

**For:** State and County Offices

**Reporting FY 2007 Compliance Activity for Workload**

**Approved by:** Deputy Administrator, Management



**1 Overview**

**A Background**

Notices CP-617 and LP-2068 provided changes to compliance activities for FY 2007. Since the new compliance procedure was announced there have been questions and concerns about the affect of capturing compliance for workload purposes.

**B Purpose**

This notice:

- informs State and County Offices of the following:
  - the new compliance process had no impact on how units are counted for FY 2007 year-end workload reports
  - action that County Offices must complete to capture unit counts for each compliance related work item
  - that additional producers shall only be selected for spot check according to Notices CP-617 and LP-2068
- obsoletes Notice AO-1393 because of an incorrect reference to “calendar year”.

**C Contact**

State Offices shall direct questions about this notice to Carol Fleming by:

- e-mail at **carol.fleming@wdc.usda.gov**
- telephone at 202-720-9865.

<b>Disposal Date</b>	<b>Distribution</b>
October 1, 2007	State Offices; State Offices relay to County Offices

**Notice AO-1394**

**2 FY 2007 Compliance Activity for Workload**

**A FY 2007 Compliance Workload Impact**

The revised nationwide selection of producer process and resulting database listing has only changed the way producers are selected for compliance but has **not** changed the actual compliance activities or the method of capturing units for workload. Units for FY 2007 year-end workload will continue to be captured as in previous workload reports. See the following to clarify how compliance is currently captured in workload.

<b>Work Item</b>	<b>Title</b>	<b>Unit Count</b>	<b>Method of Capturing for Unit</b>	<b>County Office Action Required</b>
1404	Acreage Determination from Farm Visit	Each field or subdivision of field for which acreage determination is completed by farm visit.	System 36 Query	Determined acres must be entered on FSA-578 and question inquiring if determination was completed by farm visit must be answered with a "Y" for each applicable field.
1416	Spot Checks and Non-Acreage Determination Visits	Each farm visit where acreage determination is <b>not</b> made for DCP, ACP, ECP, CRP (including CRP annual status reviews), identifying crops and/or method of harvest, verifying failed acreage, wetland and converted wetland, HELC, pre-loan inspection for honey, wool, or seed-cotton, site visit to vendor, gin, or warehouse.	Manual Count	Document spot check results as required by program procedure and use as a reference to support manual workload unit count.
1421	Acreage Determinations from Digital Imagery	Each field or subdivision of field for which acreage determination is completed by NAIP imagery.	System 36 Query	Determined acres must be entered on FSA-578 and question inquiring if determination was completed by farm visit must be answered with a "N" for each applicable field.

Notice AO-1394

2 **FY 2007 Compliance Activity for Workload (Continued)**

**A FY 2007 Compliance Workload Impact (Continued)**

<b>Work Item</b>	<b>Title</b>	<b>Unit Count</b>	<b>Method of Capturing for Unit</b>	<b>County Office Action Required</b>
1701	Commodity Loan and LDP Spot Checks	Each structure containing a commodity under loan or LDP, each lot of seed cotton or sugar, each LDP or loan for honey, wool, or mohair when spot checked.	System 36 Query, Manual Count, and Web Query	Crop year 2006 spot checks will be captured from the Monthly Price Support Compliance Report submitted to the State Office. Crop year 2007 spot checks completed before September 30, 2007, will require a manual count or Web query.

Spot checks for CDP, NAP, and 2005 TAP disaster compliance activity is captured as part of the operations included for the applicable work item.

**B Selection of Additional Producers**

According to Notices CP-617 and LP-2068, the revised procedure for compliance was implemented as the result of a 2005 audit of FSA compliance activities by OIG. Findings revealed that valuable agency resources were being used to complete too many compliance activities. In the current environment of limited resources, State and County Offices should follow guidelines to select additional producers only if there are valid concerns that warrant the spot check and review of those producers. The purpose of developing a more meaningful and comprehensive method of compliance is defeated if producers are added for workload purposes only.