, Organizations, or Facilities**

When contacting agencies, organizations, or facilities to verify data provided by a participant *--or third party, the County Office must be specific in the information requested. The--* request should include, but is not limited to, the following:

- participant's name
- explanation of the representation the participant made about the agency, organization, or facility that FSA is attempting to verify as accurate or not
- animal kind and type
- information that is being requested.

D DD Review and Report of Initial CCC-852's

--DD must review the first five CCC-852's for calendar years October 1, 2011,-- through calendar year 2014 approval where:

- proof of death is provided according to paragraph 44, before COC or CED may approve any such CCC-852
- reliable records are provided along with verifiable beginning and ending inventory records as proof of death according to paragraph 44, before COC may approve CCC-852
- third party certification is used to prove death according to paragraph 45, before COC may approve any such CCC-852
- livestock beginning inventory history for calf or lamb open range operations is used according to paragraph 44, before COC may approve such CCC-852
- acceptable proof of livestock death and inventory loss is used according to paragraph 44, before COC may approve any such CCC-852.

Note: Only COC is authorized to act on CCC-852's where reliable records are provided according to paragraph 45, third party certification according to paragraph 45, livestock beginning inventory history for calf or lamb open range operation issued according to paragraph 44, acceptable proof of livestock death and inventory loss is used according to paragraph 44 is used to prove loss.

75 Acting on Application for Payment CCC-852 (Continued)**D DD Review and Report of Initial CCC-852's (Continued)**

For 2015 and subsequent calendar years, DD must review the first five CCC-852's each calendar year before approval where:

- verifiable proof of death loss records are provided along with reliable beginning inventory records, according to paragraph 44, before COC may approve any such CCC-852
- reliable proof of death loss records are provided along with verifiable beginning inventory records, * * * according to paragraph 44, before COC may approve CCC-852
- third party certification is used to prove death according to paragraph 45, along with verifiable documentation of beginning inventory before COC may approve any such CCC-852
- livestock beginning inventory history for calf or lamb open range operations is used according to paragraph 44, before COC may approve any such CCC-852.

Note: Only COC is authorized to act on CCC-852's where reliable records are provided according to paragraph 44, third party certification is used to prove loss, and livestock beginning inventory history for calf/lamb open range operations is used according to paragraph 44.

75 Acting on Application for Payment CCC-852 (Continued)**D DD Review and Report of Initial CCC-852's (Continued)**

The review will ensure that:

- separate CCC-852's are submitted by participant and administrative county
- verifiable signature requirements, including power of attorney, are met
- *--verifiable proof of death is provided along with reliable beginning inventory records, according to paragraph 44, when applicable
- reliable proof of death loss records are provided along with verifiable beginning inventory records, according to paragraph 44, when applicable
- * third party certifications, if applicable, meet all requirements according to paragraph 45, along with verifiable beginning inventory records--*
- livestock beginning inventory history for calf/lamb open range operations, if applicable, meet all requirements according to paragraph 44
- no State or County Office developed forms, worksheets, applications, or other documents are being used to obtain or collect the data required from participants
- supporting data required for payment eligibility is properly completed and on file before a payment is issued; such as CCC-902, CCC-901, CCC-941, AD-1026, and accurate subsidiary and SCIMS data.

***--75 Acting on Application for Payment CCC-852 (Continued)**

D DD Review and Report of Initial CCC-852's (Continued)

Within 10 workdays of completing the review, DD must provide a written report to--* SED describing the review findings, including a list of errors discovered, proposed corrective action, and the overall status of implementing LIP in the County Office.

DD review of the initial CCC-852's and supporting documentation submitted is critical to ensuring that LIP is being administered according to the procedures provided in this handbook and the regulations in 7 CFR Part 1416, Subparts A and D.

Reviewing the initial CCC-852's and supporting documentation in a timely manner:

- identifies possible weaknesses in the administration of the program that may be resolved by additional training, clarified procedures, or modified software
- prevents numerous participants from being impacted by erroneous administration of the program
- allows corrections to be made in a timely manner before erroneous payments are issued.

76-77 (Withdrawn--Amend. 30)

79 Calculated Beginning Inventory Worksheet

A Completing Calculated Beginning Inventory Worksheet

State and County Office may access the Calculated Beginning Inventory Worksheet from the LIP Intranet Page at <https://inside.fsa.usda.gov/program-areas/dafp/dap/lip/index> .

The LIP Calculated Beginning Inventory Worksheet must be completed before the CCC-852, Parts C-I.

***--Notes:** For each livestock kind, type and weight range per county, the same Calculated Beginning Inventory Worksheet will be used for the producer for the entire calendar year.

See subparagraph 73 B for when to delete loss condition data on the calculated Beginning Inventory Worksheet.--*

If a producer does not have a 100 percent ownership or contract grower share interest in a particular kind, type and weight range of livestock that was lost because of an eligible loss condition, the livestock for which the producer does not have a 100 percent ownership or contract grower share must be prorated based on the producer’s percent share interest. See subparagraph 74 A for prorating livestock based on producer’s share. Prorating must occur before any livestock numbers are loaded into the Calculated Beginning Inventory Worksheet, manual CCC-852 and/or automated CCC-852, as applicable.

Complete the Calculated Beginning Inventory Worksheet according to the following:

Item	Instruction
Producer Name	Enter the producer’s name, as provided on CCC-852, item 5.
Application Number	Enter the LIP application number, as provided on the automated CCC-852, in item 4.
1	Use the drop down list to select the livestock kind for which the loss occurred. Note: A Calculated Beginning Inventory Worksheet must be completed for each different kind, type, and weight range of livestock, if applicable, for which a loss occurred.
2	Use the drop down list to select the livestock type, if applicable, for which the loss occurred.
3	Use the drop down list to select the weight range, if applicable, for which the loss occurred.
4	Enter the normal mortality percentage for the livestock kind, type and weight range for which the loss occurred, as established according to subparagraph 24 A. Example: “1.5” to represent 1.50 percent.

79 Calculated Beginning Inventory Worksheet (Continued)

A Completing Calculated Beginning Inventory Worksheet (Continued)

Item	Instructions
Eligible Loss Condition (Date)	
5	Enter the beginning date of the first eligible loss condition that affected the livestock kind, type, and weight range selected in items 1-4.
6	<p>Only a required entry when normal mortality death losses are being claimed in item 7. Enter the number of livestock that were sold as of the earliest date normal mortality is claimed and before, on, or during eligible loss condition #1.</p> <p>In the “Date” column of the Calculated Beginning Inventory Worksheet, the date of eligible loss condition #1 will automatically populate in the note that appears next to item 6, as shown below.</p> <p>“Sales before, on, or during (date of eligible loss condition #1)”</p>
7	<p>Only a required entry when normal mortality death losses are being claimed before, on, or during eligible loss #1. Enter the number of livestock that died because of normal mortality before, on, or during eligible loss condition #1.</p> <p>In the “Date” column of the Calculated Beginning Inventory Worksheet, the beginning date of eligible loss condition #1 will automatically populate in the note that appears next to item 7, as shown below. When determining item 7, refer to the date provided.</p> <p>“NM before, on or during (beginning date of eligible loss condition #1).”</p>
8	<p>For the livestock kind, type and weight range selected above, enter the total number of eligible livestock in inventory as of the beginning date of eligible *--loss condition #1 (including any livestock purchased, born, or added to weight range through the ending date of eligible loss condition # 1), for all--* livestock located in the administrative county office for the farm(s) where the death loss occurred and/or physical location county office where the death loss occurred. Do not include livestock entered in item 6 or 7.</p> <p>In the “Date” column of the Calculated Beginning Inventory Worksheet, the beginning date of eligible loss condition #1 will automatically populate next to item 8. When determining item 8, refer to the date provided.</p>

80 Scenario 1 for Application and Calculated Beginning Inventory Worksheet

A Scenario for Death Losses – Adult Beef Cows

Bob Wheat is a cow calf operator in Jones County, Texas. Bob Wheat is the owner of Farm 1450 and cash leases 1780 in Jones County. On March 1, 2017, Bob Wheat owned a total of 100 head of adult beef cows in Jones County; 25 head on farm 1450 and 75 head on farm 1780.

On February 15, 2017, 2 adult beef cows on farm 1450 are marketed.

On February 15, 2017, Bob Wheat loses 3 adult beef cows to normal mortality. Normal mortality rate is 1.5 percent in Jones County.

Eligible Loss Condition #1 - On March 1, 2017, Bob Wheat suffers 5 death losses of adult beef cows as a result of a blizzard. On March 15, 2017, Bob Wheat phones the Jones County FSA Office to report the 5 losses of adult beef cows because of the blizzard on farm 1450.

On May 15, 2017, Bob Wheat purchased 50 additional head of adult beef cows and places these 50 head on farm 1450.

Eligible Loss Condition #2 - On August 1, 2017, Bob Wheat lost 6 head of adult beef cows because of a hurricane. Bob Wheat notifies the Jones County FSA Office by e-mail on August 2, 2017, of the 6 losses of adult beef cows because of a hurricane on farm 1450.

Bob Wheat does not lose any adult beef cows due to normal mortality between eligible loss condition #1 and #2.

Eligible Loss Condition #3 - On September 1, 2017, Bob Wheat reports by e-mail to the Jones County FSA Office the loss of an additional 5 head of adult beef cows on farm 1450 because of another hurricane that occurred on August 20, 2017.

Bob Wheat does not claim normal mortality death losses after eligible loss condition #3.

Note: See paragraph 70 for County Office instructions for processing CCC-852's.

Bob Wheat provides the following to the COF prior to signing the application for payment:

- provides proof of death loss documentation for 16 adult beef cow losses because of blizzard and hurricanes
- provides proof of death loss documentation for 3 adult beef cow losses due to normal mortality
- sale barn purchase receipt dated May 15, 2017, showing 50 adult beef cows being purchased
- *--bank chattel inspection form dated January 3, 2017, that supports the 105 adult beef--* cow inventory.

*--80 Scenario 1 for Application and Calculated Beginning Inventory Worksheet (Continued)

B Eligible Loss Condition #1

For eligible loss condition #1, Bob Wheat’s calculated beginning inventory must be determined according to the Calculated Beginning Inventory Worksheet, as instructed in paragraph 79. Bob Wheat’s livestock data for eligible loss condition #1 must be loaded in the Calculated Beginning Inventory Worksheet as shown below.

County Office Data Entry		
Date	Description	
	1. Enter Livestock Kind	BEEF
	2. Enter Livestock Type	ADULT
	3. Enter Weight Range	COW
	4. Enter Normal mortality percentage for livestock kind, type and weight range (##)	1.50%
Eligible Loss Condition 3/1/2017		
	5. Enter Beginning date of eligible loss condition #1 (M/D/YY)	03/01/17
Sales before, on, or during 3/1/17	6. Enter Number of livestock sold before, on, or during eligible loss condition #1 (optional)	2
NM before, on, or during 3/1/17	7. Enter Number of livestock that died due to normal mortality before, on, or during eligible loss condition #1 (optional)	3
3/1/17	8. Enter Livestock inventory as of beginning date of eligible loss condition #1	100
3/1/17	9. Enter Number of livestock that died due to eligible loss condition #1	5
	20. Calculated Beginning Inventory	105
Eligible Loss Condition 03/01/17	21. Number of livestock sold & number of livestock that died due to normal mortality losses before, on, or during eligible loss condition #1	5
	22. Livestock inventory as of beginning date of eligible loss condition #1	100
	23. Calculated Normal Mortality Threshold	2
	24. Number of livestock that died due to normal mortality before, on, or during eligible loss condition #1	3
	25. Additional livestock death losses needed to reach calculated normal mortality threshold	0
	26. Number of livestock that died due to eligible loss condition #1	5
	27. Number of livestock eligible for payment - loss condition #1	5

Bob Wheat’s **calculated beginning inventory** for eligible loss condition #1 is equal to 105 adult beef cows:

- 100 head of adult beef cows in Jones County on March 1, 2017 (25 adult beef cows on farm 1450 and 75 adult beef cows on farm 1780); plus
- 2 adult beef cows marketed on February 15, 2017; plus
- 3 adult beef cows that died because of normal mortality on February 15, 2017.--*

80 Scenario 1 for Application and Calculated Beginning Inventory Worksheet (Continued)

B Eligible Loss Condition #1 (Continued)

For eligible loss condition #1, the following data is entered in the **automated** CCC-852:

- **beginning or additional purchase inventory** – 105 adult beef cows (calculated beginning inventory)
- **loss due to adverse weather** – 5 adult beef cows (death losses due eligible loss condition)
- **loss due to normal mortality** – 3 adult beef cows (normal mortality death losses).

See paragraph 108 for entering application data in the automated LIP application software for the first eligible loss condition in the calendar year.

The automated LIP application for Bob Wheat, eligible loss condition #1, is shown below.

*--

PART D – LIVESTOCK INFORMATION									
12. Adverse Weather Event/ Animal Attack Date Number	13. Contract Grower		14. Livestock Kind Type and Weight Range	15. Inventory on Date of Adverse Weather Event/Animal Attack	16. Number of Death Losses Due to Adverse Weather Event/Animal Attack	17. Number Lost Due to Normal Mortality	COC USE ONLY		
	Yes	No					18. Adjusted Inventory	19. Adjusted Number Lost Due to Adverse Weather/ Animal Attack	20. Adjusted Number Lost Due to Normal Mortality
1		X	Beef Adult Cow	105	5	3			
PART E – DOCUMENTATION OF BEGINNING INVENTORY									
21. List the document(s) provided to verify beginning inventory. Attach copies of documents.							Number of Livestock		
Bank Chattel Inspection dated January 3							105		
PART F – DOCUMENTATION TO VERIFY LIVESTOCK LOSSES									
22. List the document(s) provided to verify livestock losses. Attach copies of documents.							Number of Livestock		
Rendering ticket							5		
Normal Mortality							3		
PART G – SIMILAR LOSS/CONTRACT GROWERS									
23. Other Compensation (Contract Growers): \$									
24. Reduction: \$									

--*

*--80 Scenario 1 for Application and Calculated Beginning Inventory Worksheet (Continued)

C Eligible Loss Condition #2

Bob Wheat added 50 additional livestock to his inventory of adult beef cows between eligible loss conditions #1 and #2; therefore, Bob Wheat’s calculated beginning inventory for eligible loss condition #2 will not be the same as for eligible loss condition #1.

For eligible loss condition #2, Bob Wheat’s calculated beginning inventory must be determined according to the Calculated Beginning Inventory Worksheet, as instructed in paragraph 79. Bob Wheat’s livestock data for eligible loss condition #2 must be loaded in the Calculated Beginning Inventory Worksheet as shown below.

County Office Data Entry		
Date	Description	
	1. Enter Livestock Kind	BEEF
	2. Enter Livestock Type	ADULT
	3. Enter Weight Range	COW
	4. Enter Normal mortality percentage for livestock kind, type and weight range (##)	1.50%
Eligible Loss Condition 3/1/2017		
	5. Enter Beginning date of eligible loss condition #1 (M/D/YY)	03/01/17
before, on, or during 3/1/17	6. Enter Number of livestock sold before, on, or during eligible loss condition #1 (optional)	2
NM before, on, or during 3/1/17	7. Enter Number of livestock that died due to normal mortality before, on, or during eligible loss condition #1 (optional)	3
3/1/17	8. Enter Livestock inventory as of beginning date of eligible loss condition #1	100
3/1/17	9. Enter Number of livestock that died due to eligible loss condition #1	5
Eligible Loss Condition 08/01/17		
	10. Enter Beginning date of eligible loss condition #2 (M/D/YY)	08/01/17
3/2/17 - 8/1/17	11. Enter Number of livestock added to inventory (purchased, born, added to weight range) after eligible loss condition #1 and before, on, or during eligible loss condition #2 (if applicable)	50
3/2/17 - 8/1/17	12. Enter Number of livestock that died due to normal mortality after eligible loss condition #1 and before, on, or during eligible loss condition #2 (if applicable)	0
8/1/17	13. Enter Number of livestock that died due to eligible loss condition #2	6
Eligible Loss Condition 03/01/17	20. Calculated Beginning Inventory	105
	21. Number of livestock sold & number of livestock that died due to normal mortality losses before, on, or during eligible loss condition #1	5
	22. Livestock inventory as of beginning date of eligible loss condition #1	100
	23. Calculated Normal Mortality Threshold	2
	24. Number of livestock that died due to normal mortality before, on, or during eligible loss condition #1	3
	25. Additional livestock death losses needed to reach calculated normal mortality threshold	0
	26. Number of livestock that died due to eligible loss condition #1	5
	27. Number of livestock eligible for payment - loss condition #1	5
Eligible Loss Condition 08/01/17	28. Number of livestock added to inventory (purchased, born, added to weight range) after eligible loss condition #1 and before, on, or during #2 (if applicable)	50
	29. Calculated Beginning Inventory (changes only if additions)	155
	30. Calculated Normal Mortality Threshold	2
	31. Number of livestock that died due to normal mortality before, on, or during eligible loss condition #2	3
	32. Additional livestock death losses needed to reach calculated normal mortality threshold	0
[Cumulative data for 1st & 2nd eligible loss conditions]	33. Number of livestock that died due to eligible loss conditions #1 and #2	11
	34. Number of livestock eligible for payment - loss conditions #1 and #2	11
	35. Number of livestock eligible and paid - loss condition #1	5
	36. Additional number of livestock eligible for payment - eligible loss condition #2	6

--*

80 Scenario 1 for Application and Calculated Beginning Inventory Worksheet (Continued)

C Eligible Loss Condition #2 (Continued)

Bob Wheat’s **calculated beginning inventory** for eligible loss condition #2 is equal to 155 adult beef cows:

- calculated beginning inventory for eligible loss condition #1 of 105 head of adult beef cows; plus
- 50 adult beef cows purchased between eligible loss condition #1 and #2.

For eligible loss condition #2, the following data is entered in the **automated** CCC-852:

- **beginning or additional purchase inventory** – 155 adult beef cows (calculated beginning inventory)
- **loss due to adverse weather** – 11 adult beef cows (cumulative death losses due eligible loss condition)
- **loss due to normal mortality** – 3 adult beef cows (cumulative normal mortality death losses).

See paragraph 109 for entering application data in the automated LIP application payment software for subsequent eligible loss conditions in the calendar year.

The automated LIP application for Bob Wheat, eligible loss condition #2, is shown below.

*--

PART D – LIVESTOCK INFORMATION									
12. Adverse Weather Event/Animal Attack Date Number	13. Contract Grower		14. Livestock Kind Type and Weight Range	15. Inventory on Date of Adverse Weather Event/Animal Attack	16. Number of Death Losses Due to Adverse Weather Event/Animal Attack	17. Number Lost Due to Normal Mortality	COC USE ONLY		
	Yes	No					18. Adjusted Inventory	19. Adjusted Number Lost Due to Adverse Weather/Animal Attack	20. Adjusted Number Lost Due to Normal Mortality
2		x	Beef Adult Cow	155	11	3			
PART E – DOCUMENTATION OF BEGINNING INVENTORY									
21. List the document(s) provided to verify beginning inventory. Attach copies of documents.							Number of Livestock		
Bank Chattel Inspection dated January 3							105		
Sale barn purchase receipt							50		
PART F – DOCUMENTATION TO VERIFY LIVESTOCK LOSSES									
22. List the document(s) provided to verify livestock losses. Attach copies of documents.							Number of Livestock		
FEMA records							6		
Rendering Receipts							3		
Rendering ticket							5		
PART G – SIMILAR LOSS/CONTRACT GROWERS									
23. Other Compensation (Contract Growers): \$									
24. Reduction: \$									

--*

Important: To add losses for previously recorded livestock kind, type, and weight range due to a subsequent eligible loss condition, always use the “Edit” option next to the applicable livestock kind, type, and weight range on Part D, Livestock Information Screen, in the LIP application software.

*--80 Scenario 1 for Application and Calculated Beginning Inventory Worksheet (Continued)

D Eligible Loss Condition #3

Bob Wheat does not add to his inventory of adult beef cows between eligible loss conditions #2 and #3; therefore, Bob Wheat’s calculated beginning inventory for eligible loss condition #3 will remain the same as the calculated beginning inventory for eligible loss condition #2.

For eligible loss condition #3, Bob Wheat’s calculated beginning inventory must be determined according to the Calculated Beginning Inventory worksheet, as instructed in paragraph 79. Bob Wheat’s livestock data for eligible loss condition #3 must be loaded in the Calculated Beginning Inventory Worksheet as shown below.

County Office Data Entry		
Date	Description	
	1. Enter Livestock Kind	BEEF
	2. Enter Livestock Type	ADULT
	3. Enter Weight Range	COW
	4. Enter Normal mortality percentage for livestock kind, type and weight range (##)	1.50%
Eligible Loss Condition 3/1/2017		
	5. Enter Beginning date of eligible loss condition #1 (M/D/YY)	03/01/17
States before, on, or during 3/1/17	6. Enter Number of livestock sold as of the earliest date normal mortality is claimed and before, on, or during eligible loss condition #1 (optional)	2
NM before, on, or during 3/1/17	7. Enter Number of livestock that died due to normal mortality before, on, or during eligible loss condition #1 (optional)	3
3/1/17	8. Enter Livestock inventory as of beginning date of eligible loss condition #1	100
3/1/17	9. Enter Number of livestock that died due to eligible loss condition #1	5
Eligible Loss Condition 08/01/17		
	10. Enter Beginning date of eligible loss condition #2 (M/D/YY)	08/01/17
3/2/17 - 8/1/17	11. Enter Number of livestock added to inventory (purchased, born, added to weight range) after eligible loss condition #1 and before, on, or during eligible loss condition #2 (if applicable)	50
3/2/17 - 8/1/17	12. Enter Number of livestock that died due to normal mortality after eligible loss condition #1 and before, on, or during	0
8/1/17	13. Enter Number of livestock that died due to eligible loss condition #2	6
Eligible Loss Condition 08/20/17		
	14. Enter beginning date of eligible livestock condition #3 (M/D/YY)	08/20/17
8/2/17 - 8/20/17	15. Enter Number of livestock added to inventory (purchased, born, added to weight range) after eligible loss condition #2 and before, on, or during eligible loss condition #3 (if applicable)	0
8/2/17 - 8/20/17	16. Enter Number of livestock that died due to normal mortality after eligible loss condition #2 and before, on, or during	0
8/20/17	17. Enter Number of livestock that died due to eligible loss condition #3	5
Final Year End (Optional)		
8/21/17 - 12/31/17	18. Enter Number of livestock that died due to normal mortality after the last eligible loss condition	
8/21/17 - 12/31/17	19. Enter Number of livestock added to inventory (purchased, born, added to weight range) after the last eligible loss condition in the calendar year	
Eligible Loss Condition 03/01/17		
	20. Calculated Beginning Inventory	105
	21. Number of livestock sold & number of livestock that died due to normal mortality losses before, on, or during eligible loss condition #1	5
	22. Livestock inventory as of beginning date of eligible loss condition #1	100
	23. Calculated Normal Mortality Threshold	2
	24. Number of livestock that died due to normal mortality before, on, or during eligible loss condition #1	3
	25. Additional livestock death losses needed to reach calculated normal mortality threshold	0
	26. Number of livestock that died due to eligible loss condition #1	5
	27. Number of livestock eligible for payment - loss condition #1	5
Eligible Loss Condition 08/01/17		
	28. Number of livestock added to inventory (purchased, born, added to weight range) after eligible loss condition #1 and before, on, or during #2 (if applicable)	50
	29. Calculated Beginning Inventory (changes only if additions)	155
	30. Calculated Normal Mortality Threshold	2
	31. Number of livestock that died due to normal mortality before, on, or during eligible loss condition #2	3
	32. Additional livestock death losses needed to reach calculated normal mortality threshold	0
(Cumulative data for 1st & 2nd eligible loss conditions)	33. Number of livestock that died due to eligible loss conditions #1 and #2	11
	34. Number of livestock eligible for payment - loss conditions #1 and #2	11
	35. Number of livestock eligible and paid - loss condition #1	5
	36. Additional number of livestock eligible for payment - eligible loss condition #2	6
Eligible Loss Condition 08/20/17		
	37. Number of livestock added to inventory (purchased, born, added to weight range) after eligible loss condition #2 and before, on, or during #3 (if applicable)	0
	38. Calculated Beginning Inventory (changes only if additions)	155
	39. Calculated Normal Mortality Threshold	2
	40. Number of livestock that died due to normal mortality before, on, or during eligible loss condition #3	3
	41. Additional livestock death losses needed to reach calculated normal mortality threshold	0
(Cumulative data for 1st, 2nd, & 3rd eligible loss conditions)	42. Number of livestock that died due to eligible loss conditions #1, #2 and #3	16
	43. Number of livestock eligible for payment - loss conditions #1, #2 and #3	16
	44. Number of livestock eligible and paid - loss condition #1 and #2	11
	45. Additional number of livestock eligible for payment - eligible loss condition #3	5

--*

80 Scenario 1 for Application and Calculated Beginning Inventory Worksheet (Continued)

D Eligible Loss Condition #3 (Continued)

Bob Wheat’s **calculated beginning inventory** for eligible loss condition #3 will remain the same as the calculated beginning inventory for eligible loss condition #2, 155 adult beef cows.

For eligible loss condition #3, the following data is entered in the **automated** CCC-852:

- **beginning or additional purchase inventory** – 155 adult beef cows (calculated beginning inventory)
- **loss due to adverse weather** – 16 adult beef cows (cumulative death losses due eligible loss condition)
- **loss due to normal mortality** – 3 adult beef cows (cumulative normal mortality death losses).

See paragraph 109 for entering application data in the automated LIP application payment software for subsequent eligible loss conditions in the calendar year.

The automated LIP application for Bob Wheat, eligible loss condition #3, is shown below.

*--

PART D – LIVESTOCK INFORMATION									
12. Adverse Weather Event/ Animal Attack Date Number	13. Contract Grower		14. Livestock Kind Type and Weight Range	15. Inventory on Date of Adverse Weather Event/Animal Attack	16. Number of Death Losses Due to Adverse Weather Event/Animal Attack	17. Number Lost Due to Normal Mortality	COC USE ONLY		
	Yes	No					18. Adjusted Inventory	19. Adjusted Number Lost Due to Adverse Weather/ Animal Attack	20. Adjusted Number Lost Due to Normal Mortality
3		X	Beef Adult Cow	155	16	3			
PART E – DOCUMENTATION OF BEGINNING INVENTORY									
21. List the document(s) provided to verify beginning inventory. Attach copies of documents.							Number of Livestock		
Bank Chattel Inspection dated January 3							105		
Sale barn purchase receipt							50		
PART F – DOCUMENTATION TO VERIFY LIVESTOCK LOSSES									
22. List the document(s) provided to verify livestock losses. Attach copies of documents.							Number of Livestock		
FEMA records							6		
Rendering ticket							5		
rendering receipts							5		
Rendering Receipts							3		
PART G – SIMILAR LOSS/CONTRACT GROWERS									
23. Other Compensation (Contract Growers): \$									
24. Reduction: \$									

--*

Important: To add losses for previously recorded livestock kind, type, and weight range due to a subsequent eligible loss condition, always use the “Edit” option next to the applicable livestock kind, type, and weight range on Part D, Livestock Information Screen, in the LIP application software.

***--80 Scenario 1 for Application and Calculated Beginning Inventory Worksheet (Continued)**

F Final Year End Application

Since Bob Wheat does not claim any additional normal mortality death losses after eligible loss condition #3 through the end of the year, Bob Wheat has no need to file a final year end application for payment.--*

Sample Letter for Disapproval of Notice of Loss

The following provides a Sample Letter for Disapproval of Notice of Loss

*--

XXXX County Farm Service Agency
000 IL, Hwy 1
Anytown, IL 6XXXX
Phone: (000) 000-0000
Fax: (000) 000-0001

Date

Mr. Producer
P.O. Box 100
Anytown, IL 6XXXX

Dear Mr. Producer:

The XXXX County Committee has disapproved the CCC-852, Parts A and B, Livestock Indemnity Program (LIP) Notice of Loss, you filed concerning livestock death losses claimed due to (insert loss condition).

The County Committee disapproved the LIP Notice of Loss because (*County Offices shall provide reason and handbook procedure*). Because you have yet to file an application for payment that includes this notice of loss, there are no appeal or appealability review rights that apply to this determination.

Regulations at 7 CFR §11.1 and 7 CFR §780.2 define an adverse decision as an administrative decision made by an officer, employee, or committee of an agency that is adverse to a participant. These same regulations also define a participant as any individual or entity who has applied for, or whose right to participate in or receive a payment, loan, loan guarantee, or other benefit in accordance with any program of an agency to which the regulations in this part apply is affected by the decision of such agency.

Sincerely,

County Executive Director
Any County FSA Office

Cc: Name, District Director

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