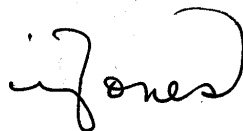


For: State and County Offices

2019 National Compliance Reviews

Approved by: Acting 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 national compliance reviews and spot checks for selected producers.

The National Office has been provided the list of producers selected for 2019 national compliance reviews through a statistical sampling conducted by NASS.

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 2019 national compliance reviews
- additional guidance for performing 2019 compliance activities, including the following:
 - applicable programs
 - surveys with updates for 2019
 - estimated availability of the 2019 national compliance review database
 - deadline for completing reviews and recording results in the national compliance review database.

C Producer Selection List

The list of producers selected for 2019 compliance reviews and spot checks is posted on the Intranet at <https://inside.fsa.usda.gov/program-areas/dafp/common-processes/compliance/index>.

Disposal Date	Distribution
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1 Overview (Continued)

C Producer Selection List (Continued)

The 2019 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" for entity or "S" for Social Security).

Producers are listed in every State/county in which they are participating. County Offices must 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 2019 Compliance Activities

A Programs/Activities Included in the 2019 Compliance Review Process

The following programs/activities are included in the compliance review process for 2019:

- ARC/PLC
- CRP maintenance and practice checks
- ECP
- EFRP
- ELAP
- FSA-578's and HELC/WC compliance
- FSFL
- LDP
- LFP
- LIP
- MAL
- MPP
- NAP
- TAP
- WHIP.

B Performing 2019 Compliance Reviews and Spot Checks

County Offices will follow 2-CP, Part 6, Section 2 for 2019 compliance review questions. ARCPLC, CRP, MPP, and ELAP were updated for the 2019 compliance season. See Exhibits 1 through 4 for the updated survey questions.

Notice CP-754

2 Additional Guidance for Performing 2019 Compliance Activities (Continued)

B Performing 2019 Compliance Reviews and Spot Checks (Continued)

When conducting compliance reviews and spot checks, County Offices will check for:

- FSA-578 spot checks: the current year FSA-578, and any prior year FSA-578 that has been revised since the 2018 spot check list dated July 19, 2018
- all other programs: any application/contract that has been enrolled and/or approved for payment since the 2018 spot check list dated July 19, 2018.

Note: Any application/contract that is enrolled and/or approved for payment after the issuance of the annual Spot Check Producer List will be subject to the subsequent year's National Compliance Review process.

3 Guidance for Documenting Reviews in National Compliance Review Database

A Availability of 2019 National Compliance Review Database

Because of modifications to the 2019 survey questions, the National Compliance Review Database created by NASS is **not** available to load 2019 results. The database is tentatively scheduled to be opened in August 2019. Until further notice, County Offices will maintain written documentation of all 2019 compliance review and spot check results in the County Office.

The National Office will issue a subsequent notice advising when the 2019 National Compliance Review Database is available for data entry. Instructions for loading review results in the National Compliance Review Database will be provided at that time.

B Review Deadlines

County Offices must complete 2019 compliance reviews and spot checks and load the spot check results in the National Compliance Database by December 31, 2019.

4 Contact

A Contact Information

For any problems or concerns with the National Compliance Review process or this notice:

- County Offices will contact their State Office compliance specialist
- State Office specialists will contact Gwen Uecker by either of the following:
 - e-mail to gwen.uecker@usda.gov
 - telephone at 701-893-2209.

ARCPLC Compliance Review

A ARC-CO and/or PLC

Follow this table for enrolling CCC-861 for a farm in ARC-CO and/or PLC.

ARCPLC Compliance Review - ARC-CO and/or PLC	
Enrollment CCC-861 for Farm in ARC-CO and/or PLC	
Farm # _____	
1	<p>Does each producer sharing in base acres meet the Division of Payment Guidelines provided in 1-ARCPLC, subparagraph 217 A to support their share of the base acres on CCC-861? Yes or No.</p> <ul style="list-style-type: none"> • If yes, go to question 2. • If no, enter date the producer was notified of the contract violation: ___/___/___ (mm/dd/yy). <p>Current violation status:</p> <ul style="list-style-type: none"> • contract terminated • appeal filed • relief granted.
2	<p>Did the producer accurately report all FAV's planted on payment acres of the farm? Yes, No, or N/A.</p> <p>If no, enter determined FAV acres planted on farm: ___/___/___ (mm/dd/yy).</p>
3	<p>If FAV were planted on payment acres of the farm, was the acre-for-acre reduction properly assessed? Yes or No.</p> <p>If no, enter determined FAV acre-for-acre reduction acres: _____.</p>
4	<p>Were wind, water erosion, and noxious weeds controlled on the farm? Yes or No.</p> <p>If no, did the producer correct the maintenance default on the farm? Yes or No.</p> <p>If no, what is the current status?</p> <ul style="list-style-type: none"> • appeal filed • relief granted • maintenance default applied, enter amount \$ _____
5	<p>Did an owner of the farm sign CCC-865 allocating generic base acres to seed cotton and/or other covered commodities? Yes or No.</p> <ul style="list-style-type: none"> • If yes, go to question 6. • If no, were the generic base acres defaulted according to 1-ARCPLC, paragraph 412. <p>The bases acres and number of base acres on the farm that were defaulted are: _____.</p>

ARCPLC Compliance Review (Continued)

A ARC-CO and/or PLC (Continued)

ARCPLC Compliance Review - ARC-CO and/or PLC (Continued)	
6	<p>Did all the farm’s current producers make the election by signing CCC-865? Yes or No.</p> <ul style="list-style-type: none"> • If yes, go to question 7. • If no, was the election defaulted to PLC according to 1-ARCPLC, paragraph 466. <p>The election on the farm is: _____.</p>
7	<p>Did an owner of the farm certify on CCC-865, a seed cotton yield, or other covered commodity yield on the farm? Yes or No.</p> <ul style="list-style-type: none"> • If yes, go to question 8. • If no, was the county average CC yield (if upland cotton, the upland cotton county average CC yield times 2.4) to the covered commodity? Yes or No. <p>If yes, have the owner provide production evidence documenting the certified yield.</p> <p>The production evidence documents a yield of _____ (using the formula in 1-ARCPLC, paragraph 442).</p>
8	<p>Does the production evidence support the certified yield? Yes or No.</p> <ul style="list-style-type: none"> • If yes, go to the next section. • If no, the certified yield, which is stored in the Farm Records System and MIDAS/ Customer Relationship Management, will be adjusted to the verified yield for crop years 2014 through 2019, not to go below the county average CC yield.

ARCPLC Compliance Review (Continued)

B ARC-IC

Follow this table for enrolling CCC-861 for a farm in ARC-IC.

ARCPLC Compliance Review - ARC-IC	
Enrollment CCC-862 for Farm in ARC-IC	
Farm # _____	
1	<p>Did each producer sharing in covered commodities as reported on FSA-578, also sign CCC-862? Yes or No.</p> <ul style="list-style-type: none"> • If yes, go to question 2. • If no, ensure that contract is not approved.
2	<p>Did the producer accurately report all FAV's planted on payment acres of the farm? Yes, No, or N/A.</p> <p>If no, enter determined FAV acres planted on farm: _____.</p>
3	<p>If FAV's were planted on payment acres of the farm, was the acre-for-acre reduction properly assessed? Yes or No.</p> <p>If no, enter determined FAV acre-for-acre reduction acres: _____.</p>
4	<p>Were wind, water erosion, and noxious weeds controlled on the farm? Yes or No.</p> <p>If no, did the producer correct the maintenance default on the farm? Yes or No.</p> <p>If no, what is the current status?</p> <ul style="list-style-type: none"> • appeal filed • relief granted • maintenance default applied, enter amount \$ _____
5	<p>Has total production (harvested yield) of the planted covered commodities on the farm been reported no later than July 15 in the subsequent crop year? Yes or No.</p> <p>If no, date producer(s) notified that the contract will not be paid until the production is reported? __/__/__ (mm/dd/yy)</p>

CRP Compliance Review

Primary Participant Name _____

Contract # _____ **State:** _____ **County:** _____

Contract Effective Date: ____/____/____

Farm # _____ **Tract #** _____ **Program Year:** _____

Reviewer Initials _____ **DD Initials** _____

Please complete the following table for each CRP compliance spot check.

Field Number(s)	Practice Number	Acres	Condition of Cover (Good, Reasonable, Poor)

CRP Compliance Questions	
1	Has an approved cover been established and maintained within the time required on the CRP-1 and Conservation Plan of Operation (CPO)? Yes, No, or N/A.
2	Has the basic terms of the CPO been met? (Maintenance) Yes, No, or N/A.
3	Has the required Mid-Contract Management practice(s) been completed according to the CPO? Yes, No, or N/A.
	Questions 1-3: If no , explain why below and attach pictures.
4	Are invasive species, such as undesirable weeds, trees, plants, insects, or pest, present? Yes, No, or N/A.
5	Are trees, unauthorized crops, and/or hay bales present? Yes, No, or N/A. If trees are present, how many trees/acre? _____ and type of tree(s)? _____ Notate the area of the trees on a map.
6	Are roads, machinery, and/or oil, gas, or water wells present? Yes, No, or N/A.
7	Has there been evidence of unauthorized haying and grazing? Yes, No, or N/A.
8	Has the producer conducted any activity on CRP acres without authorization during the primary nesting season? Yes, No, or N/A.
	Questions 4-8: If yes , explain why below and attach pictures. _____ _____

CRP Compliance Review (Continued)

If any noncompliance issues are found, follow these instructions.

A	Did COC determine that the participant made a good faith effort to comply with the terms and conditions of CRP-1? Yes or No. If yes , standard payment reduction \$ _____.	
B	Was any portion of the standard payment reduction waived? Yes or No. If yes , by whom? <ul style="list-style-type: none"> • County Committee • State Committee • DAFP. 	
	If no , was all or a portion of the contract terminated? All or Portion.	
	a	Violation reason: <ul style="list-style-type: none"> • eminent domain • enrolled in WRP/GRP/HFRP/EWP • erroneous eligibility determinations • foreclosure • leaser exercises rights (gas, oil, earth, or mineral rights) • no successor-in-interest • non-compliance (violation) • participants request for partial termination is disapproved • practice failure on all acres • voluntary request to terminate/withdraw.
	b	Refund amount \$ _____.
	c	Date acres terminated in CCMS: ___/___/___ (mm/dd/yy).
d	Was any portion of the refund waived? Yes or No. If yes , by whom? <ul style="list-style-type: none"> • County Committee • State Committee • DAFP. 	
C	Is adverse determination still in the process of being appealed? Yes or No.	

ELAP Compliance Review

ELAP Compliance Review	
Notice of Loss - Livestock, Honeybees, and Farm-Raised Fish Losses	
1	<p>Did the participant timely file a notice of loss? Yes or No.</p> <p>If no, select 1 of the following:</p> <ul style="list-style-type: none"> • application for payment disapproved • appeal filed • relief granted.
2	<p>Did the participant suffer livestock, honeybees, and/or farm-raised fish losses because of an eligible adverse weather event or loss condition that occurred in the program year for which assistance is being requested? Yes or No.</p> <p>If no, select 1 of the following:</p> <ul style="list-style-type: none"> • application for payment disapproved • appeal filed • relief granted.
3	<p>If participant is applying for livestock losses, does participant’s current inventory of applicable livestock match the number and/or kind/type/weight range of livestock claimed on the ELAP application? Yes or No COC adjusted.</p>
4	<p>Was FSA-578 filed? Yes or No.</p> <p>If no, select 1 of the following:</p> <ul style="list-style-type: none"> • application for payment disapproved • appeal filed • relief granted.
Application for Payment – Livestock Losses	
5	<p>If participant is applying for livestock losses, did the participant, during the 60 calendar days before the beginning of the eligible adverse weather event or loss condition, own, lease, purchase, enter into a contract to purchase, or was a contract grower of the livestock claimed on the ELAP application? Yes or No.</p> <p>If no, select 1 of the following:</p> <ul style="list-style-type: none"> • application for payment disapproved • appeal filed • relief granted.
6	<p>If the participant is applying for livestock losses, did all livestock entered on the ELAP application meet all eligibility criteria, including being maintained for commercial use as part of the participant’s farming operation? Yes or No.</p> <p>If no, select 1 of the following:</p> <ul style="list-style-type: none"> • COC made adjustment • application for payment disapproved • appeal filed • relief granted.

ELAP Compliance Review (Continued)

ELAP Compliance Review (Continued)	
Application for Payment – Livestock Losses (Continued)	
7	<p>If the participant is applying for livestock grazing losses, did the participant suffer a grazing loss on eligible grazing lands physically located in the county where the eligible adverse weather or loss condition occurred because of an eligible adverse weather event or loss condition? Yes or No.</p> <p>If no, select 1 of the following:</p> <ul style="list-style-type: none"> • application for payment disapproved • appeal filed • relief granted.
8	<p>For purchased livestock feed losses, did the participant provide original receipts for forage or feed stuffs purchased? Yes or No.</p> <p>If no, select 1 of the following:</p> <ul style="list-style-type: none"> • application for payment disapproved • appeal filed • relief granted.
9	<p>If the participant is applying for livestock feed losses resulting from the purchase of additional livestock feed, above normal quantities, did the participant provide original receipts or summary purchase receipts for forage or feed stuffs that were purchased by the participant for the time of the eligible adverse weather event or loss condition for the 2 years immediately preceding the program year for which additional feed costs are being claimed? Yes or No.</p> <p>If no, select 1 of the following:</p> <ul style="list-style-type: none"> • COC made adjustment • application for payment disapproved • appeal filed • relief granted.
10	<p>If the participant is applying for livestock feed losses resulting from the purchase of additional livestock feed, above normal quantities, did the participant provide original receipts or summary purchase receipts for forage or feed stuffs that were purchased by the participant for the timeframe of the eligible adverse weather event or loss condition for the program year for which additional costs are being claimed to feed the participant’s eligible livestock? Yes or No.</p> <p>If no, select 1 of the following:</p> <ul style="list-style-type: none"> • COC made adjustment • application for payment disapproved • appeal filed • relief granted.

ELAP Compliance Review (Continued)

ELAP Compliance Review (Continued)	
Application for Payment – Honeybee Losses	
11	<p>If the participant is applying for honeybee losses, did the participant have a risk in the honey production, pollination, or honeybee breeding operation for producing honey, pollinating, or breeding honeybees for commercial use as part of a farming operation on the beginning date of the eligible adverse weather event or loss condition? Yes or No.</p> <p>If no, select 1 of the following:</p> <ul style="list-style-type: none"> • application for payment disapproved • appeal filed • relief granted.
12	<p>If the participant is applying for honeybee colony and/or hive losses, did the participant provide acceptable proof of beginning and ending inventory of honeybee colonies and/or hives? Yes or No.</p> <p>If no, select 1 of the following:</p> <ul style="list-style-type: none"> • COC made adjustment • application for payment disapproved • appeal filed • relief granted.
13	<p>If the participant is applying for honeybee colony and/or hive losses, did the participant provide proof of good management practices as established by COC? Yes or No.</p> <p>If no, select 1 of the following:</p> <ul style="list-style-type: none"> • application for payment disapproved • appeal filed • relief granted.
14	<p>If the participant is applying for honeybee feed losses, did the participant provide verifiable documentation of purchased feed intended as feed for honeybees that was lost, or additional feed purchased above normal quantities to sustain honeybees for a short period of time until additional feed becomes available because of an eligible adverse weather event or loss condition? Yes or No.</p> <p>If no, select 1 of the following:</p> <ul style="list-style-type: none"> • COC made adjustment • application for payment disapproved • appeal filed • relief granted.

ELAP Compliance Review (Continued)

ELAP Compliance Review (Continued)	
Application for Payment – Farm-Raised Fish Losses	
15	<p>If the participant is applying for farm-raised fish losses, was the participant a producer of an aquatic species that is propagated and reared in a controlled environment, that is being maintained for commercial use as part of the producer’s farming operation? Yes or No.</p> <p>If no, select 1 of the following:</p> <ul style="list-style-type: none"> • application for payment disapproved • appeal filed • relief granted.
16	<p>If the participant is applying for farm-raised fish feed losses, did the participant provide documentation of the date feed was purchased, type and quantity of feed purchased, and the cost of feed purchased? Yes or No.</p> <p>If no, select 1 of the following:</p> <ul style="list-style-type: none"> • COC made adjustment • application for payment disapproved • appeal filed • relief granted.
17	<p>If the participant is applying for farm-raised fish death losses, did the participant suffer from the physical loss of game fish (stockers) or bait fish (not raised as food for food fish)? Yes or No.</p> <p>If no, select 1 of the following:</p> <ul style="list-style-type: none"> • application for payment disapproved • appeal filed • relief granted.
18	<p>If the participant is applying for farm-raised fish death losses, did the participant provide acceptable documentation verifying the type and amount of game fish or sport fish that was lost? Yes or No.</p> <p>If no, select 1 of the following:</p> <ul style="list-style-type: none"> • application for payment disapproved • appeal filed • relief granted.

MPP Compliance Review

MPP Compliance Review	
1	Name of dairy operation spot checked. _____
2	<p>Was the dairy operation still commercially marketing milk at the time of their initial registration? Yes or No.</p> <ul style="list-style-type: none"> • If no, disapprove contract. • If yes, was all documentation validated? Yes or No. <p>If no, disapprove contract.</p>
3	<p>Did the dairy operation indicate on CCC-782, item 8 that they were commercially marketing milk at the time of their annual coverage election? Yes or No.</p> <p>If yes, was all documentation validated? Yes or No.</p> <p>If no, disapprove contract.</p>
4	<p>Does the dairy operation meet the definition of an eligible dairy operation? Yes or No.</p> <p>If yes, was all documentation validated? Yes or No.</p> <p>If no, disapprove contract.</p>
5	<p>Did the dairy operation indicate on CCC-782, item 11 if they have a current policy under the LGM-Dairy Program? Yes or No.</p> <p>If no, was this verified by review of the monthly LGM Report? Yes or No.</p>
6	<p>If a payment was issued, did the dairy operation meet all eligibility requirements (AD-1026, foreign person rules)? Yes or No.</p> <p>If no, disapprove contract, collected \$ _____.</p>
7	<p>Did the dairy operation pay the \$100 administrative fee for the current coverage year? Yes, No, or Exempt.</p> <p>If no, disapprove contract, collected \$ _____.</p> <p>Exempt is for limited resource, beginning, veteran, or socially disadvantaged farmer.</p>
8	<p>If the dairy operation selected buy-up coverage for the current coverage year, was the total premium paid in full by September 1? Yes, No, or N/A.</p> <p>If no, was a receivable established? Yes or No, collected \$ _____.</p>
9	<p>Has the dairy operation completed any relocation, mergers, succession-in-interest, or intergenerational transfers of production history? Yes or No.</p> <p>If yes, did the dairy operation complete CCC-781 according to procedure? Yes or No.</p> <p>If no, disapprove contract, collected \$ _____.</p>
10	<p>Did the dairy operation re-enroll during the 2018 re-enrollment period? Yes or No.</p> <p>If yes, did the dairy operation complete CCC-782 and was it signed by all producers in the dairy operation? Yes or No.</p> <p>If no, disapprove contract, collected \$ _____.</p>