

Goal: Getting Payments Right

Program or Activity
FSA Agriculture Risk and Price Loss Coverage

Reporting Period
Q3 2020

Change from Previous FY (\$M)

N/A

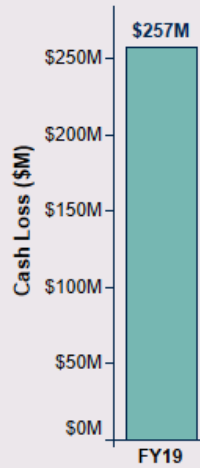


FSA Agriculture Risk and Price Loss Coverage

Brief Program Description:

ARC provides income support when crop revenue falls below specified guarantee levels. PLC provides income support when covered commodity prices fall below effective reference price.

Cash Loss by FY (\$M)



Key Milestones	Status	ECD
1 Develop mitigation strategies to get the payment right the first time	On-Track	Oct-20
2 Evaluate the ROI of the mitigation strategy	On-Track	Oct-20
3 Determine which strategies have the best ROI to prevent cash loss	On-Track	Oct-20
4 Implement new mitigation strategies to prevent cash loss	On-Track	Oct-20
5 Analyze results of implementing new strategies	On-Track	Oct-20

Quarterly Progress Goals			Status	Notes	ECD
1	Q3 2020	Completed national training.	Completed	N/A	Sep-19
2	Q3 2020	Synthesize and analyze the detailed error data from IPIA and similar reviews in preparation for 2019 payment cycle.	On-Track	N/A	Sep-20

Recent Accomplishments		Date
1	Completed national ARC/PLC training.	Sep-19
2	Continue to hold conference call weekly to address deficiencies.	Jan-20
3	Issued IA-3 detailing improper payments identified from previous fiscal year.	Jan-20

Amt(\$)	Root Cause	Root Cause Description	Mitigation Strategy	Anticipated Impact of Mitigation
\$250M	Administrative or process errors made by: federal agency	Administrative or Process Error Made by Federal Agency relates to late filed acreage reports, contracts not approved/on file or enrolled without producer signature, and historical irrigated percentage (HIP) not calculated.	Training	Error rates did decline based on the latest audit.
\$8M	Failure to Verify: Financial Data	Relates to the unauthorized signatures accepted on contracts, insufficient control of cropland, and eligibility documents not on file.	Training	Error rates did decline on the latest audit.

Cash Loss - Cash loss to the Government includes amounts that should not have been paid and in theory should/could be recovered.