

U.S. Department of Agriculture Executive Order 13520, "Reducing Improper Payments"
Quarterly High-Dollar Overpayments Report
Fiscal Year 2019 Quarter 3

Name of Program Responsible	Recipient	Total Dollar Amount of the Payments Identified	Intended Dollar Amount That Should Have Been Paid	Overpayment Dollar Amount	Reason For Overpayments	Actions Taken or Planned to Recover the Overpayment	Overall Actions and Strategies Taken or Planned to Prevent Overpayments in the Future
Farm Service Agency (FSA) Agriculture Risk Coverage and Price Loss Coverage programs (ARC/PLC)	Individual	\$126,254.00	\$0.00	\$126,254.00	Highly Erodible Land and Wetland Conservation (HEL/WC) - Non Compliance / Violation	Receivable has been established and demand letters sent.	FSA and NRCS have specific guidelines to follow according to statute and regulations regarding highly erodible land or wetland violations. The county office will continue to follow the statute and regulations to mitigate the risks associated with incorrect producer certifications of Highly Erodible Land and Wetland Conservation (HEL/WC).
FSA ARC/PLC	Individual	\$46,002.00	\$0.00	\$46,002.00	Highly Erodible Land and Wetland Conservation (HEL/WC) - Non Compliance / Violation	Receivable has been established and demand letters sent.	FSA and NRCS have specific guidelines to follow according to statute and regulations regarding highly erodible land or wetland violations. The county office will continue to follow the statute and regulations to mitigate the risks associated with incorrect producer certifications of Highly Erodible Land and Wetland Conservation (HEL/WC).
FSA Livestock Forage Program (LFP)	Individual	\$49,057.00	\$0.00	\$49,057.00	Fraud / Scheme of Device Discovered during an OIG criminal investigation with conspiracy to commit fraud.	Receivable has been established and demand letters sent.	Handbook provisions currently do not require spot checks of livestock inventories unless selected on the National Compliance Review. The county offices rely heavily on County Committees (COC) knowledge and if there is any question, COC has the authority to request additional or supporting documentation at the time of application, which would include proof of livestock inventories. County offices also act upon third party notifications (whistleblowers) once received, which as a result would include a possible field visit, requesting additional supporting documentation, etc. to verify the eligibility of the LFP application.
FSA Non-Insured Crop Disaster Assistance Program (NAP)	Individual	\$116,500.00	\$0.00	\$116,500.00	Fraud / Scheme of Device Discovered during an OIG criminal investigation of County Office Employees with conspiracy to commit fraud.	Receivable has been established and demand letters sent.	<p>FSA is confident the NAP automated payment system alone will provide some assistance in reducing overpayments.</p> <p><u>Avoiding further Fraud Cases in Houston County:</u></p> <ul style="list-style-type: none"> • The national office removed all NAP administrative functions from the current county office staff. • Deputy Administrator for Field Operations (DAFO) removed the Houston County NAP Program Technician, who was later indicted by OIG. • FSA is requiring accountability of the programs that are offered by the staff that administers the programs. • An outcome of the fraud discovered in Alabama has been an improved working relationship with the State

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FSA NAP	Individual	\$116,500.00	\$0.00	\$116,500.00	Fraud / Scheme of Device Discovered during an OIG criminal investigation of County Office Employees with conspiracy to commit fraud.	Receivable has been established and demand letters sent.	been an improved working relationship with the state and national office staff to ensure program integrity is maintained.
FSA NAP	Individual	\$116,500.00	\$0.00	\$116,500.00	Fraud / Scheme of Device Discovered during an OIG criminal investigation of County Office Employees with conspiracy to commit fraud.	Receivable has been established and demand letters sent.	
FSA NAP	Entity	\$116,500.00	\$0.00	\$116,500.00	Fraud / Scheme of Device Discovered during an OIG criminal investigation of County Office Employees with conspiracy to commit fraud.	Receivable has been established and demand letters sent.	
Natural Resources Conservation Service (NRCS) Environmental Quality Incentives Program	Entity	\$101,518.97	\$34,493.95	\$67,025.02	Inadvertant data entry error caused incorrect data to be used in the payment calculation.	Receivable has been established and demand letter sent.	Additional guidenace has been provided to the field and supervisors to review payment calculations.
NRCS Agricultural Conservation Easement	Entity	\$269,120.25	\$88,787.58	\$180,332.67	Title company was paid a lump sum payment instead of an installment payment due to an error on the payment submission checklist.	Receivable has been established and demand letter sent.	Easement team instructed to properly complete installment portion of checklist when applicable.
Risk Management Agency (RMA) Federal Crop Insurance Corporation Program Fund (FCICPF)	Entity	\$179,347.00	\$0.00	\$179,347.00	The insured knowingly and willfully concealed and misrepresented his corn production. The insured failed to comply with key crop insurance provisions related to reporting total production, concealment, misrepresentation, and fraud.	Overpayment recovered, no further action required	RMA will continue to conduct reviews of the AIP and/or producers to ensure compliance with the SRA and FCIC policy and procedures. RMA will also continue to work with OIG on referrals on suspected fraud, waste, and abuse, and continue to refer all fraud cases for suspension and/or debarment.

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RMA FCICPF	Entity	\$141,025.00	\$0.00	\$141,025.00	The insured knowingly and willfully concealed and misrepresented his corn production. The insured failed to comply with key crop insurance provisions related to reporting total production, concealment, misrepresentation, and fraud.	Overpayment recovered, no further action required	RMA will continue to conduct reviews of the AIP and/or producers to ensure compliance with the SRA and FCIC policy and procedures. RMA will also continue to work with OIG on referrals on suspected fraud, waste, and abuse, and continue to refer all fraud cases for suspension and/or debarment.
RMA FCICPF	Entity	\$139,863.00	\$66,066.00	\$73,797.00	An error in the calculation for production to count (PTC) determination from AIP resulted in an indemnity overpayment.	Overpayment recovered, no further action required	RMA will continue to conduct reviews on calculation for production of the AIP and/or producers to ensure compliance with the SRA and FCIC policy and procedures.
RMA FCICPF	Entity	\$374,472.00	\$220,162.00	\$154,310.00	(1) Several documents with auto-generated print dates that appeared to be covered or masked by the AIP which resulted in dates not corrected. It was determined the documents were created after the established policy/crop sales closing date and acreage reporting date and the AIP subsequently voided these policies. (2) Several documents with auto-generated print dates that appeared to be covered by the AIP were reviewed and the application was not signed prior to the sales closing date rendering the policy void. (3) An Improper Payments Elimination and Recovery Improvement Act (IPERIA) compliance review was conducted and found that the production certified was not the same as on the 2017 production worksheet.	Overpayment recovered, no further action required	RMA will continue to conduct reviews on closing dates, acreage reports and IPERIA of the AIP and/or producers to ensure compliance with the SRA and FCIC policy and procedures.
RMA FCICPF	Entity	\$121,077.00	\$0.00	\$121,077.00	A producer refused to cooperate by failing to provide requested records pertaining to the 2010 crop year onion inputs and the onion production sales. Additionally, the policy does not meet the requirements to be an Eligible Crop Insurance Contract (ECIC).	Overpayment recovered, no further action required	RMA will continue to conduct reviews of the AIP and/or producers on ECIC to ensure compliance with the SRA and FCIC policy and procedures.
RMA FCICPF	Entity	\$192,321.00	\$84,885.00	\$107,436.00	A review found that the production was entered as hundredweight (CWT), instead of pounds on the the production worksheet. Therefore, the review revealed that the incorrect unit of measure was used to determine PTC in the claim.	Overpayment recovered, no further action required	RMA will continue to conduct reviews on production of the AIP and/or producers to ensure compliance with the SRA and FCIC policy and procedures.