

For: FSA Employees

2007 Crop Year Clarification for Adding Producers for Spot Check

Approved by: Deputy Administrator, Farm Programs



1 2007 Crop Year Spot Check Addition Clarification

A Background

Notices CP-617 and LP-2068 provided specific details of the new nationwide compliance review/spot check selection process for MAL's and LDP's. Questions have been received about adding producers for the 2007 spot check process.

Beginning with the 2007 crop year, producers will be selected for compliance review and spot checks through the nationwide compliance spot check selection process. State and County Offices shall view and print the list of producers selected for 2007 compliance review and spot check from the web site at:

<http://dc.ffasintranet.usda.gov/farmbill/ccc/default.htm>

B Purpose

This notice provides clarification to State and County Offices for adding producers for the 2007 spot check process for MAL's and LDP's.

2 Clarification of Policies for Additional Producers Selected for Spot Check

A Extended Deadline for Selecting Additional Producers for Spot Check

Notice LP-2068 instructed County FSA Offices to select additional producers for spot check no later than June 1, 2008. This notice extends the deadline date for selecting additional producers to June 30, 2008. County Offices must make additional producer selections for the 2007 crop year spot check no later than June 30, 2008.

Example: A 2007 crop year MAL is disbursed on May 31, 2008, and the County Office adds a producer as an additional spot check on June 30, 2008. STC will determine when the County Office **must** complete the spot check. Upon completing the spot check, the County Office **must** record the spot check results on CCC-677-1.

Disposal Date February 1, 2008	Distribution All FSA Employees; State Offices relay to County Offices
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Notice LP-2072

2 Clarification of Policies for Additional Producers Selected for Spot Check (Continued)

A Extended Deadline for Selecting Additional Producers for Spot Check (Continued)

Additional producers may be added to the list of producers selected for the 2007 MAL and LDP spot check process when it is reported or determined that:

- the quantity of the loan collateral or the applicable LDP quantity is questionable
- the storability of the loan collateral is questionable .

The spot check results for additional producers selected for spot check shall **not** be recorded in the National Compliance Review database.

B Establishing Guidelines and Policies for Additional Spot Checks

STC's shall establish guidelines for conducting additional spot checks according to the procedure provided in Notice LP-2068. In addition to the additional spot check STC guidelines provided in Notice LP-2068, please follow the policies provided in 8-LP, subparagraph 500 D for situations required for spot check.