

For: State and County Offices

Correcting FSA-914's for Participants With Percentage Share Interest in Livestock Operation

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

1-LDAP, subparagraph 73 A provides that when a participant has a percentage share interest in a livestock operation with an associated producer that is physically located in the same county, which is the administrative county, in the same calendar year, the eligible livestock for each participant shall be listed on separate FSA-914's based on each participant's share in the livestock operation.

Note: These are livestock operations that do **not** have TIN's.

Notice LDAP-27 provided procedure for reconciling manual LIP payments with automated LIP payment processing. During the reconciliation process, County and/or State Offices found 2 general examples of where the provisions in 1-LDAP, subparagraph 73 A were not followed, as follows.

- A separate manual FSA-914 was completed by each participant listing 100 percent of the livestock for the livestock operation on each participant's FSA-914, instead of listing the eligible livestock on each FSA-914 based on each participant's percentage share in the livestock operation. In this situation, when the reconciliation process was ran, because FSA-914 does not require a share entry, the reconciliation process tries to issue an additional payment to the participant based on the difference in the payment amount calculated for the entire livestock operation and the amount issued to the participant previously that will result in the participant being overpaid.

Disposal Date	Distribution
February 1, 2011	State Offices; State Offices relay to County Offices

Notice LDAP-30

1 Overview (Continued)

A Background (Continued)

- Only 1 manual FSA-914 was completed for all participants in the livestock operation, instead of a separate manual FSA-914 being completed for each participant with a percentage share interest in the livestock operation listing their eligible livestock based on their percentage share in the operation. In this situation, all participants signed 1 manual FSA-914 and were paid based on their percentage share in the operation; however, procedure was **not** followed to have each participant complete a separate manual FSA-914 based on each participant's percentage share in the livestock operation. Instructions for recording FSA-914's in 1-LDAP, Part 3 **require** FSA-914's to be entered for **each** participant.

B Purpose

This notice provides State and County Offices instructions for correcting manual FSA-914's in either of the following situations:

- a separate manual FSA-914 was completed by each participant of the livestock operation with a percentage share interest in the livestock operation listing 100 percent of the livestock for the livestock operation, instead of listing the eligible livestock on each FSA-914 based on each participant's percentage share in the livestock operation
- only 1 manual FSA-914 was completed for all participants in the livestock operation, instead of separate manual FSA-914's being completed for each participant with a percentage share interest in the livestock operation listing their eligible livestock based on their percentage share in the livestock operation.

2 Correcting FSA-914's for Participant's With a Percentage Share Interest in the Livestock Operation

A Separate FSA-914's Completed by Each Participant With a Percentage Share Interest in the Livestock Operation

In many situations, a manual FSA 914 was completed by each participant listing 100 percent of the livestock for the livestock operation on each participant's FSA-914, instead of listing the eligible livestock on each FSA-914 based on each participant's percentage share in the livestock operation according to 1-LDAP, subparagraph 73 A.

Example: For calendar year 2009, Jane Jones and Sam Smith have the following livestock interest in Castro County, Texas. Livestock were lost because of eligible adverse weather events.

Jane Jones and Sam Smith, as individuals each have a 50 percent interest in 100 head of adult beef cows, 10 adult beef cows were lost because of adverse weather.

Notice LDAP-30

2 Correcting FSA-914's for Participant's With a Percentage Share Interest in the Livestock Operation (Continued)

A Separate FSA-914's Completed by Each Participant With a Percentage Share Interest in the Livestock Operation (Continued)

For calendar year 2009, the following two FSA-914's were completed for Jane Jones and Sam Smith and were filed in Castro County, Texas, listing 100 percent of the livestock for the livestock operation on each participant's FSA-914:

- one FSA-914 for Jane Jones listing 100 adult beef cows in item 15 and 10 adult beef cows in item 16
- one FSA-914 for Sam Smith listing 100 adult beef cows in item 15 and 10 adult beef cows in item 16.

Note: Payments were calculated for each participant using a separate FSA-915 based on each participant's 50 percent share in the total livestock operation.

For calendar year 2009, the following 2 manual FSA-914's should have been filed in Castro County, Texas, for Jane Jones and Sam Smith according to 1-LDAP, subparagraph 73 A:

- one FSA-914 for Jane Jones listing 50 adult beef cows in item 15 and 5 adult beef cows in item 16
- one FSA-914 for Sam Smith listing 50 adult beef cows in item 15 and 5 adult beef cows in item 16.

Note: Payments should have been entered for each participant using a separate FSA-915 based on 50 adult beef cows in inventory and 5 adult beef cows lost because of adverse weather.

B Correcting Separate FSA-914's Completed by Each Participant With a Percentage Share Interest in the Livestock Operation

To correct a manual FSA-914 timely filed by a participant with a percentage share in a livestock operation that lists 100 percent of the livestock for the livestock operation on the participant's FSA-914, the County Office shall, when loading data from the manual FSA-914 into the LIP automated software according to 1-LDAP, Part 3 for:

- item 15, "Inventory on Date of Adverse Weather Event", enter the number of livestock based on the participant's percentage share in the livestock operation into the automated software from FSA-914

Example: Manual FSA-914, item 15 shows 100 adult beef cows. Participant's percentage share in adult beef cows is 50 percent. Enter 50 adult beef cows in automated software as beginning inventory for the participant.

Notice LDAP-30

2 Correcting FSA-914's for Participant's With a Percentage Share Interest in the Livestock Operation (Continued)

B Correcting Separate FSA-914's Completed by Each Participant With a Percentage Share Interest in the Livestock Operation (Continued)

- item 16, "Number of Death Losses Due to Adverse Weather Event", enter the number of livestock based on the participant's percentage share in the livestock operation into the automated software from FSA-914.

Example: Manual FSA-914, item 16 shows 10 adult beef cows. Participant's percentage share in the adult beef cows is 50 percent. Enter 5 adult beef cows in automated software as number lost because of adverse weather for the participant.

Note: Any COC adjustments to items 15 and 16 shall also be entered in the automated software based on the participant's percentage share in the livestock operation.

Example: Manual FSA-914, item 18 shows 98 adult beef cows as "Adjusted Inventory". Participant's percentage share in the adult beef cows is 50 percent. Enter 49 adult beef cows in automated software as the adjusted inventory for the participant.

After all information is entered into the automated software for the corrected FSA-914, County Offices shall:

- print an automated corrected FSA-914 for the participant
- attach the manual FSA-914 for the participant to the automated corrected FSA-914
- conduct a second party review of all data on the corrected automated FSA-914 to ensure that all data has been entered correctly based on the instructions provided in this notice.

Note: The individual conducting the second party review shall **not** be the same individual who entered the data into the automated system. The individual conducting the second party review shall initial and date the corrected automated FSA-914 to indicate second party review has been completed.

Important: After corrected FSA-914 has been entered into the automated software, the payment system will recalculate the payment, and when applicable, a receivable will be established for any overpayment.

Notice LDAP-30

2 Correcting FSA-914's for Participant's With a Percentage Share Interest in the Livestock Operation (Continued)

C Only One FSA-914 Completed by All Participants With a Percentage Share Interest in the Livestock Operation

In many situations, only 1 manual FSA-914 was completed by all participants in a livestock operation, listing 100 percent of the livestock for the livestock operation instead of each participant being listed on separate FSA-914's, based on each participant's percentage share in the livestock operation according to 1-LDAP, subparagraph 73 A.

Example: Sammy Alcala and Martha Roberts have the following livestock interest in Knox County, Texas, for calendar year 2009. Livestock were lost because of eligible adverse weather events.

Sammy Alcala and Martha Roberts each have a 50 percent interest in 100 head of adult beef cows, 9 adult beef cows were lost because of adverse weather. For calendar year 2009, Sammy Alcala and Martha Roberts together filed and signed one FSA-914 in Knox County, Texas, listing 100 percent of the livestock for the livestock operation, listing 100 adult beef cows in item 15 and 9 adult beef cows in item 16.

Note: Payments were calculated for each participant using a separate FSA-915 based on each participant's 50 percent share in the total livestock operation.

For calendar year 2009, the following 2 manual FSA-914's should have been filed in Knox County, Texas, for Sammy Alcala and Martha Roberts according to 1-LDAP, subparagraph 73 A:

- one FSA-914 for Sammy Alcala listing 50 adult beef cows in item 15 and 5 adult beef cows in item 16
- one FSA-914 for Martha Roberts listing 50 adult beef cows in item 15 and 4 adult beef cows in item 16.

Notes: Payments should have been entered for each participant using a separate FSA-915 based on 50 adult beef cows in inventory for each participant.

Sammy Alcala and Martha Roberts agreed among themselves how the lost livestock were to be split in item 16.

Notice LDAP-30

2 Correcting FSA-914's for Participant's With a Percentage Share Interest in the Livestock Operation (Continued)

D Correcting FSA-914's When Only One FSA-914 Was Completed by All Participants With a Percentage Share Interest in the Livestock Operation

To correct a manual FSA-914 where only one FSA-914 was timely filed by all participants with a percentage share in a livestock operation that lists 100 percent of the livestock for the livestock operation, instead of each participant on separate FSA-914's, based on each participant's share in the livestock operation according to 1-LDAP, subparagraph 73 A, County Offices shall, when loading data from the manual FSA-914 into the LIP automated software according to 1-LDAP, Part 3 for each participant with a share in the livestock operation:

- for item 15 "Inventory on Date of Adverse Weather Event", enter the number of livestock based on the participant's percentage share in the livestock operation into the automated software from FSA-914

Example: Manual FSA-914, item 15 shows 100 adult beef cows. Participant's percentage share in adult beef cows is 50 percent. Enter 50 adult beef cows in automated software as beginning inventory for the participant.

- for item 16, "Number of Death Losses Due to Adverse Weather Event", enter the number of livestock based on the participant's percentage share in the livestock operation into the automated software from FSA-914.

Example: Manual FSA-914, item 16 shows 10 adult beef cows. Participant's percentage share in the adult beef cows is 50 percent. Enter 5 adult beef cows in automated software as number lost because of adverse weather for the participant.

- for item 17, "Number Lost Due to Normal Mortality", enter the number of livestock based on the participant's percentage share in the livestock operation into the automated software from FSA-914.

Example: Manual FSA-914, item 17 shows 2 adult beef cows. Participant's percentage share in the adult beef cows is 50 percent. Enter 1 adult beef cow in automated software as number lost because of normal mortality.

Note: Any COC adjustments to items 15, 16, and 17 shall also be entered in the automated software based on the participant's percentage share in the livestock operation.

Example: Manual FSA-914, item 18 shows 98 adult beef cows as "Adjusted Inventory". Participant's percentage share in the adult beef cows is 50 percent. Enter 49 adult beef cows in automated software as the adjusted inventory for the participant.

Notice LDAP-30

2 Correcting FSA-914's for Participant's With a Percentage Share Interest in the Livestock Operation (Continued)

D Correcting FSA-914's When Only One FSA-914 Was Completed by All Participants With a Percentage Share Interest in the Livestock Operation (Continued)

After all information is entered into the automated software for the corrected FSA-914's for all participants in the livestock operation, County Offices shall:

- print an automated corrected FSA-914 for each participant with a percentage share in the livestock operation
- attach the manual FSA-914 for the livestock operation to the automated corrected FSA-914's for all participants with a percentage share in the livestock operation
- conduct a second party review of all data on the corrected automated FSA-914's to ensure that all data has been entered correctly based on the instructions provided in this notice.

Note: The individual conducting the second party review shall **not** be the same individual who entered the data into the automated system. The individual conducting the second party review shall initial and date the corrected automated FSA-914's to indicate second party review has been completed.

Important: After corrected FSA-914 has been entered into the automated software, the payment system will recalculate the payment, and when applicable, a receivable will be established for any overpayment.

3 Action

A State Office Action

State Offices shall ensure that County Offices are immediately informed of the contents of this notice.

B County Office Action

CED's shall ensure that all manual FSA-914's are immediately corrected according to this notice for participants with a percentage share interest in a livestock operation for which:

- a separate manual FSA-914 was completed by the participant listing 100 percent of the livestock for the livestock operation on the participant's FSA-914, instead of listing the eligible livestock based on the participant's percentage share in the livestock operation
- only one FSA-914 was completed by all participants with a percentage share interest in the livestock operation that lists 100 percent of the livestock for the livestock operation, instead of each participant on separate FSA-914's based on each participant's share in the livestock operation.