

For: State and County Offices

Manual Process for 2008 and 2009 LFP Payments

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

Livestock producers who suffered qualifying livestock grazing losses because of drought and fire during 2008 or 2009 could begin applying for benefits on September 14, 2009. The web-based LFP payment software will not be available at the beginning of the sign-up period. A manual payment process has been developed and County Offices may begin issuing manual LFP payments after September 14, 2009.

B Purpose

This notice informs State and County Offices that:

- eligible producers may request a manual 2008 LFP payment by signing FSA-932
- eligible producers may request a manual 2009 LFP payment by signing FSA-934
- the LFP payment amount may be calculated using FSA-925-1
- a manual payment process will be used to issue LFP payments until the automated LFP payment process is deployed
- a manual LFP payment shall **not** be issued unless all required LFP documentation is on file and FSA-925-1 has been approved by COC according to 1-LDAP.

Disposal Date	Distribution
March 1, 2010 9-18-09	State Offices; State Offices relay to County Offices

1 Overview (Continued)

C Producer Request for a Manual LFP Payment

To receive a manual LFP payment, the producer must:

- sign and date FSA-932 for a 2008 LFP payment
- sign and date FSA-934 for a 2009 LFP payment
- complete all required forms about matters of general eligibility
- meet all general eligibility requirements
- have a completed application that has been signed and approved by COC for the applicable year.

Notes: All LFP payments issued manually will be reconciled when the automated LFP payment software becomes available. County Offices will be provided with reconciliation procedures at that time.

The LFP payment will be refunded with interest in the event it is determined that any of the general eligibility requirements are **not** met.

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2 Manual Payment Process

A Determining the LFP Payment Amount

The LFP payment amount will be determined by completing FSA-925-1. Instructions for completing FSA-925-1 will be included in a forthcoming LDAP notice. The estimated LFP payment does **not** take into account any payment reductions for the following:

- AGI
- substantive change
- direct attribution.

If applicable, these reductions will be determined once the LFP payment software is available and the applications are processed in the automated system. If any of these reductions apply, the producer will be required to refund the amount of the reduction, plus interest.

B Determining Producer Eligibility

County Offices must manually review eligibility files to determine whether a producer or members of joint operations meet the following eligibility conditions according to 1-LDAP:

- AD-1026 compliance provisions
- average AGI provisions according to 1-PL (**2008 LFP only**)
- average AGI provisions according to 4-PL (2009 and subsequent years LFP)
- conservation compliance –farm/tract eligibility
- controlled substance provisions
- fraud, including FCIC, determination
- person eligibility according to 1-PL (**2008 LFP only**)
- CCC-901 on file for legal entities according to 4-PL (2009 and subsequent years LFP).

County must be eligible according to 1-LDAP, paragraph 171.

C Recording Assignments and Joint Payments

Assignments and joint payments must be loaded in the Financial Services web application using program code “08NALFPTF” for 2008 and “09NALFPTF” for 2009. Instructions for loading assignments and joint payments in the Financial Services web application are included in a forthcoming FI notice.

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2 Manual Payment Process (Continued)

D Funds Control

A separate funds control will be established for the manual LFP payment process. Initial allotment amounts will be provided to State Offices for the non-automated LFP payments during the week of September 14. States Offices shall forward a request for additional funds to the National Office by submitting an e-mail to **all** of the following National Office contacts:

- **sandy.bryant@wdc.usda.gov**
- **tina.nemec@wdc.usda.gov**
- **steve.peterson@wdc.usda.gov**
- **lenior.simmons@wdc.usda.gov**.

State Offices will be responsible for moving allotment amounts to County Offices through the funds control process. If additional funds are required, County Offices should contact the appropriate State Office specialist. The State Office specialist should do either of the following:

- reallocate funds from 1 or more County Offices
- allocate those funds to the requesting County Office or contact the National Office to request additional funds.

E Issuing LFP Payments Through the Online Payment Application

Follow procedures in Notice FI-2920 to issue payments through the web-based online payment application, using the following:

- program code “08NALFPTF” for 2008 LFP
- program code “09NALFPTF” for 2009 LFP
- contract number “0001”

Note: “CT” is the reference code.

- payment amount determined on FSA-925-1
- the prompt pay due date, which is 30 calendar days after the producer signs, dates, and submits a properly completed application and all required documentation for payment.

Note: The non-automated LFP program codes are temporary and will no longer be available for use to issue payments when the LFP payment software is available. Additional procedures will be provided for the automated LFP payments and overpayment processing.

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3 Action

A County Office Action

CED's shall ensure that:

- producers complete FSA-932 and/or FSA-934 before issuing manual LFP payments
- 2009 LFP payment amount and producer eligibility are determined according to subparagraphs 2 A and B, respectively
- FSA-770 LFP is completed for each producer before payments are issued
- CCC-770 ELIG 2002 or CCC-770 ELIG 2008, as applicable, is completed for each producer before payments are issued.

B State Office Action

State Offices shall:

- ensure that County Offices are immediately informed of the contents of this notice
- request funds according to subparagraph 2 D.

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4 Completing FSA-932 for 2008 LFP

A Instructions to Complete FSA-932

All producers requesting a 2008 LFP payment are required to complete FSA-932 to receive a manual payment. County Offices shall:

- provide FSA-932 to each producer requesting a manual 2008 LFP payment
- briefly discuss the manual payments with the producer to ensure that he or she understands that the calculated manual payment may be amended when automation software becomes available and any overpayment must be refunded with interest
- ensure that proper signature authority has been obtained according to 1-CM, Part 25.

County Offices shall follow instructions in this table to complete FSA-932 for producers requesting a 2008 LFP.

Item	Instructions
1	Manually write in the State and county codes of the physical location where the producer is requesting the payment.
2A	Manually write in the County Office name and address of the physical location where the producer is requesting the payment.
2B	Manually write in the County Office telephone number
3A	The producer shall print his or her name and address.
3B	The producer shall provide a contact telephone number.
4A	The producer shall sign his or her name.
4B	The producer shall provide his or her relationship to the person or entity receiving the payment, if applicable.
4C	The producer shall provide the date FSA-932 was signed.

After the producer has completed FSA-932, make a copy of the completed FSA-932 for the producer and place the original in the producer's farm folder.

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4 Completing FSA-932 for 2008 LFP (Continued)

B Example of FSA-932

The following is an example of FSA-932.

This form is available electronically.		
FSA-932 (09-15-09)	U.S. DEPARTMENT OF AGRICULTURE Farm Service Agency	1. State and County Code 2A. County FSA Office Name and Address (Including Zip Code) 2B. Telephone No. (Including Area Code):
Statement of Compliance with Program Provisions of the 2008 Livestock Forage Disaster Program (LFP) and Waiver of Finality of Payment Provisions		
<small>NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 1400 and the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246). The information will be used to determine eligibility for program benefits. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated). Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility for program benefits.</small> <small>This information collection is exempted from the Paperwork Reduction Act as it is required for the administration of the Food, Conservation and Energy Act of 2008 (see Pub. L. 110-246, Title 1, Subtitle F - Administration).</small> <small>The provisions of criminal and civil fraud, privacy and other statutes may be applicable to the information provided. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</small>		
PART A - PRODUCER INFORMATION		
3A. Name and Address of Producer (Including Zip Code)	3B. Telephone Number (Including Area Code)	
PART B - PRODUCER CERTIFICATION		
Certain otherwise automated cross-checks on compliance for the 2008 LFP cannot be made at this time. So that the Applicant listed above may be paid at this time, if otherwise eligible, I state (and certify) the following:		
<p>(1) Payment Limitations and Average Adjusted Gross Income (AGI) Determinations. I understand that no "person" as defined and determined under the provisions of 7 CFR Part 1400 in effect for 2008 can receive more than \$100,000 total in 2008-crop year payments under the Emergency Assistance for Livestock, Honey Bees, Farm-Raised Fish Program (ELAP), Livestock Forage Disaster Program (LFP), Livestock Indemnity Program (LIP), and Supplemental Revenue Assistance Payments Program (SURE), and that such limit is a <u>combined</u> limit for all ELAP, LFP, LIP, and SURE payments for <u>all counties</u>. I certify that no "person" with an interest in this payment will exceed that level. Further I assert that no individual or entity with an interest in the payment had a reportable (to the Internal Revenue Service) average adjusted gross income (AGI) of more than \$2.5 million for 2005, 2006 and 2007 under the provisions in 7 CFR part 1400 in effect for 2008. (A individual or entity with an average AGI over that amount cannot benefit from ELAP, LFP, LIP, or SURE payments)</p> <p>(2) Conservation and Other Requirements. No person with an interest in the payment or <u>any affiliated person</u> in 2008 planted on highly erodible land without a USDA-approved plan, or at any time since 1985 converted a wetland to an agricultural use. An affiliated person for purposes of this certification is any entity in which a person has a direct or financial interest or any spouse or minor child. I certify that all other eligibility requirements have been met.</p> <p>(3) Finality Provisions Inapplicable and Waived. I understand that the payments made under this certification are intended to be <u>preliminary payments</u> only, pending compliance checks. Finality provisions that might otherwise apply to make the payment unreviewable shall not apply and are, in any event, <u>waived</u> by me as a condition of receiving the preliminary payment by way of this certification and as a condition for the receipt of the payment.</p> <p>(4) Refunds of Payment. Should any overpayment be made, such overpayment shall be refunded, with interest at the rate provided in 7 CFR Part 792, beginning from the <u>date of the disbursement</u> of the funds. Other remedies may apply.</p> <p>(5) Accuracy of Certification. I state that this certification is accurate, I have the authority to submit this certification, and understand that it will be relied upon to make a federal payment. I know the facts certified to and the eligibility requirements of the program.</p>		
PART C - PRODUCER SIGNATURE		
4A. Signature (By)	4B. Title/Relationship of the Individual If Signing in a Representative Capacity	4C. Date (MM-DD-YYYY)
<small>NOTE: This certification has been designed to cover compliance issues broadly and it is possible that in some instances a payment may nonetheless be due even if the certification cannot be signed. Persons who cannot make this certification but otherwise believe the payment is due should file a statement with the local office explaining why the certification cannot be made but why such payment is believed to be due, in which the person states that but for the explanation that person is otherwise making the declarations required by this certification.</small> <small>The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 725-2900 (voice and TDD). To file a complaint of Discrimination, write to USDA, Director, Office of Adjudication and Compliance, 1400 Independence Avenue, S.W., Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 845-6138 (Spanish) or (800) 877-8339 (TDD) or (866) 377-8642 (Federal-relay). USDA is an equal opportunity provider and employer.</small>		

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5 Completing FSA-934 for 2009 LFP

A Instructions to Complete FSA-934

All producers requesting a 2009 LFP payment are required to complete FSA-934 to receive a manual payment. County Offices shall:

- provide FSA-934 to each producer requesting a manual 2009 LFP payment
- briefly discuss the manual payments with the producer to ensure that he or she understands that the calculated manual payment may be amended when automation software becomes available and any overpayment must be refunded with interest
- ensure that proper signature authority has been obtained according to 1-CM, Part 25.

County Offices shall follow instructions in this table to complete FSA-934 for producers requesting a 2009 LFP.

Item	Instructions
1	Manually write in the State and county codes of the physical location where the producer is requesting the payment.
2A	Manually write in the County Office name and address of the physical location where the producer is requesting the payment.
2B	Manually write in the County Office telephone number
3A	The producer shall print his or her name and address.
3B	The producer shall provide a contact telephone number.
4A	The producer shall sign his or her name.
4B	The producer shall provide his or her relationship to the person or entity receiving the payment, if applicable.
4C	The producer shall provide the date FSA-934 was signed.

After the producer has completed FSA-934, make a copy of the completed FSA-934 for the producer and place the original in the producer's farm folder.

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5 Completing FSA-934 for 2009 LFP (Continued)

B Example of FSA-934

The following is an example of FSA-934.

This form is available electronically.

FSA-934 (09-15-09) U.S. DEPARTMENT OF AGRICULTURE Farm Service Agency Statement of Compliance with Program Provisions of the 2009 Livestock Forage Disaster Program (LFP) and Waiver of Finality of Payment Provisions	1. State and County Code [Redacted]
	2A. County FSA Office Name and Address (Including Zip Code) [Redacted]
	2B. Telephone No. (Including Area Code): [Redacted]
<p>NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a – as amended). The authority for requesting the information identified on this form is 7 CFR Part 1400 and the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246). The information will be used to determine eligibility for program benefits. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated). Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility for program benefits.</p> <p>This information collection is exempted from the Paperwork Reduction Act as it is required for the administration of the Food, Conservation and Energy Act of 2008 (see Pub. L. 110-246, Title 1, Subtitle F – Administration).</p> <p>The provisions of criminal and civil fraud, privacy and other statutes may be applicable to the information provided. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</p>	
PART A - PRODUCER INFORMATION	
3A. Name and Address of Producer (Including Zip Code) [Redacted]	3B. Telephone Number (Including Area Code) [Redacted]
PART B - PRODUCER CERTIFICATION	
Certain otherwise automated cross-checks on compliance for the 2009 LFP cannot be made at this time. So that the Applicant listed above may be paid at this time, if otherwise eligible, I state (and certify) the following:	
<p>(1) Payment Limitations and Average Adjusted Gross Income (AGI) Determinations. I understand that no person, or legal entity (excluding a joint venture or general partnership) as determined by the rules provided for in 7 CFR Part 1400, <u>directly or indirectly</u>, can receive more than \$100,000 total in 2009-crop year payments under the Emergency Assistance for Livestock, Honey Bees, Farm-Raised Fish Program (ELAP), Livestock Forage Disaster Program (LFP), Livestock Indemnity Program (LIP), and Supplemental Revenue Assistance Payments Program (SURE), and that such limit is a <u>combined</u> limit for all attributable ELAP, LFP, LIP, and SURE payments for <u>all counties</u>. I certify that no person or legal entity with a direct interest in this payment or with an indirect interest through a legal entity at any sub-level will exceed that level. Further I assert that no person with a direct or indirect interest in the payment had a reportable (to the Internal Revenue Service) average nonfarm adjusted gross income (AGI) of more than \$500,000 for the 2005-2007 tax years. (A person with an average nonfarm AGI over that amount cannot benefit, directly or indirectly from ELAP, LFP, LIP, or SURE payments.)</p> <p>(2) Conservation and Other Requirements. No person with an interest in the payment <u>or any affiliated person</u> in 2009 planted on highly erodible land without a USDA-approved plan, or at any time since 1985 converted a wetland to an agricultural use. An affiliated person for purposes of this certification is any entity in which a person has a direct or financial interest or any spouse or minor child. I certify that all other eligibility requirements have been met.</p> <p>(3) Finality Provisions Inapplicable and Waived. I understand that the payments made under this certification are intended to be <u>preliminary payments</u> only, pending compliance checks. Finality provisions that might otherwise apply to make the payment unreviewable shall not apply and are, in any event, <u>waived</u> by me as a condition of receiving the preliminary payment by way of this certification and as a condition for the receipt of the payment.</p> <p>(4) Refunds of Payment. Should any overpayment be made, such overpayment shall be refunded, with interest at the rate provided in 7 CFR Part 792, beginning from the <u>date of the disbursement</u> of the funds. Other remedies may apply.</p> <p>(5) Accuracy of Certification. I state that this certification is accurate, I have the authority to submit this certification, and understand that it will be relied upon to make a federal payment. I know the facts certified to and the eligibility requirements of the program.</p>	
PART C - PRODUCER SIGNATURE	
4A. Signature (By) [Redacted]	4B. Title/Relationship of the Individual If Signing in a Representative Capacity [Redacted]
4C. Date (MM-DD-YYYY) [Redacted]	
<p>NOTE: This certification has been designed to cover compliance issues broadly and it is possible that in some instances a payment may nonetheless be due even if the certification cannot be signed. Persons who cannot make this certification but otherwise believe the payment is due should file a statement with the local office explaining why the certification cannot be made but why such payment is believed to be due, in which the person states that but for the explanation that person is otherwise making the declarations required by this certification.</p> <p>The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of Discrimination, write to USDA, Director, Office of Adjudication and Compliance, 1400 Independence Avenue, SW, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 845-6136 (Spanish) or (800) 877-8339 (TDD) or (866) 377-8642 (Federal-relay). USDA is an equal opportunity provider and employer.</p>	