

Payment Integrity Scorecard

Program or Activity

Commodity Credit Corporation (CCC) Livestock Forage Disaster Program (LFP)

Reporting Period

Q2 2025

FY 2024 Overpayment Amount (\$M)*

\$102

*Estimate based a sampling time frame starting 10/2022 and ending 9/2023



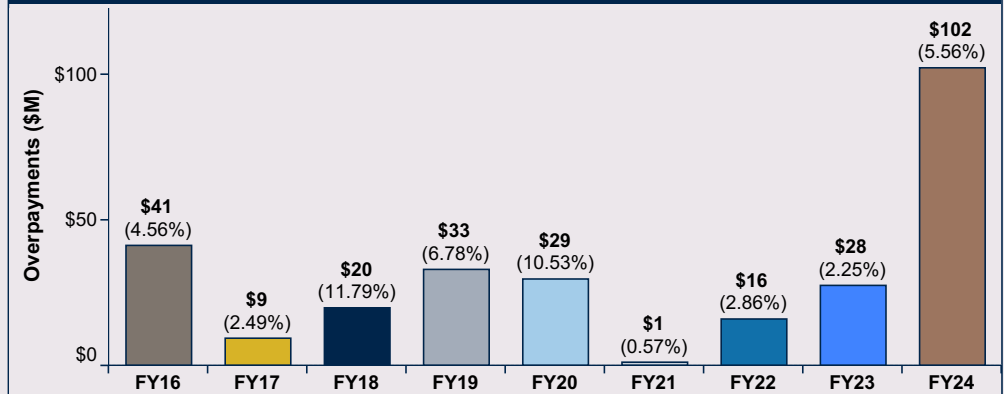
U.S. Department of Agriculture

Commodity Credit Corporation (CCC) Livestock Forage Disaster Program (LFP)

Brief Program Description & summary of overpayment causes and barriers to prevention:

LFP provides payments to eligible livestock producers who have covered livestock and producers of grazed forage crop acreage that have suffered a loss of grazed forage due to a qualifying drought or fire during the normal grazing period for the county. The majority of errors causing overpayments are due to administrative errors related to common processes such as following program and payment eligibility determinations and acreage reporting requirements, and not due to producer compliance with program requirements. Most errors could be resolved through additional resources to provide human capital and software enhancement; however, known barriers primarily are a result of lack of funding and resources.

Historical Payment Rate and Amount (\$M) (Overpayment as Percentage of Total Outlays)



Discussion of Actions Taken in the Preceding Quarter and Actions Planned in the Following Quarter to Prevent Overpayments

Actions completed: Monthly livestock disaster training sessions with state office specialists occur that focuses on policy review, updates, and commonly asked questions. • Continued work on the development of the tracking system to identify the results of the required District Director reviews that they complete. CCC-770s are required for the first five applications or as directed by the State Executive Director and have a series of questions to validate that the required supporting documents are obtained and all necessary program and payment eligibility requirements are met. • FSA's Internal Control roadmap was launched, aimed to improve program processes includes an improper payment trend analysis tool to help identify staff, county offices and states with continued improper payment findings, resulting in targeted training along with holding employees accountable.

Accomplishments in Reducing Overpayment

Date

1	Issued a directive outlining FY24 National Payment Integrity Review results that included the LFP program. This notice informed state and county offices of findings, common errors, and the associated policy and procedure as a reference to facilitate program review.	Jan-25
2	Finalized an LFP software enhancement that includes an interface with the National Crop Table to automatically populate, replacing a manual entry of the grazing carrying capacity of the forage acreage in the application process.	Feb-25
3	Monthly livestock disaster calls with state office specialists continue, focusing on policy review, updates, and commonly asked questions. Monthly calls are recorded and available for state and county office review on the National LFP SharePoint.	Mar-25

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Goals towards Reducing Overpayments		Status	ECD	Recovery Method	Brief Description of Plans to Recover Overpayments	Brief Description of Actions Taken to Recover Overpayments
1	LFP will transition the current internal review process into IRDTS, a centralized, automated internal control tracking system that will provide the ability to effectively manage, track, and monitor internal reviews throughout the review lifecycle. IRDTS will assist with program compliance, detect and prevent improper payments, evaluate operational performance, strengthen internal controls, support data-driven decision making, and enhance transparency and accountability.	On-Track	Aug-25	1 Recovery Activity	Each state is provided a Corrective Action Tracking document at the end of each testing cycle that includes: • State Office Recommendation to County Office • Corrective Action Taken by County Office and Date • Receivable Document Number Established, if applicable • Approval and Closure Date by State Office	

Amt(\$)	Root Cause of Overpayment	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
\$102M	Overpayments within agency control that occurred because of a Failure to Access Data/Information Needed.	The errors were administrative oversights such as failure to obtain application supporting documentation and written leases, failure to ensure the lease complies with the established eligibility criteria, and failure to follow late acreage reporting policy.	Training – teaching a particular skill or type of behavior; refreshing on the proper processing methods.	Monthly livestock disaster calls with state office specialists will continue that will focus on policy review, common errors.

The LFP program is currently part of FSA's Internal Control roadmap to improve program processes. An improper payment trend analysis tool was launched this year that has FY2019-2023 improper payment data. The tool identifies staff, county offices and states with continued improper payment findings. The tool allows the agency to target county offices and staff for targeted training along with holding employees accountable, if warranted after training has been provided. Standardize Training policy for Farm Programs is part of the internal control roadmap for FY2025. Training guidance would provide standardization for the National Office, State and County level training. In order to reduce the improper payments, system enhancement and training for staff is required. FSA's IT budget is not adequately funded to improve acreage reporting to identify late-filed reports and alert County office staff of special processing. FSA requested \$2 million from CCC Section 4 and 11 funding during the FY2025 CCC budget request and Working Capital Fund request drills, however less than 20 percent was received. A request was also submitted in the FY26 Presidential budget.