

For: State Offices and Service Centers

County Operations Review (COR) Program Findings for FY 2003 for Reconstitutions

Approved by: Assistant Deputy Administrator, Farm Programs



1 Overview

A Background

COR's periodically conduct reviews of County Office program records and activities. After COR's finish their review, a report of finding is provided to the applicable COC, SED, and National Office.

The findings from the reviews performed for FY 2003 have been compiled and reviewed by the applicable National Office divisions. A number of deficiencies have been documented for reconstitutions. The deficiencies are divided into the following subtopics for this notice:

- DD responsibilities
- ownership documentation
- initiating a reconstitution
- updating reconstitutions
- notification requirements.

B Purpose

This notice provides:

- an overview of the problems COR's found while reviewing reconstitutions
- paragraph references for review.

Disposal Date	Distribution
February 1, 2005 7-20-04	State Offices; State Offices relay to Service Centers

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2 DD Responsibilities

A Documenting Annual Review

Problem: COC annual review to determine whether land is properly constituted is not certified by DD.

Resolution: Until such time that a computer-generated document is available to County Offices and COC's for review and certification, the requirement for DD's to certify the review is not applicable. DD's shall ensure that COC's, CED's, and/or Program Technicians have reviewed farms for proper constitution. This includes reviewing all farms being operated by the same person and may be done when owners and/or operators are changed in the system, and also when CCC-509's are processed.

3 Reviewing Ownership Documentation

A Ownership Documentation

Problem: Specific proof of ownership is **not** provided when land ownership is transferred.

Resolution: Proof of ownership is required, according to 2-CM (Rev. 5), subparagraph 42 A, before ownership records are changed in the County Office. Proof of ownership includes but is not limited to the following:

- copy of recorded deed
- unrecorded deed, if specific program does not require a recorded deed
- land contract
- real estate tax statement
- FSA employee's check of the record at the county land records office.

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4 Reconstitutions

A Deficiencies on FSA-155

Deficiencies found on FSA-155's include the following:

- item 5, "Approximate Date of Change", did not contain the date ownership was transferred or the farming operation changed
- item 7 A, "Crop", did not contain a list of all crops on the parent farm for divisions
- item 7 B, "Parent Farm Bases/Allotments/Quotas", did not include the appropriate base, allotment, or quota on the parent farm
- item 7 C, "Check Appropriate Method", did not indicate the correct method of division for each base, allotment, or quota on the parent farm
- item 12, "Is the parent farm in CRP?", was not answered.

See 2-CM, (Rev. 5), paragraph 72 for instructions on completing FSA-155. County Offices shall use FSA-155, dated "02-27-03".

B Updating an Approved Reconstitution

Problem: Reconstitution was processed and approved in the automated system before COC-approval.

Resolution: County Offices shall update the reconstitution in the computer only **after** COC reviews and approves the reconstitution according to 2-CM (Rev. 5), paragraphs 444 and 445. See 2-CM (Rev. 5), Part 12, Section 2 for instructions on updating reconstitutions on the computer.

5 Notification Requirements

A Producer Notification Requirements

Problem: After completing the requested reconstitution, owners and operators are not being:

- notified of the reconstitution
- mailed NRCS determinations.

Resolution: 2-CM (Rev. 5), paragraph 464 provides instructions for notifying resulting farm producers, both owners and operator, of the following:

- completed reconstitution
- NRCS determination, by sending a map with NRCS determination entered for each field.