UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency Washington, DC 20250

| Loss Adjuster Management | |
|--------------------------|-------------|
| 2-NAP (Revision 1) | Amendment 8 |

Approved by: Deputy Administrator, Farm Programs

Amendment Transmittal

A Reasons for Amendment

Paragraph 25 has been amended to provide Homeland Security Presidential Directive 12 guidance which requires loss adjusters to be fingerprinted and display an FSA-issued photo identification site badge when conducting business for FSA.

Paragraph 29 has been amended to provide instructions for completing FSA-1065-2 to track LA site badges.

Subparagraph 43 A has been amended to remove the requirement to use form FCIC-487 to track a loss adjuster's work. FCIC-487 is obsolete.

Subparagraph 43 B has been amended to clarify loss adjuster responsibilities.

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*--25 LA Photo Identification Site Badge

A Overview

In 2004, Homeland Security issued Presidential Directive 12 which directed U.S. government agencies to issue verifiable credentials to official representatives including employees, contractors, interns and affiliates. LA's are affiliates.

Verifiable credentials for LA's will include a USDA-FSA provided photo identification site badge to be displayed when conducting USDA-FSA business. The site badge will require a favorable FBI fingerprint background check before being issued. A favorable FBI fingerprint determination must be received before an LA's CCC-455 can be signed or renewed.

Note: The following are suggested places for LA's to be fingerprinted:

- local, county, or State law enforcement agencies
- search online for local private companies specializing in fingerprinting.

B Phasing Out FSA-454

Loss Adjuster ID Card FSA-454 will be phased out beginning with the 2016 crop year and replaced with an FSA-provided photo identification site badge.

The prior year's FSA-454 should be returned and discarded when the new site badge is issued.

C Obtaining an FBI Fingerprint Background Investigation

The following documentation is required to obtain an FBI fingerprint background investigation:

- FSA-789
- OF-306
- two completed FD-258's or SF-87 fingerprint charts with signatures and dates of both the applicant and the individual trained in the fingerprinting process.

Note: Because of EPD's transition to electronic fingerprint submissions, FD-258 and SF-87 are both acceptable for electronic processing. The fingerprint charts and OF-306 must be dated within 120 calendar days of submission to EPD.--*

*--25 LA Photo Identification Site Badge (Continued)

D Submitting Required Fingerprint Documents

Ensure that all required documents in subparagraph C are submitted to EPD electronically to the personnel security mailbox at **EPD@fsa.usda.gov**.

All documents must be encrypted with the password provided to the State by EPD. Consult the State Office Administrative Officer for current EPD passwords.

If documents cannot be sent electronically, State Offices must submit documents using UPS to the following address:

USDA, FSA, EPD ATTN: Director, EPD 1400 Independence Ave SW South Building, Room 0092-S STOP 0543 Washington, DC 20250-0543.

Notes: Expect to wait 2 to 3 weeks to receive a response from EPD about the results of the fingerprint investigation.

Fingerprints taken within the last 120 calendar days for a Federal position submitted to OPM are acceptable, otherwise an updated fingerprint chart must be submitted to EPD.

A favorable FBI fingerprint check remains in effect as long as there is no break in continuous renewals of CCC-455.

E Obtaining a Required Photo ID Site Badge

After notification from EPD that LA has been cleared, a site badge may be requested by completing AD-1197. The AD-1197 and a current photo of LA must be e-mailed to **EPD@fsa.usda.gov**. The site badge will be developed and sent to the State Office POC listed on AD-1197.--*

*--25 LA Photo Identification Site Badge (Continued)

F Obtaining a Current Picture of an LA for the USDA-FSA Site Badge

A current picture can be obtained either by a digital camera or a cell phone for the USDA-FSA site badge. The picture **must** be saved in the file by the person's name. The picture requirements are as follows:

- image should be in .jpg format
- include a full face, front view, upright head and open eyes
- picture should present full head from top of hair to shoulders
- picture should include a plain white or off-white background
- avoid shadows on the face or background
- face in picture should have a natural expression (closed mouth)
- picture should not include sunglasses or hats
- if glasses are worn, glare on glasses is not acceptable
- picture should be in color
- the contrast and lighting in the picture should be normal.

G Reimbursement for Fingerprinting Costs

Reimbursement for the cost of the fingerprint process will differ between certified LA's with a current CCC-455 agreement and LA trainees.

• Reimbursement for Certified LA's

Certified LA's with a current CCC-455 will be paid for the time, mileage and cost (if any) of the fingerprint process. The time associated to the fingerprint process should be reported as Update training (UTR) in the Loss Adjustment Management System because it is related to keeping their LA certified status. Report any cost of the fingerprint process on FSA-449B as miscellaneous (item 7).

State and County Offices are encouraged to attempt to allow LA's to schedule the fingerprint process in coordination with an inspection assignment or at a time when it is convenient to reduce the cost associated to the fingerprint requirement.

• Reimbursement for LA Trainees

Once a trainee has completed all LA training requirements and becomes certified, FSA will reimburse the individual for any cost associated to the fingerprinting process. FSA will not reimburse a trainee for the time or mileage associated to the fingerprinting process since it will be a known requirement for becoming a USDA/FSA LA.--*

*--25 LA Photo Identification Site Badge (Continued)

H EPD Contacts

Contact EPD according to this table if there are questions about obtaining a site badge.

| If questions about | THEN contact |
|--------------------|---|
| policy | Jay Van Der Werff by either of the following: |
| | |
| | • e-mail to jay.vanderwerff@kcc.usda.gov |
| | • telephone at 816-926-3786. |
| procedure | Kathy Kroening by either of the following: |
| | |
| | • e-mail to kathy.kroening@kcc.usda.gov |
| | • telephone at 816-926-1180. |

__*

26 LA ID Codes

A Elimination of LA ID Codes

LA ID codes are no longer required. The Loss Adjuster Management System will no longer assign ID numbers.

27 LA Agreement File

A Agreement File

The State Office shall maintain an agreement file for each LA containing a copy of the following:

- approved CCC-455
- •*--FSA-1065-2--*
- FSA-454B
- FSA-577 (see 2-CP, subparagraph 332 E).

28 FSA-454B, Loss Adjuster's Crop Training Certification (Continued)

C Example of FSA-454B

The following is an example of FSA-454B.

*__

| FSA-454B (09-26-13) | U.S. DEPARTMENT Farm Service | | 1. CROP YEAR | 113 |
|------------------------------------|---------------------------------|---------------------------|--|--------------------------|
| LOSS ADJ | | ,13 | | |
| 2. LA'S NAME Norfleet Givens | | | 3. LA'S MAILING ADDRESS (II 1 Greenplane Place Grizzard, VA 89876 | ncluding Zip Code) |
| 4. TELEPHONE NUM | BER (Include Area Code) | | 011111111 VIII 05010 | |
| 804-123-4567 | | | | |
| 5. COUNTY OF RESI Greensville | DENCE | | | |
| 6. CROPS CERTIF | IED TO ADJUST AND DA | TE CERTIFIED | | |
| | | | data is used to determine skill level and the leters 6B and 6D enter the date the training | |
| A. INITIAL OR FIRST | CROP LA IS CERTIFIED TO | ADJUST: | | B. DATE CERTIFIED |
| (1) Corn and sma | all grains | | | 06-01-2013 |
| (2) | | | | |
| (3) | | | | |
| (4) | | | | |
| C. ADDITIONAL OR S | | CERTIFIED TO ADJUST IN AD | DDITION TO INITIAL OR FIRST CROPS | D. DATE CERTIFIED |
| (1) Cotton | | | | 01-15-2013 |
| (2) Cotton Updat | e Training | | | 01-15-2013 |
| (3) NAP Update T | raining, Watermelons | | | 02-15-2013 |
| (4) Cucumbers, S | Southern Vegetable Scho | ol | | 02-15-2013 |
| 7A. NAME OF STATE AUTHORIZED RE | | | OF STATE SPECIALIST OR D REPRESENTATIVE | 7C. DATE (MM-DD-YYYY) |
| 8A. STATE OFFICE N | IAME AND ADDRESS (Includi | ng Zip Code) 8B. | STATE OFFICE TELEPHONE NUMBER (I | ncluding Area Code) |
| | | | | |
| | | | | |

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--*

Note: Person completing the entry shall draw a solid, double line after the training notation and initial the entry.

29 FSA-1065-2, Tracking USDA-FSA Issued Site Badges for NAP/TAP Adjusters

A Completing FSA-1065-2

Complete FSA-1065-2 according to the following table.

*_

| Item | Instructions |
|------|--|
| 1 | Enter the crop year. |
| 2 | Enter State Office name. |
| 3 | Enter the LA name. |
| 4 | Enter the date the site badge was issued. |
| 5 | Enter the expiration date printed on the site badge. |
| 6 | If collected or destroyed, enter date. |
| 7 | If destroyed, list reason. |

29 FSA-1065-2, Tracking USDA-FSA Issued Site Badges for NAP/TAP Adjusters (Continued)

B Example of FSA-1065-2

*--The following is an example of FSA-1065-2.

| FSA-1065-2 (03-17-16) | | U.S. | DEPARTMENT OF A Farm Service Age | | | | | 1. Crop Year 2016 |
|---|---|--|---|--|--|--------------------------|--|--|
| | TRAC | | DA-FSA ISSUE NAP/TAP ADJU | | ES | | | 2. State Office Florida |
| 3. Name that Appears on USDA- FSA Site Badge | 4, Badge Issued Date | | 5. Expiration Date Printed on Badge | 6. Date Collected and Destroyed | | | 7. Reason for Destruction (Check Appropriate Box) | |
| • | Date | Initials | (MM-DD-YYYY) | Date | Initials | Terminated Employment | Change in Employment Status | Other (Provide Explanation) |
| Fred Brown | 02-09-2016 | EEE | 02-09-2019 | | | | | |
| Joe Smith | 02-09-2016 | EEE | 02-09-2019 | 10-15-2016 | EEE | | | Retired |
| | | | | | | | | |
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| ice, color, national origin, religion, sex, gende try program or activity conducted or funded by ersons with disabilities who require alternative SDA through the Federal Relay Service at (8 or file a program discrimination complaint, one | r identity (including gender or USDA (not all bases apply to means of communication to 00) 877-8339. Additionally, implete the USDA Program Discopy of the complaint form | expression), sex to all programs) for program infor program informa discrimination Co., call (866) 632-6 | ual orientation, disability, age, Remedies and complaint filis mation (e.g., Braille, large pri tion may be made available in emplaint Form, AD-3027, foun 9992. Submit your completed | marital status, family/pare ng deadlines vary by progra int, audiotape, American Sia n languages other than Eng d online at http://www.ascr. form or letter to USDA by: | intal status, incom am or incident. gn Language, etc glish. usda.gov/compli (1) mail: U.S. De | c.) should contact the n | c assistance program, politic esponsible Agency or USDA: | ring USDA programs are prohibited from discriminating based thelefs, or reprisal or retailation for prior civil rights activity, is a TARGET Center at (202) 720-2600 (voice and TTY) or cont TARGET and the Control of the Control of the Control of the tary for Civil Rights 1400 Independence Avenue, SM |

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30-32 (**Reserved**)

(Withdrawn--Amend. 6)

34-42 (**Reserved**)

Section 2 LA Responsibilities and Ethics

43 LA's Responsibilities

A LA's Administrative Responsibilities

LA's shall perform the following administrative tasks:

- advise FSA of all insurance or reinsured companies for which loss adjustment work or sales service is performed before signing CCC-455
- advise FSA of all immediate family relatives who have farms

Note: LA's shall:

- not adjust crops in which relatives have any interest
- update this information immediately when changes occur.
- comply with all Federal travel regulations
- legibly and properly complete FSA-449A's and FSA-449B's and submit them in a timely manner

Notes: FSA-449A's shall be submitted as adjustment assignments are completed. More than one FSA-449A may be submitted in a pay period.

FSA-449A's more than 30 calendar days old must have written approval for payment from the State Office.

- be responsible for any additional expenses incurred for personal preference
- not confer with producers about legal matters
- notify County Office, if contacted about legal hearings or controversial matters.
- keep work records for 3 years

* * *

43 LA's Responsibilities (Continued)

A LA's Administrative Responsibilities (Continued)

• be responsible for the correction of all suspensions received from the County Office. Suspensions shall be given priority for corrections and returned in a timely and efficient manner.

Note: If it is determined the error was a result of performance, the error will be corrected **without** additional compensation.

B LA's Service Responsibilities

LA's shall:

- only be used for NAP-related reasons, unless Washington, DC, authorization is received
- perform loss adjustment services as assigned by State Office representative or CED for NAP-related reasons

Notes: This includes all visits for the purpose of appraising damaged or destroyed crops during the growing season or following harvest, for all related loss adjustment functions. **The producer does not pay for services performed by LA** * * *.

LA's shall **never** perform measurement service requests for APH when requested by the producer for production history. This service is **not** related to NAP claims or required spot checks. A producer's request is "paid measurement service" that must be performed by FSA office or field person.

--See 1-NAP (Rev. 2), paragraph 587 for guidelines for measurement services.--

- explain limited responsibilities and filing procedures to producers, when applicable
- schedule work to ensure timely service, returning producer folder to the County Office within 10 calendar days
- promote a good working relationship between the producer and FSA
- bring controversial claims and other unusual claim situations to the attention of the official who assigned the work, including the knowledge of producer bankruptcy
- accurately complete and timely submit all claim documents and LA pay FSA-449A's
 preferably in the same pay period, but no later than the following pay period in which the
 work was performed
- advise all interested parties that findings from inspections and appraisals are for FSA use.

64 Certification by Special Cases

A Certification by Specialty Crops

Special consideration should be given to certification on specialty crops, because these crops are:

- often more difficult to adjust
- usually of higher value, which means that mistakes will be more costly to the Government
- unlikely to occur in a volume that would allow more than a few LA's in an area to gain sufficient experience.

It may be more cost effective to maintain a smaller, highly experience pool of LA's to inspect specialty crops and incur the cost of their travel than to try to keep all LA's in an area proficient in these crops.

65 Certification by Experience * * *

A Certification by Experience

In certain cases, it may be advantageous to FSA to consider CED, insurance adjuster, field reporter, or others certified by experience for previous work done in crop adjusting.

Example: An individual with adequate adjustment experience who has demonstrated the ability to effectively carry out the technical phases of loss adjustment work for a crop can be considered certified. Numerous disaster program inspections would be an example of adequate adjustment experience. Training documentation forms must be maintained for these individuals.

To maintain this certification, the employee **must** receive * * * update or Phase II training, *--annually. For any year after initial certification for which the required training is **not--*** received, the employee is **not** fully certified.

224 Completing FSA-449A's and FSA-449B's

A FSA-449A's and FSA-449B's Responsibilities

The following table lists LA and approving official's roles for completing FSA-449A's and FSA-449B's.

Note: FSA-449A's and FSA-449B's are on FSA Intranet.

| Responsibility | Step | Action |
|----------------|------|--|
| LA | 1 | Prepares FSA-449A and FSA-449B for each pay period, |
| | | submitting separate forms for the following: |
| | | |
| | | NAP inspections |
| | | •*OTHER inspections (all inspections other than NAP and TAP) |
| | | different crop years |
| | | different rates of pay |
| | | each county and State. |
| | | Reminder: Use separate forms for NAP, TAP, and OTHER. On: |
| | | • FSA-449A, Item 1, mark the appropriate box |
| | | • FSA-449B, write "NAP", "TAP", or "OTHER"* |
| | | in the space directly above the form title. |
| | 2 | Reviews for legibility and accuracy. |
| | 3 | Signs and dates the forms. Actual date must be used. |
| | 4 | Assembles all documents with a paper clip. Forwards to the |
| | | approving FSA official. |

224 Completing FSA-449A's and FSA-449B's (Continued)

A FSA-449A's and FSA-449B's Responsibilities (Continued)

| Responsibility | Step | Action |
|----------------|------|--|
| Designated | 1 | Reviews and corrects FSA-449A and FSA-449B. LA's initials are |
| Approving | | needed if "total amounts" are decreased. If the increase is \$5 or |
| Official | | less, initials are not required. |
| | | |
| | | * * * |
| | 2 | Assembles in the following order and staple: |
| | | |
| | | • FSA-449B |
| | | • FSA-449A |
| | | * * * |
| | | FSA's telephone log |
| | | • bills |
| | | • receipts. |
| | 3 | Reviews and initials approval in lower right corner of all supporting |
| | | documents. |
| | 4 | Approves FSA-449A and date. |
| | | |
| | | Note: The review is very important. Signing and entering the |
| | | reviewer's code (State and county code) must signify that a |
| | | conscious effort was made to critique and examine FSA-449B and FSA-449A. |
| | 5 | |
| | 3 | Keeps copies of FSA-449A's, FSA-449B's, and supporting |
| | 6 | documents under file NAP 6-3, Voucher Folders, in LA folder. |
| | 6 | Enters FSA-449A information into the automated Voucher Entry |
| | | System according to Part 4. Pay FSA-449A's according to Part 5. |

Reports

This table lists the required reports in this handbook.

| Report Control Number | Title | Reporting Period | Submission Date | Negative Report | Reference |
|-----------------------------|------------------------|---------------------|---------------------------------|--------------------|-----------|
| | LA Vouchers of \$1500 | Monthly | State Office submit to | Not | 200 |
| | or More Require State | | PECD by 10 th of the | required. | |
| | Office Approval | | month. | | |
| | Training Reports: | Monthly | State Office submit to | Required | 63 |
| | | from | PECD by 10 th of the | | |
| | • Phase I and Phase II | January | month following | | |
| | • update. | through | training, January | | |
| | • | July | through July. | | |

Forms

This table lists all forms referenced in this handbook.

| | | Display | |
|------------|---|-----------|---------------|
| Number | Title | Reference | Reference |
| AD-202 | Travel Authorization (Temporary Duty Travel) | | 200 |
| AD-1197 | Request for USDA Identification Badge | | 25 |
| CCC-455 | Loss Adjuster Service Agreement | | Text |
| CCC-576 | Notice of Loss | | 225, 304, |
| | | | Ex. 5 |
| FCI-6 | Statement of Facts | | 228 |
| FD-258 | Fingerprint Chart | | 25 |
| FSA-449A | Voucher for Payment of Services for Loss Adjustment | 225 | Text |
| FSA-449B | Loss Adjuster's Travel and Expense Claim Form | 228 | Text |
| FSA-454 | Loss Adjuster ID Card | | 25, 27, 29 |
| FSA-454B | Loss Adjuster's Crop Training Certification | 28 | 27, 62, Ex. 2 |
| FSA-577 | Report of Supervisory Check | | 27, 72 |
| FSA-789 | Applicant Background Investigation Processing | | 25 |
| | Checklist | | |
| FSA-1065-2 | Tracking USDA-FSA Issued Site Badges for | 29 | 27 |
| | NAP/TAP Adjusters | | |
| OF-306 | Declaration of Federal Employment | | 25 |
| SF-87 | Fingerprint Chart | | 25 |
| SF-3881 | ACH Vendor/Miscellaneous Payment Enrollment | | 22 |
| | Form | | |

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 |
|--------------------------|---------------------------------|---------------------------|
| EPD | Emergency Preparedness Division | 25 |
| MPCI | Multi-Peril Crop Insurance | 44 |
| OJT | on-the-job training | 56, 66, 67, 209, Ex. 4, 5 |
| PFC | production flexibility contract | 750 |

Delegations of Authority

None.