

For: State and County Offices

**Changes to CORP**

Approved by: Associate Administrator for Operations and Management



**1 Overview**

**A Background**

The Federal Manager Financial Integrity Act of 1982 (FMFIA) requires performing detailed program, administrative, and financial management systems reviews to ensure that adequate internal controls and reporting of material weaknesses and nonconformance is accomplished. CORP was implemented in the fall of 1986 as a strategic internal control mechanism to meet the FMFIA requirements for County Office operations.

When CORP was first implemented, all reviews were comprehensive in scope and included reviewing most activities in each County Office selected for review, including both administrative and program activities. Beginning in 1991, more emphasis was placed on target reviews and comprehensive reviews were completely eliminated from CORP in 2006.

Since 2006, SED's have been allowed greater flexibility on determining the scope of reviews performed in their States. This policy has affected the ability of FSA to adequately meet the requirements of FMFIA, because there is a lack of uniformity in the scope of the reviews that does **not** allow for any meaningful analysis of findings on a national scale.

Also in 2006, FSA began using COR's to perform national target reviews to meet the requirements of the Improper Payment Information Act of 2002 (IPIA). Programs determined to have a significant risk of erroneous payments are required to be sampled to obtain a statistically valid estimate of the annual amount of improper payments. COR's normally dedicate 3 consecutive months to conduct these reviews.

Until 2010, CORP reviews were conducted on site in the applicable County Office. With the large reduction in travel funds in FY 2010, an off-site review process was implemented. The National Office has found that the flexibility provided to individual States on how the limited travel funds were allocated resulted in a lack of uniformity within CORP.

Disposal Date	Distribution
May 1, 2014	State Offices; State Offices relay to County Offices, CORP Coordinators, and COR's

## Notice COR-118

### 1 Overview (Continued)

#### A Background (Continued)

A minimum COR staffing level was established for each State in 1999. Given the reduction overall of FSA staffing ceilings since 2010, these minimum levels have **not** been maintained.

In 2012, a CORP task force was established to evaluate CORP. In the fall of 2012, recommendations developed by the CORP task force were presented to the FSA Administrator for consideration.

The FSA Administrator has determined that CORP will be a program of national scope and a strategic internal control mechanism for determining whether controls over County Office program and administrative functions are appropriate, operating as intended, and effective. However, the FSA Administrator recognizes the current and future budget constraints will require changes to CORP.

#### B Purpose

This notice provides an overview of the planned changes to CORP. 1-COR will be revised to incorporate the changes. While some changes may be implemented in FY 2013, it is anticipated that all changes will be implemented for FY 2014.

### 2 National Office-Directed Target Reviews

#### A Overview

Two-thirds of COR's time will be dedicated to conducting target reviews directed and designed by ORAS. These National Office-directed target reviews will include IPIA reviews and other reviews where the scope will be determined by ORAS, in consultation with SED's and National Office program managers.

**Note:** The 2/3 rule shall be considered a general rule. In some years there could be more or less time allotted, depending on needs. It is also possible that special circumstances may require COR's to be used for special assignments to assist OIG investigations or other investigations directed by ORAS or DAFO.

#### B Scope of Review

Twice each year, ORAS shall request input from SED's and National Office program managers on what programs and/or administrative areas should be tested. ORAS will use this information to create a 6 month review plan that will outline a series of reviews, each with a specific scope. The plan will be shared with all States for their planning purposes.

Enough States will be selected for each series of reviews to ensure variability in the sample. It is possible that not all States will be included in a specific series of reviews. It is anticipated that in most cases, other than IPIA reviews, States will select the counties to be reviewed using guidance provided by ORAS.

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### 2 National Office-Directed Target Reviews (Continued)

#### C Sample Size

With the exception of IPIA reviews, the number of records to be sampled will not, on average, exceed 5 records per county. For most reviews, it is anticipated that the sample will be randomly selected from a defined population of records. COR's will be responsible for selecting the sample using a random number generator or similar technique.

Each series of National Office-directed target reviews will be designed to include an adequate number of records to allow for an analysis of data on a State and National level. Because of the reduced sample size for each county selected, the review may not provide a reliable analysis of a specific county's operation.

#### D Reportable Findings

Not all errors will be considered reportable findings. For each series of reviews, guidance will be provided that will define what should be considered a reportable finding. However, if the error results in an improper payment or collection affects the accuracy of farm records, the error shall be considered reportable.

### 3 State Office-Directed Assignments

#### A Overview

One third of COR's time will be allotted for State-directed internal control activities. These assignments may include, but are **not** limited to:

- conducting State-developed county operation reviews
- providing training to FSA employees
- performing management assessments
- performing employee assessments
- assisting State Office management with County Office oversight activities.

#### B Prohibited Assignments

COR's are prohibited from performing activities normally performed by County Office staff.

**Exception:** In unusual situations or critical emergencies, SED may request approval from ORAS, through DAFO, to assign COR's to such activities, if the request is made and approved **before** making the assignment.

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### 4 COR Positions

#### A COR Position Title, Series, and Grade

The official title and series for the COR position will remain “Management and Program Analyst, GS-343”, and the working title will remain COR.

The maximum grade level will remain GS-12.

#### B Minimum Number of COR Positions

A minimum number of COR positions will be established nationwide, based on the number of permanent County Offices. At this time, FSA plans to maintain approximately 55 COR positions.

#### C COR’s Headquarter State

COR’s positions will be allocated to States, based on need. While COR positions will be allocated to specific States, COR assignments will **not** be limited to their headquarter State.

**Note:** FTE used for the COR position will be allocated to the State solely for the COR position. When a vacancy occurs, FTE placement will be reevaluated by ORAS and DAFO.

#### D COR Supervision

COR’s supervisor-of-record shall be either SED or Executive Officer of COR’s headquarter State.

**Note:** Exceptions will be allowed with the concurrence of both ORAS and DAFO.

#### E Telework and Official Duty Station

COR shall be eligible for telework, following telework procedures in 34-PM. It is also acceptable for COR’s official duty station to be their home.

### 5 Travel Requirements

#### A Travel Allocations

A national travel allocation will be set aside to cover all travel expenses related to National Office-directed target reviews, including IPIA reviews.

Travel associated with State directed activities will be paid from State allocated funds.

**Note:** To prepare for national travel allocations, ORAS will work with DAFO and State Offices to obtain previous years travel costs associated with CORP that will be used to compute the national allocation.

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### 5 Travel Requirements (Continued)

#### B Off-Site Reviews

A hybrid off-site review concept will be used for National Office-directed target reviews, including IPIA reviews. This hybrid approach will allow COR's to travel to the review County Office, make necessary copies of documentation, and spend a minimal amount of time in the office interviewing employees. The majority of the review will be conducted at COR's headquarter location.

**Note:** There will continue to be a need to conduct some reviews completely off-site where the County Office staff will be required to provide the required documentation to COR.