Amendment Transmittal

A Reasons for Amendment

Subparagraph 431 A has been amended to provide the requirement for EYR’s to be completed timely and results reported accurately.

Subparagraph 432 E has been amended to add State Office responsibility for ensuring EYR’s are completed timely.

Subparagraph 433 D has been amended to update a typo in the example notification letter provided.

Subparagraph 458 D has been amended to provide the responsibility of State Office specialist for ensuring timely completion of EYR’s.

Subparagraph 484 A has been amended to indicate only National and State users have access to EYRT.

Subparagraph 485 A has been amended to indicate only National and State users have access to EYRT and to provide the updated URL and screens.

Subparagraph 485 B has been amended to provide updated screens and instructions for EYRT.

Subparagraphs 486 A, 486 B, 486 C, and 486 D have been amended to provide updated screens and instructions for EYRT.

Paragraph 487 has been removed as the EYRT reports referenced are no longer available.
<table>
<thead>
<tr>
<th>TC</th>
<th>Text</th>
<th>Exhibit</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>8-1 through 8-6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>8-55, 8-56</td>
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<tr>
<td></td>
<td>8-125 through 8-142</td>
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<td></td>
<td>8-143 through 8-148 (remove)</td>
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<tr>
<td></td>
<td>8-149 (remove)</td>
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</tr>
</tbody>
</table>
Part 8 End-of-Year Reviews for 2014 and Subsequent Years

Section 1 Selections and Notifications

431 Overview

A Introduction

The determinations required by this handbook are made by the reviewing authority based on the producer’s certification of the farming operation as represented on CCC-902’s and supporting documents.

To maintain the integrity of payment limitation and payment eligibility provisions, EYR’s are conducted to determine that farming operations were carried out as represented when initial determinations were made.

*--Reviews must be completed timely, and errors identified must be accurately reported.--*

B Purpose

This section provides instructions for selecting and notifying producers of the end-of-year review.
Selection Process

A Introduction

Producers selected for an end-of-year review may be chosen for the following reasons:

- a judgmental selection by DAFP
- a required spot check
- an additional case selected for review by the reviewing authority.

B Judgmental Selection

A judgmental selection is performed on a nationwide basis to select producers for review using criteria including, but not limited to:

- the restructure of a farming operation in the past year by the addition of a new partner, deletion of a partner, change in stockholders, etc.
- the formation of a new farming operation in the past year
- a comparison of farming operations to determine whether an individual or legal entity is involved in more than 1 operation
- farming operations earning more than a specified dollar amount.

C Required Spot Checks

A default determination made according to paragraph 369 must be selected as an end-of-year review if the proper determination made according to paragraph 370 differed from the default determination.

Note: Determinations involving FSA employees are required to be selected for review only if selected according to this paragraph.
Selection Process (Continued)

D Additional Cases

In addition to cases that are judgmentally selected, or otherwise required to be selected, the following cases will also be selected for end-of-year review:

- any case which the reviewing authority has reason to believe the farm operating plan was not followed as represented
- any cases considered necessary by a State Office representative to maintain program integrity.

E Timing End-of-Year Reviews

Complete end-of-year reviews by the date established by STC, according to paragraph 406.

*--State Offices are responsible for monitoring the progress to ensure reviews are completed timely. Scheduling of reviews must allow for sufficient time to complete reviews by the deadline.--*

F Waiver Authority for State Offices

State Offices may waive judgmentally selected end-of-year reviews under the following circumstances:

- farming operations involving only a spouse
- farming operation was previously reviewed in the last 3 years, did not receive an adverse determination, and the reviewing authority has determined that there have been no changes that affect the original determinations
- farming operations with all land meeting the landowner exemption
- for 2014 and subsequent years, farming operation conducted by a legal entity with no embedded legal entities as members.

*--Notes: State Offices must record the waived judgmentally selected reviews in the EYRT System according to Section 5.--*

Any waiver request not within State Offices’ approval authority may be sent to DAFP, along with adequate justification to support the request.
A Overview

After being notified, the producer is responsible for providing requested documents in a timely manner. This paragraph contains information to be included in the producer notification letter and explains what the producer must do after receiving the notification letter.

B Producer Notification

Producers who are required to submit documents shall be notified about their selection for end-of-year review no later than 90 calendar days before the end-of-year review completion date established by STC according to paragraph 406.

The notification letter shall contain the following:

- purpose of the end-of-year review
- documents required to be submitted
- the requirement to submit documents to the County Office within 30 calendar days
- actions that will be taken if documents are not submitted
- notification that the producer will receive results of the end-of-year review when completed.

C Producer Responsibility

It is the responsibility of the producer to submit requested documents within 30 calendar days from the date requested.

Note: It is recognized that some requested documents, such as crop sales documents, may not be available when the producer submits other documentation. The producer must submit all documents that are available at the time. The reviewing authority shall schedule follow-up action to obtain additional information if necessary.
Par. 433  Producer Notification (Continued)

D  Example Notification Letter

This is an example of a letter notifying a producer of being selected for an end-of-year review.

[Letterhead]  
Any County FSA Office  
502 Spotcheck Ave  
Some City US 55555-1234

[Date]

Wandering Brook, Inc.  
Fred Friendly, President  
777 Lucky Day Rd  
Some City US 55555-1234

Dear Mr. Friendly:

Your farming operation has been selected for a 20XX payment limitation and payment eligibility end-of-year review.

End of year reviews are conducted annually on a number of farming operations and producers that are participants in various FSA administered programs. Initial payment eligibility and payment limitation determinations are made based on the producer’s certification of how the farming operation will be conducted for the year.

To ensure overall program integrity, it is necessary that the producer’s farming operation be reviewed and documented. Accordingly, your farming operation will be reviewed to determine whether the operation was conducted in 20XX as represented on CCC-902, Farm Operating Plan, on which the initial payment eligibility and payment limitation determinations were based.

[Delete the following paragraphs that are not applicable to the producer.]

To verify capital contributions, the following documents and information are required (please use this letter as a checklist when responding to this request):

☐ operating loan documents  
☐ income and expense ledgers  
☐ canceled checks for expenditures, such as:

☐ fertilizer  
☐ seed  
☐ fuel  
☐ equipment leases and purchases  
☐ land leases and purchases  
☐ hired labor and management  
☐ any other farming operation expenditures.
D  Example Notification Letter (Continued)

To verify land contributions, documents and information are required as follows:
- lease agreements
- sales contracts
- property tax statements
- canceled checks associated with land.

To verify equipment contributions, documents and information are required as follows:
- equipment listings
- lease agreements
- purchase contracts
- canceled checks associated with equipment.

To verify labor contributions, documents and information are required as follows:
- documentation of who provided actual labor contributions and type of labor
- employee time sheets or books, if applicable
- canceled checks for hired labor, if applicable.

To verify management contributions, documents and information are required as follows:
- documentation of who provided actual management contributions and specific duties
- canceled checks for hired management
- documents showing signature of individual involved in management, such as:
  - canceled checks for significant purchases
  - loan documents
  - lease and purchase agreements
  - sales documents
- *--contemporaneous records or logs of management activities performed throughout entire--*
  crop year.

Other documents and information necessary to make a complete review includes, but is not limited to, the following:
- crop sales documents
- warehouse ledgers
- gin ledgers
- corporation papers, including documentation of share ownership
Section 3  Conducting Reviews

458 Responsibilities

A Overview

This section provides the required action and worksheets to be used to conduct end-of-year reviews.

This paragraph provides guidelines for required action for conducting end-of-year reviews.

B Review Teams

Members of the review team, established according to paragraph 407, shall:

• complete the review for all cases according to paragraph 432

• obtain additional documentation directly from producers whenever it is needed to determine that actual farming operations are or are not in compliance with approved farm operating plans

• document end-of-year review conclusions and make recommendations for action by the initial review authority.

C Determinations by Initial Reviewing Authority

The reviewing authority that made the initial determination for the producer selected for end-of-year review shall:

• thoroughly review conclusions and recommendations submitted by the review team
• collect any additional information needed to make an informed determination.

Note: If the State Office made the initial determination for the producer, the State Office shall make end-of-year review determination.
### D Required Action and Responsibility

Follow this table to determine required action and responsibility.

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
<th>Responsibility</th>
</tr>
</thead>
</table>
| 1    | Producer selection. | • Judgemental selection, DAFP.  
      |        | • All other cases, initial reviewing authority. |
| 2    | Producer notification. | Initial reviewing authority |
| 3    | Accumulation of requested information.  
      | **Note:** Documents shall be copied and returned to the producer. | Producer’s designated control County Office. |
| 4    | *--Assigning, coordinating, and monitoring completion of reviews.--* | State Office specialist. |
| 5    | Reviewing documents and fact findings. | Review team member or members under the supervision of the State Office specialist. |
| 6    | Determination and producer notification. | Initial reviewing authority. |
| 7    | End-of-year reports. | • Designated control County Office.  
      |        | • State Office. |

### E Discrepancies

Follow this table if discrepancies with the farm operating plan are discovered.

<table>
<thead>
<tr>
<th>IF a discrepancy is discovered that...</th>
<th>THEN notify the producer of the...</th>
</tr>
</thead>
<tbody>
<tr>
<td>does not affect the original determination</td>
<td>discrepancy and confirm the original determination.</td>
</tr>
</tbody>
</table>
| affects the original determination | • not “actively engaged in farming” determination or other revised determination  
      | • amount of payments to refund, if applicable  
      | **Note:** See 58-FI.  
      | • producer’s appeal rights. |
Section 5  EYRT System

484 Introduction

A Definition of EYRT

EYRT means a web-based system:

*--in which National and State users can record all findings, recommendations, and--*
conclusions from EYR’s completed on selected farming operations for 2009 and
subsequent years’ payment eligibility and payment limitation compliance purposes

* that provides reporting and summarization capabilities for EYR findings, determinations,
and related information recorded for the farming operations reviewed.

B EYRT Design

EYRT was designed for the following:

* recording and tracking, by participant/farming operation and program year, all EYR
review findings, results, and determinations

* as source data for status reports on the completion and results of EYR’s

* providing information to use when evaluating the application and the effectiveness of
current payment eligibility and payment limitation provisions.

C Accessing EYRT and Versions Available

EYRT is accessible from the Payment Limitation EYR’s Share Point site at
Introduction (Continued)

D Content of EYRT Database

*--The EYRT database has been populated with the following:

- 2009 through 2013 DAFP EYR selections
- additional selections as determined by State Offices.

E State Office Action

For the 2009 and subsequent EYR records, State Offices are encouraged to do the following:

- review the records for accuracy
- update the preloaded records, if necessary
- enter records for additional EYR selections made
- enter results as EYR’s are completed
- periodically run various EYRT reports to check the status of review completion, and to track the results of 2009 through 2013 EYR’s.--*
A Accessing the Payment Limitation EYRs Screen

The Payment Limitation EYRs Screen allows State users to access all options available in EYRT. To access the following Payment Limitation EYRs Screen, go to https://usdagcc.sharepoint.com/sites/fsa-dafp-disaster/PL_EYR/SitePages/Home.aspx.
B Payment Limitation EYRs Screen Content

*--On the Payment Limitation EYRs Screen, under the heading “Documents”, the following letters and forms are provided:--*

- EYR notification (subparagraph 433 D)
- payment eligibility and limitation determinations made by the appropriate reviewing authority following completing EYR’s (subparagraphs 371 D and E)
- the complete 5-part CCC-900 package (subparagraph 459 E)
- CCC-902EYR (subparagraph 471 E).

* * *
B Payment Limitation EYRs Screen Content (Continued)

*--On the Payment Limitation EYRs Screen, under the heading “EYR Reporting Dashboard,” are various reports that can be generated from the data collected on EYR’s.--*
B Payment Limitation EYRs Screen Content (Continued)

*--On the Payment Limitation EYRs Screen, under the heading “EYR Tracking Entry”, 2009 and subsequent years’ EYR review information for the DAFP selections and additional selections made by the appropriate reviewing authority or State Office representative may be entered by authorized National and State users.
A “EYRsubmit...” Option

*--On the Payment Limitation EYRs Screen, under “EYR Tracking Entry”, the End of Year Tracking Entry Main Menu will be displayed.
B “CCC-902 EYR” Option

If on the following End of Year Tracking Main Menu, users click “CCC-902 EYR”, users can enter farming operation information including any waivers of DAFP-selected EYR’s.

*--Information on all EYR waivers approved by the State Office and/or DAFP must be entered. Using the “State”, “County”, and “Producer Name” make applicable selections, in “Review FY” box, enter year, select the appropriate EYR type of selection, if a waiver was used select “Yes” to indicate a waiver was used, select the appropriate waiver type (if applicable), and CLICK “Save”.

![EYR Tracking Entry](image-url)
*--C  “CCC-900-5” Option

If on the following End of Year Tracking Main Menu, users click “CCC-900-5”, users can record information and summary results for EYR’s.
**C “CCC-900 Summary” Option (Continued)**

*--The following End of Year Review Tracking CCC-900-5 Summary (Individual Case--* Reporting) Screen will be displayed. Enter all information collected and used to support the determination of whether the farming operation subject to EYR was eligible or ineligible for program benefits and payments. This State, county, producer name, and review year will be prefilled based on subparagraph B entries.

After completing each item, CLICK “Save” to record EYR results in EYRT.

**Note:** This screen will **not** be available to enter information if EYR is waived.
C  “CCC-900 Summary” Option (Continued)

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>16. For non-family joint operations did documentation support approval of additional members seeking to qualify more than one member with only a significant contribution of active personal management.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Number of members in the farming operation claiming to make a significant contribution of active personal labor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Number of members in the farming operation determined to make a significant contribution of active personal labor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. Number of members in the farming operation claiming to make a significant contribution of active personal management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. Number of members in the farming operation determined to make a significant contribution of active personal management</td>
<td></td>
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</tr>
<tr>
<td>21. “Actively Engaged in farming” Requirements Met</td>
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<td>22. Cash rent tenant rule met</td>
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<td>23. Substantive change requirements met</td>
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<tr>
<td>24. Were the initial determinations correct?</td>
<td></td>
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</tr>
<tr>
<td>25. If discrepancies were found, did they result in an adverse determination?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>26. Adverse determination included scheme and device, fraud, or other actions to circumvent regulations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>27. Total dollar amount of payments affected by the discrepancy?</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>28. Did producer provide requested documentation to complete the review?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>29. Review is complete:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30. Review is closed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>30a. Closed Date</td>
<td></td>
<td></td>
</tr>
<tr>
<td>30b. Status Comments</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The following illustrates a printed copy of the CCC-900-5 Summary completed through EYRT. The automated version can be used in place of the manual CCC-900-5 displayed in subparagraph 459 F.
D “Add Selections” Option

If on the following End of Year Tracking Main Menu, users click “Add Selections”, users can record information and summary results for additional EYR’s selected by COC, STC, State Office, or other reviewing authority.
D “Add Selections” Option (Continued)

The following End of Year Review Tracking Additional EYR Selections Screen will be displayed. Enter information about the farming operation selected for EYR and responses about the farming operation from each drop-down list and CLICK “Save”.

---

EYR Tracking Entry

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