

U.S. Department of Agriculture Executive Order 13520, "Reducing Improper Payments"

Quarterly High-Dollar Overpayments Report

Fiscal Year 2017 Quarter 4

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 (ARC) and Price Loss Coverage (PLC) programs	Individual	\$32,486.00	\$3,299.00	\$29,187.00	Risk in Farming Operation - Non Compliance/Violation. Error made, found, and reported by producer when payment was received. Producer mistakenly entered 100%, but share should have been entered as 13.78%.	Receivable has been established and demand letters sent.	County Office staff will ensure producers are fully aware upon signing program forms/applications of the terms and conditions associated with the applicable program. The county office staff will emphasize to the producers that they agree and accept full responsibility for adhering to the program policies, procedures, and terms and conditions as provided when they signed the applicable program forms and applications.
FSA ARC/PLC	Individual	\$35,108.00	\$0.00	\$35,108.00	Adjusted Gross Income (AGI) Non Compliance/Violation.	Receivable has been established and demand letters sent.	Producers who filed CCC-941 are eligible for 180 days from the producer certification date while waiting on the Internal Revenue Service (IRS) determination or the State Office/State Executive Director (SED) determination. If found non-compliant receivables are established and demand letters sent for collection.
FSA ARC/PLC	Individual	\$46,887.00	\$555.00	\$46,332.00	Incorrect acreage used to calculate loss/payment.	Receivable has been established and demand letters sent.	County Office employees will follow the current policy of conducting 2nd party reviews to ensure program and eligibility data is accurately entered and reflected on program records and forms, prior to issuing program payments.
FSA Non-Insured Crop Disaster Assistance Program (NAP)	Individual	\$51,001.00	\$0.00	\$51,001.00	Incorrect acreage used to calculate loss/payment.	Receivable has been established and demand letters sent.	County Office employees will follow the current policy of conducting 2nd party reviews to ensure program and eligibility data is accurately entered and reflected on program records and forms, prior to issuing program payments.
FSA NAP	Individual	\$48,782.00	\$10,858.00	\$37,924.00	Incorrect acreage used to calculate loss/payment.	Receivable has been established and demand letters sent.	County Office employees will follow the current policy of conducting 2nd party reviews to ensure program and eligibility data is accurately entered and reflected on program records and forms, prior to issuing program payments.
FSA NAP	Individual	\$48,782.00	\$10,858.00	\$37,924.00	Incorrect acreage used to calculate loss/payment.	Receivable has been established and demand letters sent.	County Office employees will follow the current policy of conducting 2nd party reviews to ensure program and eligibility data is accurately entered and reflected on program records and forms, prior to issuing program payments.
FSA NAP	Individual	\$58,689.00	\$0.00	\$58,689.00	Incorrect acreage used to calculate loss/payment.	Granted full relief under the Finality Rule and/or Equitable Relief.	County Office employees will follow the current policy of conducting 2nd party reviews to ensure program and eligibility data is accurately entered and reflected on program records and forms, prior to issuing program payments.
FSA NAP	Entity	\$116,375.00	\$0.00	\$116,375.00	Following a review of NAP payments it was discovered that the Notice of Loss was late-filed.	Receivable has been established and demand letters sent.	County Office employees will follow the current policy of conducting 2nd party reviews to ensure program and eligibility data is accurately entered and reflected on program records and forms, prior to issuing program payments.
Natural Resources Conservation Service (NRCS) Environmental Quality Incentive Program	Individual	\$29,269.24	\$0.00	\$29,269.24	Duplicate Payment.	Receivable has been established and demand letters sent.	Training has been provided to field office staff.

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NRCS Conservation Stewardship Program (CSTP)	Individual	\$27,633.00	\$10,917.00	\$16,716.00	Payment was made on land that did not meet eligibility.	Receivable has been established and demand letters sent.	Training has been provided to field office staff.
NRCS CSTP	Entity	\$400,000.00	\$200,000.00	\$200,000.00	Participant self-certified as an incorrect business type and this resulted in higher payment limitation.	Receivable has been established and demand letters sent.	Training has been provided to field office staff.
Risk Management Agency (RMA) Federal Crop Insurance Corporation Program Fund (FCICPF)	Entity	\$615,540	\$159,047	\$456,493	There was a discrepancy in the acreage on apple claims from the producer. Approved Insurance Provider (AIP) did not notify producer of policy when seeking arbitration. The Arbitration was nullified.	Overpayment recovered, no further action required.	RMA will continue to conduct reviews of the AIP and/or procedures to ensure compliance with the Standard Reinsurance Agreement (SRA) and FCIC policies and procedures.
RMA FCICPF	Entity	\$950,084	\$397,127	\$552,957	(1) A data mining review was conducted and a review of the AIP policies for a high risk ground review and found acreage and rate discrepancies. (2) Loss Adjusters did not verify acres for prevented planting claim.	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 FCICPF	Entity	\$174,697	\$48,333	\$126,364	A review was conducted for ineligible payments on prevented planting claims as part of a national program review.	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 FCICPF	Entity	#REF!	\$7,224	\$120,397	(1) AIP had a claim for grapes that were not marketable. RMA did a review and found the claim was made on a delayed notice of loss. (2) A data mining review was conducted and a review of the AIP policies for a high risk ground review and found acreage and rate discrepancies.	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 FCICPF	Entity	\$160,706	\$68,468	\$92,238	A review was conducted and found that the AIP did not follow the SRA in failing to perform wheat appraisals properly and no written consent to release wheat acreage for a different use.	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 FCICPF	Entity	\$230,572	\$0	\$230,572	A policyholder that were listed in the ineligible tracking system (ITS) for previous debt was given insurance.	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.

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RMA FCICPF	Entity	\$132,224	\$11,525	\$120,699	A review was conducted from referrals on a producer which acreage did not experience an insurable cause of loss that affected other producers during the insurance period on prevented planting.	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 FCICPF	Entity	\$207,279	\$41,876	\$165,403	(1) Policyholder that were listed in ITS for previous debt was given insurance. (2) A review was conducted from referrals on a producer which acreage did not experience an insurable cause of loss that affected other producers during the insurance period on prevented planting. (3) RMA conducted a review and found the Producer engaged in intentional misrepresentation and conspired to defraud FCIC. (4) A review on prevented planting found the acres were not reinsurable.	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 FCICPF	Entity	\$415,215	\$274,142	\$141,073	A review was conducted from RMA statistical data on an AIP which found approved production history errors.	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 FCICPF	Entity	\$723,058	\$376,907	\$346,151	(1) A review was conducted from RMA statistical data on an AIP which found approved production history errors. (2) A claim was paid on production over the guarantee.	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 FCICPF	Entity	\$679,020	\$449,059	\$229,961	A review was conducted on citrus fruit claims and found that the AIP did not follow policy and procedure with indemnities due to a freeze.	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 FCICPF	Entity	\$279,859	\$108,029	\$171,830	A review was conducted on citrus fruit claims and found that the AIP did not follow policy and procedure with indemnities due to a freeze.	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 FCICPF	Entity	\$207,398	\$91,142	\$116,256	A review was conducted on citrus fruit claims and found that the AIP did not follow policy and procedure with indemnities due to a freeze.	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 FCICPF	Entity	\$167,568	\$21,197	\$146,371	A review was conducted on citrus fruit claims and found that the AIP did not follow policy and procedure with indemnities due to a freeze.	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.

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RMA FCICPF	Entity	\$182,085	\$73,971	\$108,114	A review was conducted on citrus fruit claims and found that the AIP did not follow policy and procedure with indemnities due to a freeze.	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 FCICPF	Entity	\$130,577	\$48,912	\$81,665	A review was conducted on citrus fruit claims and found that the AIP did not follow policy and procedure with indemnities due to a freeze.	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 FCICPF	Entity	\$196,595	\$110,547	\$86,048	A review was conducted on citrus fruit claims and found that the AIP did not follow policy and procedure with indemnities due to a freeze.	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 FCICPF	Entity	\$107,186	\$35,521	\$71,665	A review was conducted on citrus fruit claims and found that the AIP did not follow policy and procedure with indemnities due to a freeze.	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 FCICPF	Entity	\$118,856	\$50,497	\$68,359	A review was conducted on citrus fruit claims and found that the AIP did not follow policy and procedure with indemnities due to a freeze.	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 FCICPF	Entity	\$145,390	\$77,099	\$68,291	A review was conducted on citrus fruit claims and found that the AIP did not follow policy and procedure with indemnities due to a freeze.	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 FCICPF	Entity	\$125,334	\$71,867	\$53,467	A review was conducted on citrus fruit claims and found that the AIP did not follow policy and procedure with indemnities due to a freeze.	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 FCICPF	Entity	\$4,367,442	\$2,283,615	\$2,083,827	(1) A review was conducted on citrus fruit claims and found that the AIP did not follow policy and procedure with indemnities due to a freeze. (2) A review was conducted by the Office of Inspector General (OIG) involving crop insurance fraud. (3) RMA conducted a review on unrated land that was not insured.	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 FCICPF	Entity	\$106,980	\$61,978	\$45,002	RMA determined during an actual production history (APH) review on the above listed policy that the production was not accurately reported.	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.

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RMA FCICPF	Entity	\$183,273	\$7,460	\$175,813	The AIP's loss adjuster did not adequately perform loss adjustment responsibilities with respect to verifying the cause of loss, and verification of good farming practices. In addition, the Company failed to act on the findings of the Quality Control review.	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 FCICPF	Entity	\$747,838	\$348,459	\$399,379	(1) RMA conducted a review and found the AIP did not follow quality control procedures for blueberry claim in accordance with the SRA. (2) RMA conducted a review on a producer. The producer reported that apples were sold as U.S. Fancy, and should have been included as production to count. (3) RMA conducted a review and found share discrepancies between RMA and the Farm Service Agency (FSA). (4) RMA conducted a review and found the AIP allowed an unlicensed loss adjuster, to adjust multiple claims, throughout the state of North Carolina. (5) RMA conducted a review and the producer failed to adhere to established Good Farming Practices with tobacco. (6) RMA conducted a review and found share discrepancies on soybeans between RMA and the FSA. (7) RMA conducted a review and the producer's land was located on high risk ground or unrated ground and the premium rate was incorrect.	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 FCICPF	Entity	\$3,298,278	\$1,319,659	\$1,978,619	RMA conducted a review and found that the AIP did not follow policy and procedure when servicing a nursery policy.	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 FCICPF	Entity	\$145,743	\$32,305	\$113,438	RMA conducted a review and determined that the AIP did not follow policy and procedure with its loss adjuster which gave written consent prior to the producer destroying acres of unharvested flue-cured tobacco.	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 FCICPF	Entity	\$164,959	\$37,699	\$127,260	(1) RMA conducted a review and found that the AIP issued policies to producers who were ineligible for crop insurance. (2) RMA conducted a review that found the producer with a power of attorney misrepresented planting dates on wheat. (3) RMA conducted a review of a producer and the production records (sales tickets) provided by support the fresh acres (apples) were not acceptable. (4) RMA conducted a national program review and found producers acreage was incorrect for prevented planting.	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.