

**UNITED STATES DEPARTMENT OF AGRICULTURE**

Farm Service Agency  
Washington, DC 20250

**Acreage and Compliance Determinations  
2-CP (Revision 15)**

**Amendment 77**

**Approved by:** Deputy Administrator, Farm Programs



**Amendment Transmittal**

**A Reasons for Amendment**

Subparagraph 321 A has been amended to add the following programs to the National Compliance Review Process:

- BCAP
- RTCP
- TAAF.

Subparagraph 357.11 has been added to provide BCAP compliance review questions.

Subparagraph 357.12 has been added to provide RTCP compliance review questions.

Subparagraph 357.13 has been added to provide TAAF compliance review questions.

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## Part 3 Compliance Reviews and Spot Checks

### Section 1 General Guidelines, Applicable Programs, and Selection Process

#### 321 Introduction

##### A Purpose

County Offices are required to conduct farm inspections to ensure that producers comply with FSA program requirements.

Producers are selected for compliance reviews and spot check through a national selection process. Producers selected shall be spot checked and reviewed for the following programs/activities:

- ACRE
- ALAP
- \*--BCAP--\*
- CRP maintenance and practice checks
- DCP
- ELAP
- FSA-578's
- HELC/WC compliance
- LDP's/MAL's
- LFP, LIP
- MILC
- NAP
- \*--RTCP--\*
- SURE
- \*--TAAF--\*
- TAP.

##### B Time of Inspection

County Offices shall conduct inspections on producers selected through the national selection process at times applicable for the specific program/activity involved. County Offices shall follow applicable program procedure for timing of inspections.

## 322 National Compliance Review and Spot Check Selections

### A National Producer Selection Process

Rather than selecting individual farms, loans, contracts, etc., for compliance reviews, a nationwide selection of producers will be made annually by the National Office using a statistical sampling method. Producers will be selected based on their participation in various programs. FSA employees, committee members, and other required producers are included in the national selection.

**Note:** Because FSA employees, STC and COC members and other “required producers” are included in the national selection, County Offices shall no longer conduct separate spot checks on required producers.

Early each calendar year, the National Office will post the listing of producers selected for annual compliance reviews on the Intranet at

**\*--<http://fsaintranet.sc.egov.usda.gov/ffas/farmbill/ccc/default.htm>--\***

The national producer selection list will be broken down by State and county. Under each county, the list will display the following:

- producer first and last name and/or business name
- tax ID type (“E”ntity or “S”ocial).

**Notes:** In some cases, there may be multiple producers in the county with the same name. If County Offices have concerns about which producer has been selected for spot check and review, the County Office shall contact the State Office. The State Office shall contact the National Office for TIN for the selected producer.

Producers may operate as an individual and an entity. The national producer selection list will identify the tax ID type associated with the selected producer. County Offices shall only review farms, loans, contracts, etc., associated with the tax ID type listed.

**Example:** Joe Farmer farms as an individual and also farms as a member of a partnership. Joe Farmer was selected for 2007 compliance reviews. The national producer selection list included his first and last name and the tax ID type S. In this example Joe Farmer was selected as an individual (based on his tax ID type). Therefore, County Offices shall only check/review farms, loans, and contacts he is associated with as an individual.

Producers will be listed for each State/county they are associated; thus, compliance reviews and spot checks may be performed for a producer in multiple States/counties depending on the scope of the operation.

County Offices shall print and maintain the list of producers selected in their county. The National Office will **not** make another selection of producers for the year.

**Note:** Not all States and counties may have producers selected for spot check and review.

**357.10 SURE Compliance Reviews****A Performing Reviews**

County Offices shall conduct SURE reviews for all participating producers selected during the National Compliance Review selection process. The following questions shall be documented during SURE reviews. Findings to these questions shall be recorded in the National Compliance Review Database.

	<b>Question</b>
1	Were all acres on all farms nationwide reported on FSA-578? <b>Yes or No</b>
2	Were ownership and shares verified? <b>Yes or No</b>
3	Are RMA and FSA acres within tolerance? <b>Yes, No, or N/A</b>
4	Was production marketed in the same manner it was shared on FSA-682? <b>Yes, No, or N/A</b>
5	Does harvested production evidence support the quality reduction factor? <b>Yes, No, or N/A</b>
6	Does the participant meet RMPR on all eligible crops? <b>Yes or No</b>
7	If producer elected <i>de minimis</i> , do crops meet <i>de minimis</i> requirements? <b>Yes, No, or N/A</b>
8	Does inventory evidence match producer's records for FMVA? <b>Yes, No, or N/A</b>
9	Does inventory evidence match producer's records for FMVB? <b>Yes, No, or N/A</b>
10	Does reported production match verifiable/reliable records? <b>Yes, No, or N/A</b>
11	Was a valid signature obtained on FSA-682? <b>Yes or No</b>
12	Were there any discrepancies for the participant that would result in a refund of SURE benefits? <b>Yes or No</b>
13	<p>If <b>yes</b>, select all discrepancy types that apply:</p> <ul style="list-style-type: none"> <li>• not all crops/acres recorded on FSA-578</li> <li>• RMA acreage did not meet tolerance</li> <li>• production not marketed as shared</li> <li>• quality reduction not supported by production</li> <li>• RMPR not met on all eligible crops</li> <li>• <i>de minimis</i> election not supported</li> <li>• inventory does not support FMVA</li> <li>• inventory does not support FMVB</li> <li>• reported production does not match records</li> <li>• invalid signature.</li> </ul> <p>Enter amount of requested refund: \$_____.</p>

**\*--357.11 BCAP Compliance Reviews****A Performing Reviews**

County Offices shall conduct BCAP reviews for all participating producers selected during the National Compliance Review selection process. The following questions shall be documented during BCAP reviews. Findings to these questions shall be recorded in the National Compliance Review Database.

	<b>Questions</b>
1	Fiscal Year? <b>Enter applicable FY.</b>
2	Was a valid signature obtained on BCAP-24? <b>Yes or No</b>
3	Was BCAP-24 received during the applicable application period? <b>Yes or No</b>
4	Was BCAP-24 approved by COC or designee? <b>Yes or No</b>
5	Was each eligible tract of land entered with the appropriate weighted soil rental rate on BCAP-23? <b>Yes or No</b>
6	Was a conservation plan completed before the BCAP-24 contract anniversary date, which is the effective date? <b>Yes or No</b>
7	<p>In the case of perennial crops, was FSA-848A for request for cost-share or establishment payments, reviewed and signed by participant and COC or designee? <b>Yes or No</b></p> <p>If “Yes”:</p> <ul style="list-style-type: none"> <li>• has an FSA-848B been processed for cost-share performance certification and reimbursement? <b>Yes or No</b></li> <li>• in the case where FSA-848B has been processed for cost-share performance certification and reimbursement, was the reimbursement calculated at a rate of up to 75 percent of the establishment costs or the established not-to-exceed rate for the project area? <b>Yes or No</b></li> </ul>
8	<p>Did applicant meet the definition of a producer according to 7 CFR Part 1450, Section 1450.2, Definitions? <b>Yes or No</b></p> <p>If “Yes”, was the producer’s land within the applicable geographic boundary of a BCAP project area? <b>Yes or No</b></p>
9	<p>Did the enrolled land meet all land eligibility criteria according to 7 CFR Part 1450, Section 1450.204, <i>Land Eligibility</i>?</p> <p>If “Yes”, was AD-1026 form completed, if applicable? <b>Yes or No</b></p>

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**\*--357.11 BCAP Compliance Reviews (Continued)****A Performing Reviews (Continued)**

	<b>Questions</b>
10	<p>Did the applicant file FSA-578 for reported acreage? <b>Yes or No</b></p> <p>If:</p> <ul style="list-style-type: none"> <li>• “Yes”, did contract acreage reported on the BCAP-24 contract match the reported acreage on FSA-578? <b>Yes or No</b></li> <li>• “No”, is the BCAP-24 contract still active? <b>Yes or No</b></li> </ul>
11	<p>Was an eligible crop established for the applicable project area? <b>Yes or No</b></p> <p>If:</p> <ul style="list-style-type: none"> <li>• “Yes”: <ul style="list-style-type: none"> <li>• was the crop an annual crop? <b>Yes or No</b></li> <li>• was the crop an herbaceous perennial crop? <b>Yes or No</b></li> <li>• was the crop a woody perennial crop? <b>Yes or No</b></li> </ul> </li> <li>• “No”: <ul style="list-style-type: none"> <li>• was the crop establishment delayed with approval by COC? <b>Yes or No</b></li> <li>• was the reported crop established or not established as a preventive planting, meaning the crop was or was not established instead of the eligible crop because the environmental conditions were not considered able to support the eligible crop? <b>Yes or No</b></li> </ul> </li> </ul>

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**\*--357.11 BCAP Compliance Reviews (Continued)****A Performing Reviews (Continued)**

	<b>Questions</b>
12	<p>Did the applicant file documentation reporting a harvest and collection? <b>Yes or No</b></p> <p>If “Yes”:</p> <ul style="list-style-type: none"> <li>• was a payment reduction applied to the annual rental payment? <b>Yes or No</b></li> <li>• was the applied payment reduction the appropriate percentage value of the revenue generated from the collection/harvest according to 7 CFR Part 1450, Section 1450.214, <i>Annual Payments</i>? <b>Yes or No</b></li> <li>• Did documentation provide a value for the eligible material that was harvested or collected? <b>Yes or No</b></li> <li>• Did the value for the harvested/collected eligible material include storage and transportation costs incurred by the producer? <b>Yes or No</b></li> <li>• Was there a crop failure because of reasons beyond the producer’s control? <b>Yes or No</b></li> </ul>
13	<p>Did any discrepancy result in a refund of BCAP benefits? <b>Yes or No</b></p> <p>If “Yes”, enter requested refund amount. <b>Enter dollar (\$) amount.</b></p>

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**\*--357.12 RTCP Compliance Reviews****A Performing Reviews**

County Offices shall conduct RTCP reviews for all participating producers selected during the National Compliance Review selection process. The following questions shall be documented during RTCP reviews. Findings to these questions shall be recorded in the National Compliance Review Database.

	<b>Question</b>
1	Fiscal Year. <b>Enter applicable FY.</b>
2	Was a valid signature obtained on FSA-218? <b>Yes or No</b>
3	Was FSA-218 received during the applicable application period? <b>Yes or No</b>
4	Did applicant meet the definition of a geographically disadvantaged farmer or rancher? <b>Yes or No</b>
5	Did the applicant meet all eligibility criteria and submit required forms? <b>Yes or No</b>
6	Did the applicants' verifiable records support applicable actual, fixed, and/or set transportation costs claimed on FSA-218? <b>Yes or No</b>
7	Was each eligible commodity and/or input entered under the appropriate transportation cost category (that is, actual rate, fixed rate, set rate) on FSA-218? <b>Yes or No</b>
8	Did the applicant submit all supporting documentation by the appropriate deadline? <b>Yes or No</b>
9	Was FSA-218, reviewed and signed by a second-party? <b>Yes or No</b>
10	Was FSA-218 approved by COC or designee? <b>Yes or No</b>
11	Was each eligible commodity and/or input entered with the appropriate rate (that is, actual, fixed, set) on FSA-218-1? <b>Yes or No</b>
12	Was FSA-218-1 reviewed and signed by a second party? <b>Yes or No</b>
13	Did any discrepancy result in a refund of RTCP benefits? <b>Yes or No</b>
	If "Yes", enter requested refund amount. <b>Enter dollar (\$) amount.</b>

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**\*--357.13 TAAF Compliance Reviews****A Performing Reviews**

County Offices shall conduct TAAF reviews for all participating producers selected during the National Compliance Review selection process. The following questions shall be documented during TAAF reviews. Findings to these questions shall be recorded in the National Compliance Review Database.

	<b>Question</b>
1	Petition number for applicable commodity. <b>Enter petition number.</b>
2	Application number of producer spot checked. <b>Enter application number.</b>
3	Was a valid signature obtained on FSA-229-1? <b>Yes or No</b>
4	Was FSA-229-1 received during the applicable application period? <b>Yes or No</b>
4a	If “No”, was equitable relief granted for this applicant by FAS or was the application overturned on appeal by FAS? <b>Yes or No</b>
5	Did the applicant provide documentation of production showing that they produced the petition commodity in the petition marketing year? <b>Yes or No</b>
6	Did the applicant provide documentation that they produced the petition commodity in 1 of the 3 years before the petition marketing year? <b>Yes or No</b>
7	Did the applicant meet all eligibility criteria? <b>Yes or No</b>
7a	If “No”, was the applicant granted equitable relief by FAS or was the application overturned on appeal by FAS? <b>Yes or No</b>
8	Did the applicant provide acceptable documentation to support their certification under option 1, 2, or 3? <b>Yes or No</b>
8a	If “No”, was a blanket-approval granted by FAS for the applicable county/State? <b>Yes or No</b>
9	Was FSA-229-1 reviewed and signed by a second party? <b>Yes or No</b>
10	<p>Did applicant submit an optional claim, FSA-232, for reimbursement of travel expenses? <b>Yes or No</b></p> <p>If “Yes”:</p> <ul style="list-style-type: none"> <li>• was FSA-232 validated by training instructor, for expenses related to initial orientation training attendance? <b>Yes or No</b></li> <li>• was mileage claimed determined reasonable and within Federal limits? <b>Yes or No</b></li> <li>• did receipts for lodging expenses or travel by public conveyance support the reimbursement amount claimed by the applicant? <b>Yes or No</b></li> <li>• was FSA-232 reviewed and signed by a second party? <b>Yes or No</b></li> </ul>

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358 (Reserved)

## Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)

## Abbreviations Not Listed in 1-CM

The following abbreviations are not listed in 1-CM.

Approved Abbreviation	Term	Reference
ALAP	Asparagus Revenue Market Loss Assistance Payment Program	321, 357.5
AV	administrative variance	378, 461
BWEP	Boll Weevil Eradication Program	17
CARS	Crop Acreage Reporting System	41, Part 2.5, 375, 380.5, 380.6
CCD	colony collapsed disorder	357.6
CCM	compressed county mosaic	437
CIMS	Comprehensive Information Management System	22
CRM	Customer Relationship Management	41, 73-75, Ex. 10.5, 11
CVS	Compliance Validation System	41, 308, 308.5
DGPS	Differential Global Positioning System	421
DMLA-III	Dairy Market Loss Assistance Program III	357.9
DOQ	Digital Orthophotography	501, Ex. 2
FAA	Federal Aviation Administration	421
FGDC	Federal Geographic Data Committee	505.5
FMVA	Field Market Value A	357.10
FMVB	Field Market Value B	357.10
FTP	file transfer protocol	501, 504, 505.5, Ex. 37
FW	farmed wetland	353
Gateway	Geospatial Data Gateway	505.5
GDW	Geospatial Data Warehouse	505.5
GPS	global positioning system	390, 394, 420, 421, 460, 463, Ex. 2
ITS	Information Technology Services	421
LAM	Loss Adjustment Manual	355
MDOQ	Mosaic Digital Orthophoto Quadrangle	19, 498, 505.5
MT	Maintenance Tool	394, 463
NAIP	National Agricultural Imagery Program	21, 437, 444, 505.5, 506.6
NHEL	non highly erodible land	494, 502
ODB	object data base	506.5
OFAV	other fruits and vegetables	85, 141

## Reports, Forms, Abbreviations, and Delegations of Authority (Continued)

## Abbreviations Not Listed in 1-CM (Continued)

Approved Abbreviation	Term	Reference
PFC	Production Flexibility Contract	376
PLSS	Public Land Survey System	506.5
PRF	pasture, rangeland, and forage	Ex. 6.5
PTPP	Planting Transferability Pilot Program	351, 357
RMPPR	risk management purchase requirement	357.6, 357.8, 357.10
RTCP	Reimbursement Transportation Cost Payment Program	357.12
SAP	Systems, Applications, and Products in Data Processing	Ex. 10.5, 11
SOR	State Office System of Records	322
SRA	Standard Reinsurance Agreement	508
TAAF	Trade Adjustment Assistance for Farmers	357.13
“T” area	transitional area	86
W	wetland	353, 494, 495, 499
WAAS	Wide Area Augmentation System	421

## Delegations of Authority

This table lists the redelegation of authority in this handbook.

Redelegation	Reference
<p>In routine cases, COC may redelegate to CED, in writing, the authority to act on, or sign, as applicable, CCC-576, Parts C and H.</p> <p><b>Note:</b> The redelegation:</p> <ul style="list-style-type: none"> <li>• <b>must</b> define what COC considers routine</li> <li>• shall be recorded in COC minutes.</li> </ul>	1-NAP, paragraph 401