

For: State and County Offices

Manual Process for 2010 LFP Payments

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

Livestock producers who suffered qualifying livestock grazing losses because of drought and fire during the 2010 calendar year could begin applying for benefits on January 4, 2010. The web-based LFP payment software will **not** be available at the beginning of the signup period. A manual payment process has been developed, and County Offices may begin issuing manual LFP payments on or about April 7, 2010.

B Purpose

The notice informs State and County Offices that:

- eligible producers may request a manual 2010 LFP payment by signing FSA-925A
- 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 has been approved by COC according to 1-LDAP.

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

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1 Overview (Continued)

C Producer Request for a Manual LFP Payment

To receive a manual LFP payment, the producer **must**:

- sign and date FSA-925A for a 2010 LFP payment
- complete **all** required forms about matters of general eligibility
- meet **all** general eligibility requirements
- have a completed FSA-925 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 if it is determined that any of the general eligibility requirements are **not** met.

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 in a forthcoming notice. The estimated LFP payment does **not** take into account payment reductions for the following:

- AGI
- direct attribution
- payment limitation
- substantive change.

If applicable, these reductions will be determined after the LFP payment software is available and FSA-925's 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.

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2 Manual Payment Process (Continued)

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, subparagraph 184 D:

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

C Recording Assignments and Joint Payments

Assignments and joint payments **must** be loaded in the Financial Services web application using program code “10NALFPTF” for 2010. See Notice FI-2935 for instructions on loading assignments and joint payments in the Financial Services web application.

D Funds Control

Funds for 2010 LFP have been allocated to Program Code, “Livestock Feed Program (2564)”. State 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 shall contact the appropriate State Office specialist. The State Office specialist should do either of the following:

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

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2 Manual Payment Process (Continued)

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 “10NALFPTF” for 2010 LFP
- contract number “0001”

Note: “CT” is the reference code.

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

Note: The nonautomated 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.

3 Action

A County Office Action

CED’s shall ensure that:

- producers complete FSA-925A according to subparagraph 4 A **before** issuing manual LFP payments
- the 2010 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 2008 is completed for each producer **before** payments are issued
- payment limitation provisions are applied according to 1-LDAP, subparagraph 42 C.

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-925A for 2010 LFP

A Instructions for Completing FSA-925A

All producers requesting a 2010 LFP payment are **required** to complete FSA-925A to receive a manual payment. County Offices shall:

- provide FSA-925A to each producer requesting a manual 2010 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-925A for producers requesting a 2010 LFP payment.

Item	Instructions
1	Manually write in the State and county codes of the location where the producer is requesting the payment.
2A	Manually write in the County Office name and address 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-925A was signed.

After the producer has completed FSA-925A, make a copy of the completed FSA-925A for the producer and place the original in the producer's farm folder.

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4 Completing FSA-925A for 2010 LFP (Continued)

B Example of FSA-925A

The following is an example of FSA-925A.

<small>This form is available electronically.</small>		
FSA-925A <small>(03-31-10)</small>	U.S. DEPARTMENT OF AGRICULTURE Farm Service Agency	1. State and County Code 2A. County FSA Office Name and Address <i>(Including Zip Code)</i> 2B. Telephone No. <i>(Including Area Code)</i> :
Statement of Compliance with Program Provisions of the 2010 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 760, 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). 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 <i>(Including Zip Code)</i>	3B. Telephone Number <i>(Including Area Code)</i>	
PART B - PRODUCER CERTIFICATION		
Certain otherwise automated cross-checks on compliance for the 2010 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 2010-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 or legal entity 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 2006-2008 tax years. (A person or legal entity 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 or <u>any affiliated person</u> planted on highly erodible land in 2010 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. <u>I know the facts certified to</u> 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 of 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, political beliefs, genetic information, 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, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.</small>		