

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Notice CFAP-16

For: State and County Offices

**Coronavirus Food Assistance Program (CFAP 1)
Cattle Inventory Review of AD-3114's Before Cattle "Top-Up" Payments**

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

The Consolidated Appropriations Act, 2021 (CAA) directed FSA to provide an additional "top-up" payment to cattle producers based on the producer's eligible highest owned inventory between April 16, 2020, and May 14, 2020, as certified on AD-3114, Part E, Item 22. 1-CFAP, subparagraph 177 B identified various categories of eligible cattle, and AD-3114, Part E, contains the producer's livestock inventory as self-certified by category, which will be used to meet CCA requirements. Notice CFAP-15 provided the cattle "top-up" payment rates by category and notified County Offices that no action was required to process "top-up" payments.

The CFAP 1 payment rate for eligible owned cattle inventory for all categories certified on AD-3114, Item 22, was \$33.00 per head. After Notice CFAP-15 was issued, the National Office was advised that because there was a single payment rate for all categories of cattle inventory for CFAP 1 (Part 2 Payment), some counties accepted inventory information from producers or loaded cattle inventory information in a single category instead of loading the information by category according to policy, examples, and instructions outlined in 1-CFAP and 2-CFAP.

| Disposal Date | Distribution |
|---------------------------|--|
| October 1, 2021 4-1-21 | State Offices; State Offices relay to County Offices |

Notice CFAP-16

1 Overview (Continued)

B Purpose

This notice informs State and County Offices of the:

- required review of “CFAP 1 Cattle Inventory Report” and any AD-3114 applications with potential livestock reporting errors in the proper category(s) identified in subparagraph 2 A, Item 22, “Inventory, Highest Between April 16 – May 14, 2020”
- actions to correct errors found on AD-3114, Item 22, cattle inventory category(s) during review and before cattle “top-up” payments are issued
- actions to take if CFAP 1 applicants report errors on AD-3114, Item 22, cattle inventory category(s) after cattle “top-up” payments are issued.

2 Review of AD-3114 Before the Issuance of Cattle “Top Up” Payment

A Overview

Instructions for AD-3114, Part E, according to 1-CFAP, Part 6 and Exhibit 20, outlined that the highest inventory between April 16, 2020, and May 14, 2020, was to be self-certified by the eligible livestock producer according to each eligible livestock category authorized under CFAP 1. The livestock categories for cattle for CFAP 1 are:

- Feeder Cattle: Less Than 600 Pounds
- Feeder Cattle: 600 Pounds or More
- Slaughter Cattle: Mature Cattle
- Slaughter Cattle: Fed Cattle
- All Other Cattle.

CAA authorized additional payments to cattle producers based on the inventories certified by categories established under CFAP 1. The cattle “top-up” payment rates, as authorized in CAA, were established based on payments received, if applicable, under CFAP 1 and CFAP 2. This “top-up” payment calculation resulted in different payments rates for each CFAP 1 livestock category for cattle.

Notice CFAP-16

2 Review of AD-3114 Before the Issuance of Cattle “Top Up” Payment (Continued)

A Overview (Continued)

| Eligible Commodity | CFAP 1 Part 2 Payment Rate | CFAP 2 Payment Rate | CAA Authorized Payment Rate |
|--|----------------------------|--|-----------------------------|
| Feeder Cattle: Less Than 600 Pounds | \$17.00/head | \$55/head for all owned beef cattle inventories excluding breeding stock | \$7.00/head |
| Feeder Cattle: 600 Pounds or More | \$17.00/head | | \$25.50/head |
| Slaughter Cattle: Fed Cattle | \$17.00/head | | \$63.00/head |
| Slaughter Cattle: Mature Cattle | \$17.00/head | | \$14.75/head |
| All Other Cattle | \$17.00/head | | \$17.25/head |

Because some counties accepted CFAP 1 cattle inventory information from producers or loaded cattle inventory information in a single category instead of loading the information by category according to policy, AD-3114, Part E inventory data must be reviewed to ensure that proper payments are issued to each livestock category as authorized by CAA **before April 5, 2021**, or before cattle “top-up” payments are certified and signed in NPS according to Notice CFAP-15. State and County Offices must complete these reviews immediately to prevent incorrect additional cattle payments as authorized by CAA.

B CFAP 1 Cattle Inventory Report

The “CFAP 1 Cattle Inventory Report” has been created to identify CFAP 1 applications that contain only 1 livestock category used to certify cattle “Inventory (Highest Between April 16, 2020 - May 14, 2020)”, Item 22. In some cases, the entries may be correct; however, this report identifies applications in the CFAP 1 software that have cattle inventories that may have been incorrectly combined into 1 entry/category. This report is located at <https://inside.fsa.usda.gov/program-areas/dafp/dap/cfap/index>.

The following table describes the information provided on the “CFAP 1 Cattle Inventory Report”.

Notice CFAP-16

2 Review of AD-3114 Before the Issuance of Cattle “Top Up” Payment (Continued)

B CFAP 1 Cattle Inventory Report (Continued)

| Field | Description |
|--|---|
| Application ID | Displays the application number that the system automatically generated upon entry of a CFAP application. |
| State Code | Displays the applicable State code for the application. |
| County Code | Displays the applicable County code for the application. |
| CCID | Displays the core customer identification for the applicant. |
| Common Customer Name | Displays the common customer name for the applicant. |
| Application Status | <p>Displays the application status:</p> <ul style="list-style-type: none"> • Approved • Cancelled • Deobligated • Disapproved • Enrolled • Initiated. <p>Note: Only applications with an “Approved” status will be issued a cattle “top-up” payment.</p> |
| Livestock Sales (AD-3114, Item 21) | Displays the livestock sales between January 15, 2020, and April 15, 2020, of inventory owned as of January 15, 2020, as certified by the applicant on AD-3114, Item 21. |
| COC Adjusted Livestock Sales (AD-3114, Item 23) | Displays the COC adjusted livestock sales between January 15, 2020, to April 15, 2020, of inventory owned as of January 15, 2020, for the applicant on AD-3114, Item 23. |
| Livestock Inventory (AD-3114, Item 22) | Displays the livestock inventory, highest between April 16, 2020, to May 14, 2020, as certified by the applicant on AD-3114, Item 22. |
| COC Adjusted Livestock Inventory (AD-3114, Item 24) | Displays the COC adjusted livestock inventory, highest between April 16, 2020, to May 14, 2020, for the applicant on AD-3114, Item 24. |
| Livestock Description | <p>Displays the livestock description of the cattle categories:</p> <ul style="list-style-type: none"> • Feeder • Other • Slaughter. |
| Livestock Weight Range | <p>Displays the livestock weight ranges for cattle:</p> <ul style="list-style-type: none"> • < 600 lbs. • => 600 lbs. • All • Fed Cattle • Mature Cattle. |

Notice CFAP-16

2 Review of AD-3114 Before the Issuance of Cattle “Top Up” Payment (Continued)

B CFAP 1 Cattle Inventory Report (Continued)

County Offices must:

- review this report
- compare it to any documentation or information provided by the producer
- identify possible discrepancies that must be further researched based on County Office or COC knowledge of the producer’s operation.

3 Authorized Corrective Actions

A Authorized Corrective Action on Errors Discovered During Review of AD-3114 Before the Issuance of Cattle “Top-Up” Payments

After review of the “CFAP 1 Cattle Inventory Report” and any other AD-3114 having potential errors in entry of cattle inventory by category(s), the actions in the following table must be taken before issuing cattle “top-up” payments.

Note: After review, cattle “top-up” payments for producer applications not in question can be processed, certified, and signed. Payments for producer applications with inventory reporting errors must not be **certified** and **signed** until the inventory reporting errors are resolved in the CFAP software.

| If... | and... | then... |
|--|--|--|
| the producer submitted a signed manual AD-3114 with the proper cattle inventories broken down by the correct category(s) | the County Office entered the cattle inventories in the incorrect category(s) in the CFAP 1 software | <p>the County Office can enter the correct livestock inventories by the correct category(s) in Item 21 in the CFAP 1 software according to the manual application as submitted and signed by the producer. No new producer signature is required.</p> <p>Note: Only adjustments to the original entries to the proper category(s) are authorized. No increase in total inventory reported on the original AD-3114 is allowed.</p> |

Notice CFAP-16

3 Authorized Corrective Actions (Continued)

A Authorized Corrective Action on Errors Discovered During Review of AD-3114 Before the Issuance of Cattle “Top-Up” Payments (Continued)

| If... | and... | then... |
|---|--|---|
| the producer submitted supporting documentation to AD-3114 that represents livestock inventories broken down by the correct category(s) | the County Office entered the cattle inventories in the incorrect category(s) in the CFAP 1 software | <p>the County Office is authorized to enter the correct livestock inventories by the correct category(s) in Item 24, “COC Adjusted Inventory”. No new producer signature is required; however, COC approval is required and a determination letter must be issued according to 1-CFAP, paragraph 51, that includes appeal rights.</p> <p>Note: Only adjustments to the original entries to the proper category(s) are authorized. No increase in total inventory reported on the original AD-3114 is allowed.</p> |
| during the review it was discovered that the producer knowingly or unknowingly self-certified the cattle inventories by category(s) incorrectly | the County Office entered the cattle inventories in the incorrect category(s) in the CFAP 1 software | <p>the producer is required to submit supporting documentation to COC’s satisfaction that represents the number of cattle in the applicable livestock category. If acceptable to COC, the County Office is authorized to enter the correct livestock inventories by the proper category in Item 24, “COC Adjusted Inventory”. No new producer signature is required; however, COC approval is required and a COC determination letter must be issued according to 1-CFAP, subparagraph 51 E, that includes appeal rights.</p> <p>Note: Only adjustments to the original entries to the proper categories are authorized. No increase in total inventory reported on the original AD-3114 is allowed.</p> |

3 Authorized Corrective Action (Continued)

A Authorized Corrective Action on Errors Discovered During Review of AD-3114 Before the Issuance of Cattle “Top-Up” Payments (Continued)

Note: Documentation received may represent an eligible inventory decrease or increase. COC’s are not authorized to increase the quantity of inventory. COC’s should refer to spot check policy in 1-CFAP, paragraph 6, for documentation that represents a decrease in eligible cattle inventory. The only adjustments authorized in this notice are updating the correct livestock categories of the reported cattle inventory on AD-3114.

B Authorized Corrective Action on Errors Discovered on AD-3114 After the Issuance of Cattle “Top-Up” Payments

Cattle “top-up” payments become final 30 calendar days after issuance. Within that 30 calendar day period, the producer can dispute the payment and/or the payment calculation because of incorrect cattle inventory certification in the correct categories by submitting a written request for relief to COC that includes supporting documentation representing the correct cattle inventory by category(s). COC’s are authorized to grant relief to correct a producer’s cattle “top-up” payment if both the following apply:

- the request was submitted timely within 30 calendar days of the issuance of payment
- the producer submitted supporting documentation that represents the correct livestock category(s) for the livestock inventories certified on AD-3114 and meets COC’s satisfaction.

COC’s are not authorized to grant relief if a producer cannot provide supporting documentation of the proper categorization of owned livestock certified on AD-3114, or after payments are considered final 30 calendar days after issuance.

Notice CFAP-16

4 Action

A State Office Action

State Offices will ensure that County Offices follow the guidance provided in this notice.

B County Office Action

County Offices will:

- review the “CFAP 1 Cattle Inventory Report” and any AD-3114’s that are known to have errors because the cattle inventory was not certified to or entered in the correct livestock category(s)
- complete corrective actions according to this notice **by April 5, 2021**, or before issuing cattle “top-up” payments
- only issue cattle “top-up” payments according to Notice CFAP-15 based on AD-3114’s with the correct cattle inventories categorized according to policy.