

For: AL, FL, LA, MS, NC, and TX State and County Offices

Documentation to Support the Hurricane Indemnity Program (HIP) OIG Audit

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

Notices DAP-309 and DAP-316 provided information on an OIG audit being conducted for HIP. During this audit, reinsurance companies were requested to review prior HIP download information to ensure accuracy. As a result of the review, some HIP downloads were determined to be incorrect. A new HIP RMA download was completed and County Offices were asked to reconcile HIP applications with the new HIP RMA download. This reconciliation process resulted in an additional payment or an overpayment to the producer in some cases.

Before the OIG audit can be completed, additional information is needed from County Offices on all overpayments that were created as a result of the audit.

B Purpose

This notice notifies State and County Offices in the affected States of the following:

- availability of an Excel spreadsheet that identifies producers for which documentation is needed to close out the HIP OIG audit
- documentation requirements for the producers listed in the Excel spreadsheet
- deadline for submitting the documentation to the National Office
- instructions for submitting the documentation to the National Office.

Disposal Date	Distribution
April 1, 2010	Above State Offices; State Offices relay to County Offices

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2 Documentation Requirements

A Excel Spreadsheet

An Excel spreadsheet will be made available to State Offices for the purposes of closing out this audit. The spreadsheet:

- will provide, by State and county, the producers for which documentation will be required
- contains PII and **cannot** be provided electronically
- will be FAXed to each State Office as soon as possible after this notice is issued.

Note: State Offices shall FAX the spreadsheet to applicable County Offices immediately upon receipt.

B Required Documentation

The following documentation must be submitted for **each** producer listed on the Excel spreadsheet:

- notification letters sent to the producer informing them of the HIP overpayment amount
- receivable reports showing the debt establishment
- CCC-257 showing any collections of the receivable that were established because of the HIP overpayment
- a detailed explanation for any difference between the overpayment amount for which documentation is being provided and the overpayment amount listed in the Excel spreadsheet
- any additional documentation to support the overpayment amount listed in the Excel spreadsheet, including but not limited to, the following:
 - HIP RMA Download Report
Note: See 5-DAP (Rev. 1), paragraph 836.
 - FSA-573
 - FSA-573E
Note: See 5-DAP (Rev. 1), paragraph 840.
 - PPH Report.
Note: See 5-DAP (Rev. 1), paragraph 927.

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2 Documentation Requirements (Continued)

C Deadline for Submitting Documentation

All documentation must be submitted by COB December 18, 2009, according to instructions in paragraph 3.

3 Action

A County Office Action

County Offices shall:

- review the Excel spreadsheet to determine the producers for which documentation is required
- ensure that the required documentation is obtained for each producer listed in the Excel spreadsheet
- forward all documentation to the State Office for review.

B State Office Action

State Offices shall:

- ensure that County Offices are informed of the contents of this notice
- FAX the Excel spreadsheet to applicable County Offices
- after reviewing the documentation submitted by the County Office, forward the documentation to PECD, Common Provisions Branch (CPB), using either of the following methods:
 - FAX to 202-720-0051, Attn: Sandy Bryant
 - FedEx to the following.

USDA FSA PECD CPB
ATTN SANDY BRYANT
ROOM 4758 SOUTH BUILDING
1400 INDEPENDENCE AVE SW
WASHINGTON DC 20250