

For: State and County Offices

Report of Payments Issued to Individuals Identified as Deceased in FY 2008

Approved by: Acting Deputy Administrator, Farm Programs



1 Payments to Deceased Individuals

A Background

FSA compared all payments issued during FY 2007 to tax identification numbers (TIN's) of individuals recorded with SSA as deceased before October 1, 2006. A report of individuals identified as deceased that received program payments in FY 2007 after the date of death, either directly as an individual or indirectly as a member of an entity, was provided. Reviews were completed and the necessary corrective actions were initiated for the collection of any payments determined to be erroneous.

A program payment recipients and SSA record comparison:

- has been incorporated into normal business operations
- will be completed on a quarterly basis beginning in FY 2008 (see 1-PL, Part 8 for accessing and using this information).

B Purpose

This notice provides additional instructions for the:

- uniform and consistent manner to describe findings and actions completed
- ease of categorizing and analyzing the Payments to Individuals Identified as Deceased report (RPT-I-00-CM-08-1) information at a later time.

Disposal Date	Distribution
December 1, 2008	State Offices; State Offices relay to County Offices

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2 Codes and Identifiers

A Reason Codes to Identify Erroneous Payments

The following is a list of codes to be used to describe the reasons for erroneous payments issued to individuals identified as deceased.

Code	Condition or Situation
20	<p>TIN error; or misidentification of actual program participant.</p> <p>Example: TIN on a payment document was that of a deceased individual and the actual program participant and payment recipient was found not to be deceased. This includes situations in which the surviving spouse was using the deceased spouse’s TIN to receive program payments and benefits.</p>
22	<p>Ineligible program participant.</p> <p>Example: Deceased individual did not meet the definition of a producer for program eligibility; or the deceased individual did not meet requirements to be considered “actively engaged in farming” for payment eligibility.</p>
24	<p>Invalid payment document; lack of signature authority, or invalid FSA-211.</p> <p>Example: Signature on a payment document was affixed by an individual that did not have signatory authority for the deceased individual; payment document was signed through the use of a Power of Attorney (POA) that was no longer valid because of the death of the grantor.</p>
26	<p>Invalid multi-year payment document; incorrect participants.</p> <p>Example: A multi-year payment document was not updated following the death of participant to reflect the actual producer or property owner that now held an interest in the property subject to the multi-year agreement or contract.</p>
28	<p>Ineligible for other reasons; detailed explanation required.</p> <p>Example: Participant knowingly provided incorrect TIN to receiving program benefits; or COC determines scheme or device was adopted by participant to receive program payments otherwise not eligible to receive.</p> <p>Include the explanation on the same line or reference the explanation as an attachment to the spreadsheet.</p>

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2 Codes and Identifiers (Continued)

B Reason Codes to Identify Correct Payments

The following is a list of codes to be used to describe the reasons for payments issued correctly to an individual identified as deceased.

Code	Condition or Situation
30	<p>Eligible; payment earned by individual before death.</p> <p>Example: Counter-cyclical payment received by the individual identified as deceased in the year following the individual's date of death.</p>
32	<p>Eligible; SSN used to identify estate or trust.</p> <p>Example: Wife is co-grantor of a revocable trust carried under the husband's SSN. The trust is the landowner and the husband is identified as deceased. Surviving spouse has authority to sign for the trust.</p>
34	<p>Eligible; TIN corrected/verified.</p> <p>Example: Because of an error by FSA, the producer, or SSA, the individual program participant was identified by SSA as deceased. Participant was not deceased and verification of participant's TIN was obtained.</p>
36	<p>Eligible; death of an individual not timely reported, but updated information supports the determinations of record.</p> <p>Example: FSA was not timely informed of the individual's death. Updated information provided on behalf of the entity or joint operation did not change any payment eligibility and payment limitation determinations of record for the entity or joint operation.</p>
38	<p>Eligible for other reasons; detailed explanation required.</p> <p>Example: Relief granted or determined eligible and corrections made on the review of previous reports.</p> <p>Include the explanation on the same line or reference the explanation as an attachment to the spreadsheet.</p>

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3 Use and Placement of Codes

A Using Codes

For each individual payment identified in the Payments to Individuals Identified as Deceased report (RPT-I-00-CM-08-1), choose **only 1** code that most accurately describes the condition or situation.

B Placing Codes

The code chosen shall be entered in the Payments to Individuals Identified as Deceased report (RPT-I-00-CM-08-1) under a **new** column titled, “**Reason Code**”.

C Example of the Payments to Individuals Identified as Deceased Report (RPT-I-00-CM-08-1) Spreadsheet

See the example in Exhibit 1 for entering the code determined most appropriate.

4 Recommended Actions

A State and County Offices

All State and County Offices shall follow and complete the actions described in this notice beginning with the forthcoming quarterly Payments to Individuals Identified as Deceased report (RPT-I-00-CM-08-1) of payments issued in FY 2008 to individuals identified as deceased.

B State Offices

State Offices shall:

- establish deadlines for the timely review of each quarterly Payments to Individuals Identified as Deceased report (RPT-I-00-CM-08-1)
- assist each County Office with completing the reviews and corrective actions determined necessary
- consolidate completed Payments to Individuals Identified as Deceased report (RPT-I-00-CM-08-1) and supporting information for availability to PECD at a later date.

Note: Do **not** change, alter, or revise the order of the basic data elements and columns on the Payments to Individuals Identified as Deceased report (RPT-I-00-CM-08-1) spreadsheet.

Review of Payments to Individuals Identified as Deceased Report (RPT-I-00-CM-08-1)

State and County Offices shall report findings and actions taken in the following format.

(RPT-I-00-CM-08-1)																		
Payments to Individuals Identified as Deceased																		
Payment				Last 4	ID Type	Producer Name (SCIMS)	Date Of Death (DMF)	Last 4	ID Type	Payee Name (N & A)	Program Code	Program Name	Payment Date	Program Year	Payment Amount	Explanation and Actions Completed	Overpayment Amount	Reason Code
State	County																	
00	zz	001	Xxxxxxx	1111	S	xxx xxxxxxxx	03-04-2006	1212	S	xxxxxxxxxxx x	6740	DIRECT PAYMENTS	2008-02-02	2006	\$188.00			30
00	zz	003	Xxxxxxx	2222	S	xxxxx xxxxxxxx	07-24-2006	2121	S	xxxxxxxxxxx x	3101	CONSERVATION RESERVE PROGRAM - ANNU	2007-10-11	1999	\$216.00		216.00	26
00	zz	003	Xxxxxxx	3333	S	xxxx xxxxxxxxxx	09-22-2006	1313	S	xxxxxx xxxxxx	6740	DIRECT PAYMENTS	2008-10-11	2006	\$325.00		325.00	24
00	zz	003	Xxxxxxx	4444	S	xxxxxx xxxxxxxxxx	09-22-2006	3131	S	xxxxxx xxxxxxxxxx	3101	CONSERVATION RESERVE PROGRAM - ANNU	2007-10-11	1999	\$412.00		412.00	26
00	zz	003	Xxxxxxx	5555	S	xx x xxxxxxxxxx	12-31-2004	2323	S	xx x xxxxxxxxxx	6012	PIGFORD SETTLEMENT - CCC	2007-10-05		\$3000.00			30

Explanations and actions completed include, but are **not** limited to:

- handbook procedure that was reviewed
- legal documents authenticating producer’s TIN
- other records that may have been reviewed
- date receivable established.

Notes: “Program Year” column will be **blank** for Crop Disaster Program, Dishonored Check, ECP, interest penalty, Livestock Compensation Program, LIP, Local Deposit Bank, National Payment Service Refund, Refund Repayment, and Settlements under *Pigford*.

“Overpayment Amount” column is the monetary amount producer is overpaid.

“Reason Code” column is the numerical code that best describes the condition or situation.