

For: State Offices and Service Centers

FY 2008 Common CORP Findings and Clarifying CRP Procedure

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Overview

CORP and the Improper Payments Information Act (IPIA) of 2002 require FSA to evaluate programs and to determine whether internal controls are sufficient to prevent issuing improper payments. These reviews enable FSA to have statistical data to discern the overall effectiveness of programs and determine whether adequate management controls are in place to conform with agency and IPIA requirements.

Note: Notice CRP-617 addresses findings which directly impact IPIA. This notice addresses program and policy findings which may not directly impact IPIA.

The 2008 COR reports of Service Centers indicate that many of the same error findings are being discovered year-after-year.

B Purpose

This notice:

- restates and clarifies policy and procedure about the following:
 - CRP-1 approvals
 - second-party reviews
 - completing CRP-1's
 - signature requirements
 - producer notification
 - approving conservation plans
 - AD-245's
 - CRP-2C's
- provides State and County Offices with a list of common errors findings reported in COR reports not specific to IPIA reviews.

Disposal Date	Distribution
September 1, 2009	State Offices; State Offices relay to Service Centers

Notice CRP-630

1 Overview (Continued)

C Action

SED's shall ensure that:

- applicable State Office division chiefs and specialists review this notice in detail to develop corrective action plans (CAP's), as needed, to ensure that County Offices follow applicable program procedures issued through national notices and program handbooks
- additional internal control procedures are developed to **avoid future findings** indicated by CORP reviews
- applicable State Office program divisions provide additional program training where needed and implement CAP's to reduce program errors
- DD's hold a meeting within their respective districts to review the notice with CED's and program technicians.

2 CORP Findings for FY 2008

A Findings and Policy

The following provides CORP findings and the policy reference for each finding.

Finding	Policy
Signature on CRP-1 was accepted without signature authority on file.	County Offices shall verify that a signature authority is on file in the County Office before accepting a signature on any program or related documents on behalf of another. See 1-CM, subparagraph 707 A.
Signature on CRP-1 is not properly formatted.	The signature for an individual authorized to sign for an individual or an entity shall consist of both of the following: <ul style="list-style-type: none">• an indicator, such as "by" or "for", illustrating that the individual is signing in a representative capacity• 1 of the following:<ul style="list-style-type: none">• individual's name• individual's name and capacity• individual's name, capacity, and name of entity. See 1-CM, Part 25, Section 3.
Practice lifespan is not entered on AD-245, page 2.	The County Office shall manually enter the lifespan years for the practice in the certification by participant block, if it was not entered previously. See 1-CONSV, subparagraph 195 A.

Notice CRP-630

2 CORP Findings for FY 2008 (Continued)

A Findings and Policy (Continued)

Finding	Policy
One or more required producer signatures are not obtained on CRP-1.	All owners, operators, and tenants who have an interest in the acreage being offered must sign CRP-1, including owners with zero share in CRP annual rental payments. See 2-CRP, subparagraph 198 A.
AGI certification is not on file.	All producers must provide a certification of average adjusted gross income according to 1-PL. For CRP, certifications of average adjusted gross income are binding for the life of CRP-1. See 2-CRP, subparagraph 87 B.
Conservation Plan of Operations (CPO) is not signed by signatory on CRP-1.	Before approving CRP-1's, COC, or designee, shall review and approve the plan to ensure that it has been signed and agreed to by: <ul style="list-style-type: none"> • all signatories to CRP-1 • NRCS or TSP • Conservation District • COC or designee. See 2-CRP, subparagraph 236 B.
CRP-1 is approved without an approved CPO on file.	Before approving CRP-1's, COC, or designee, shall review and approve the plan to ensure that it has been signed and agreed to by: <ul style="list-style-type: none"> • all signatories to CRP-1 • NRCS or TSP • Conservation District • COC or designee. See 2-CRP, subparagraph 236 B
Annual rental payment is issued without current certification of compliance on file.	Before CRP annual rental payments are issued, a certification of compliance shall be filed on either FSA-578 or CRP-817U by 1 of the following: <ul style="list-style-type: none"> • owner on CRP-1 • operator on CRP-1 • person authorized by power of attorney. See 2-CRP, subparagraph 404 A.
Changes on CRP-1 are not initialed by the producer.	All changes on CRP-1 must be initialed and dated by both the employee making the change and the producer. See 2-CRP, Exhibit 16, paragraph A.
Changes on CRP-1 are not initialed by the employee making the change.	All changes on CRP-1 must be initialed and dated by both the employee making the change and the producer. See 2-CRP, Exhibit 16, paragraph A.
Total cost-share for the practice is not entered on CRP-1.	On CRP-1, enter the: <ul style="list-style-type: none"> • tract number • field number • practice or practices the producer wants to install • applicable acreage amount • total estimated C/S per practice. See 2-CRP, Exhibit 16, paragraph A.