

For: State and County Offices

**FY 2010 National CORP Review for Improper Payments for CRP**

Approved by: Deputy Administrator, Farm Programs



**1 CORP Findings for FY 2010**

**A Background**

The Improper Payments Information Act (IPIA) of 2002 requires Federal agencies 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 FSA and IPIA requirements. OMB defines an improper payment as any payment that should **not** have been issued or was issued in an incorrect amount under statutory, contractual, administrative, or other legally applicable requirements. Incorrect amounts include both overpayments and underpayments.

**B Purpose**

This notice:

- is being issued as part of FSA’s corrective action plan (CAP) as required under IPIA
- informs State and County Office employees of CORP findings about CRP
- directs follow-up action within each State to ensure that all offices review the listed discovered errors and take any needed corrective action.

**C Action**

SED’s shall ensure that:

- applicable State Office division chiefs and specialists review this notice in detail to develop CAP’s, as needed, to ensure that County Offices follow applicable program procedures issued through National notices and program handbooks

<b>Disposal Date</b>	<b>Distribution</b>
October 1, 2011	State Offices; State Offices relay to County Offices

**Notice CRP-692**

**1 CORP Findings for FY 2010 (Continued)**

**C Action (Continued)**

- additional internal control procedures are developed to avoid future findings indicated by CORP reviews
- applicable State Office program areas provide additional program training where needed and implement CAP's to reduce program errors
- DD's review this notice with CED's and PT's within their respective districts.

**D CORP Findings and Policy for FY 2010**

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

<b>Finding</b>	<b>Policy</b>
Conservation Plan of Operations (CPO) is missing one or more required signatures and other required information.	<p>Before approving CRP-1's, COC, or designee, shall review and approve CPO to ensure that it has been signed and agreed to by:</p> <ul style="list-style-type: none"> <li>• all signatories to CRP-1</li> <li>• NRCS or technical service provider</li> <li>• Conservation District</li> <li>• CED.</li> </ul> <p>CED's shall reject the plan if all requirements of CPO have not been satisfied. See 2-CRP, subparagraph 366 B.</p>
Payee share is incorrect.	<p>Participants will determine shares. COC shall approve shares provided they are not designed to circumvent other program regulations. Payment shares are not required to be commensurate with previous CRP annual rental payments or interests on other contracts or agreements in the County Office. See 2-CRP, subparagraphs 126 E, 197 A, 197 B, 462 D, 462 E, and 463 A.</p>
Cost share amount paid is incorrect.	<p>For CRP cost-share payments, County Offices shall ensure that provisions of 2-CRP, Part 15 are followed.</p>
CRP-1 is not on file or properly executed.	<p>Before approving CRP-1's, County Offices shall ensure that separate CRP-1's are completed for:</p> <ul style="list-style-type: none"> <li>• each CRP-2 and CRP-2C completed</li> <li>• practices with different lifespans.</li> </ul> <p>See 2-CRP, subparagraph 211B and paragraph 401.</p>