

For: State and County Offices

2011 Compliance Reviews and Spot Checks

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

To ensure the accuracy of payments and integrity of FSA programs, County Offices are required to conduct compliance reviews and spot checks for producers selected for review through the National Compliance Review and Spot Check process.

The National Office has made its selection of producers for 2011 Compliance Review and Spot Check.

B Purpose

This notice informs State and County Offices of the following:

- the web address to view and print the list of producers selected for 2011 compliance reviews and spot checks
- additional guidance for performing 2011 compliance activities, including the following:
 - programs included in the national compliance review process
 - questions to document during compliance reviews and spot checks
 - years to consider when conducting compliance reviews and spot checks
 - recording 2011 spot check results in national compliance review database.

Disposal Date	Distribution
January 1, 2012	State Offices; State Offices relay to County Offices

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1 Overview (Continued)

C 2011 Producer Selection List

The list of producers selected for 2011 compliance reviews and spot checks is posted on the Intranet at <http://fsaintranet.sc.egov.usda.gov/ffas/farmbill/ccc/default.htm>.

The 2011 producer list is broken down by State and county. Under each county, the following information will be displayed:

- producer's first and last name and/or business name
- TIN type ("E", entity or "S", Social Security).

Producers will be listed in every State/county in which they are participating. County Offices shall perform compliance reviews and spot checks on all producers listed in their county throughout the year for all applicable programs and activities.

2 Additional Guidance for Performing 2011 Compliance Activities

A Programs/Activities Included in the 2011 Compliance Review Process

The following is an updated list of programs/activities included in the compliance review process:

- **Asparagus Loss Assistance Program (ALAP)**
- ACRE
- CRP maintenance and practice checks
- DCP
- **Emergency Livestock Assistance Program (ELAP)**
- FSA-578's
- HELC/WC compliance
- LDP's/MAL's
- LFP/LIP
- MILC
- NAP (approved yield and general)
- SURE
- TAP.

Note: Programs in **bold** have been added for 2011.

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2 Additional Guidance for Performing 2011 Compliance Activities (Continued)

B Performing 2011 Compliance Reviews and Spot Checks

County Offices shall follow procedure in 2-CP, Part 3, Section 2.5 when performing compliance reviews and spot checks for all programs in subparagraph A. Compliance review questions for all program areas have been incorporated in 2-CP, paragraphs 350 through 357.10.

County Offices should:

- try to avoid using travel funds to complete acreage compliance reviews
- rely on digital imagery as much as possible to determine acreages during extreme budget shortages.

Compliance reviews for other programs to verify, for example production for MAL's or LDP's, or field inspections for prevented planted acreage, will **not** be required to be completed or performed using County Office travel funds during extreme budget shortages. If compliance or field inspections are **not** completed for producers selected for spot check, the applicable producer's program file folder will be documented for the reason why the compliance or field inspection was **not** completed.

C Years to Consider When Conducting Compliance Reviews and Spot Checks

2-CP, subparagraph 322 D provides additional guidance on the year(s) County Offices shall consider when conducting compliance reviews and spot checks. Specifically, this subparagraph provides that when conducting reviews, County Offices shall check:

- **for FSA-578 spot checks**, the current year FSA-578 and any prior year FSA-578 that has been revised since the last Spot Check list

Note: For prior year FSA-578's, County Offices shall ensure that the correct documentation is on file according to 2-CP.

- **for all other programs**, spot check any application/contract that has been approved for payment since the last Spot Check list.

Example: Producer A was listed on the 2011 Compliance Review and Spot Check list in County 1. County 1 shall conduct compliance reviews and spot checks on Producer A's 2011 FSA-578's and any prior year FSA-578 that was revised since the 2010 spot check list (issued June 9, 2010). In addition, County 1 shall perform compliance reviews and spot checks for any other applicable program for which producer A had an application/contract approved for payment since the last spot check list (June 9, 2010).

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2 Additional Guidance for Performing 2011 Compliance Activities (Continued)

C Years to Consider When Conducting Compliance Reviews and Spot Checks (Continued)

County Offices shall not conduct spot checks and reviews for any application/contract approved for payment after the issuance of the 2011 Compliance Review and Spot Check list. Those applications would be subject for spot check the subsequent year (2012) provided the producer was selected for spot check.

D Recording 2011 Compliance Review Findings

County Offices shall record findings from 2011 compliance reviews and spot checks in the national compliance review database. Because of modifications, the database is **not** available to load 2011 results. Until further notice, County Offices shall maintain written documentation of all 2011 compliance review and spot check results in the County Office.

The National Office will issue a notice:

- informing State and County Offices when the national compliance review database is available for entering 2011 data
- providing survey codes that must be entered for each producer to record 2011 compliance review data.

E Contact Information

For questions about this notice:

- County Offices shall contact State Office Compliance Specialists
- State Offices shall contact Melonie Sullivan by either of the following:
 - e-mail to melonie.sullivan@wdc.usda.gov
 - telephone at 202-690-1003.