

**U.S. Department of Agriculture (USDA) - Executive Order 13520, "Reducing Improper Payments"
High-Dollar Overpayments Report
4th Quarter FY 2011**

USDA Agency and Program Responsible for Overpayment	Recipient (Entity or Individual)	City/County and State	Total Amount of Payments Identified (Sum of Proper and Overpayment Amounts)	Proper Amount That Should Have Been Paid	Overpayment Amount	Overpayment Percentage in Excess of Proper 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
Natural Resources Conservation Service - Farm Security and Rural Investment Program	Entity	Georgetown, DE	\$61,483	\$0	\$61,483	100%	During a post-payment review, the program participant was determined ineligible due to income misrepresentation. This post-payment review selects random participants and performs an in-depth review of all their banking, farming, rental, and income statements. This review requires a significant amount of agency time and resources and does not allow for every participant's records to undergo such a review before each payment is made.	Demand letter and bill issued.	Work with the Internal Revenue Service (IRS) to establish a pre-payment process to validate participant's self-certification income.
	Entity	Georgetown, DE	\$39,509	\$0	\$39,509	100%	During a post-payment review, the program participant was determined ineligible due to income misrepresentation. This post-payment review selects random participants and performs an in-depth review of all their banking, farming, rental, and income statements. This review requires a significant amount of agency time and resources and does not allow for every participant's records to undergo such a review before each payment is made.	Demand letter and bill issued.	Work with IRS to establish a pre-payment process to validate participant's self-certification income.
	Individual	Baton Rouge/ St. Joseph Parish, LA	\$15,777	\$0	\$15,777	100%	Program requirements not complete prior to payment and site visit.	Demand letter and bill issued.	Reiterate existing policy to Field offices that adequate supporting documentation is required.
	Individual	Chestertown, MD	\$5,765	\$0	\$5,765	100%	Participant entered into two program contracts but was only authorized one.	Overpayment recovered.	Reiterate existing policy to Field offices to enforce requirements that prohibits participants from receiving payments from more than one program contract at a time.
	Individual	Alden, MN	\$5,040	\$0	\$5,040	100%	Payment incorrect due to a contract error.	Overpayment recovered.	Provide additional Field office training on contracting, contract management, practice certification, and the payment process.
	Individual	Mlinor/ Sargent, ND	\$11,104	\$0	\$11,104	100%	Participant violated agreement and was ineligible.	Demand letter and bill issued.	Monitor contracts and when violations are discovered after payment, pursue recovery.
	Individual	Portales, NM	\$6,445	\$0	\$6,445	100%	Contract administration error.	Overpayment recovered.	Conduct annual contract administration and management training.
	Individual	Hughes Co., SD	\$40,000	\$26,279	\$13,721	52%	Payment for crop rotation practice prior to its actual adoption.	Demand letter and bill issued.	Reiterate existing policy to Field offices on certification of activities and adequate supporting documentation.
	Individual	Stratford, TX	\$6,718	\$0	\$6,718	100%	Pipeline not installed according to the contract specifications.	Demand letter and bill issued.	Reiterate existing policy to Field offices on certification of activities and adequate supporting documentation.
	Individual	Wallingford/ Rutland, VT	\$18,620	\$2,375	\$16,245	684%	Payment for land not in production at time of contract obligation.	Demand letter and bill will be issued.	Reiterate existing policy to Field offices on certification of activities and adequate supporting documentation.
	Individual	Morrisville/ Lamoille, VT	\$16,480	\$480	\$16,000	3333%	Payment improperly distributed among the involved parties.	Demand letter and bill will be issued.	Reiterate existing policy to Field offices to reinforce proper assignee/assignor procedures.
	Forest Service - Wildland Fire Suppression Program	Entity	Minden, NM	\$115,242	\$0	\$115,242	100%	Duplicate payment.	Overpayment recovered.
Farm Service Agency (FSA) - Direct and Counter-Cyclical Program (DCP)	Entity	Maricopa, AZ	\$105,934	\$0	\$105,934	100%	The producer was found ineligible for payments.	Overpayment recovered.	Continue the Annual Payment Limitation Review and follow procedures for establishing receivables resulting from the review.
	Individual	Dodge, GA	\$5,523	\$0	\$5,523	100%	Payment not adjusted to offset receivable due, resulting in overpayment.	Demand letters and bill issued. Future payments will be offset.	Strengthen review process for all payments and related receivables before payments are approved.

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FSA - DCP	Individual	Dodge, GA	\$5,523	\$0	\$5,523	100%	Payment not adjusted to offset receivable due, resulting in overpayment.	Demand letters and bill issued. Future payments will be offset.	Strengthen review process for all payments and related receivables before payments are approved.
	Individual	Screven, GA	\$6,703	\$2,751	\$3,952	144%	Incorrect contract shares and acreage caused the original payment to be incorrect.	Future payments will be offset.	Reiterate procedures to County Offices (COF) that producers are to be notified of the importance of correct reporting.
	Entity	Tensas, LA	\$40,334	\$0	\$40,334	100%	Producer submitted late paperwork and exceeded payment limitation.	Demand letters and bill issued.	Emphasize procedures to COFs for second party review of eligibility documentation and flags prior to issuing payments.
	Individual	Bottineau, ND	\$6,418	\$0	\$6,418	100%	Producer's adjusted gross income (AGI) values were erroneously entered in system.	Demand letters and bill issued.	Reiterate procedures to COFs to ensure that adjusted gross income (AGI) calculations are reviewed and correct values are entered in the system. Revise post-payment review process to include verification that a secondary AGI calculation review was performed.
	Individual	Hale, TX	\$12,020	\$6,010	\$6,010	100%	Incorrect disbursement among the involved parties due to contract signing error.	Demand letter and bill issued.	Reiterate procedures to COFs to more carefully review the contract with the producer.
	Individual	Greenville/Emporia City, VA	\$5,060	\$0	\$5,060	100%	Overpayment due to using a crop acreage base that exceeded available cropland.	Demand letters and bill issued and producer continues to pay down debt.	Reiterate procedures to COFs for running a crop acreage base exceeding cropland report prior to payment.
FSA - Miscellaneous Disaster Programs	Individual	Washington, CO	\$41,953	\$24,878	\$17,075	69%	Erroneous acres and production used to calculate payment.	Demand letters and bill issued. Future payments will be offset.	Reiterate procedures to COFs on program requirements and review of workbooks prior to payment. Ensure post-payment reviews verify a secondary calculation was performed.
	Individual	Bureau, IL	\$39,464	\$18,719	\$20,745	111%	Payment incorrectly disbursed among the involved parties.	Overpayment recovered.	Reiterate procedures to COFs to ask producer if payment is to be split with spouse.
	Individual	Montgomery, KY	\$20,455	\$0	\$20,455	100%	State Office determined program ineligibility subsequent to payment.	Notification of debt provided to producer. Future payments will be offset.	Emphasize to COFs the importance of a second party review and consultation with State Office for interpretation on questionable cases prior to payment.
	Individual	Grant, MN	\$6,306	\$0	\$6,306	100%	Overpayment resulted from omission of crop production workbook information from another county.	Overpayment recovered.	Implement secondary verification procedures that all crop production workbooks have been collected and merged and second party review procedures prior to payment.
	Individual	Beaver, OK	\$7,740	\$0	\$7,740	100%	Payment to deceased producer.	Overpayment recovered.	Reiterate the procedures requiring COFs check the current deceased producer list and the obituaries in local papers. Establish procedures that require a check of the Social Security Administration's Death Master File prior to payment.
	Individual	Ziebach, SD	\$9,217	\$3,488	\$5,729	164%	Incorrect net indemnity entered.	Demand letters and bill issued.	Strengthened review process. Revised program workbook to eliminate the requirement to manually calculate the net indemnity.
	Individual	Swisher, TX	\$5,811	\$2,904	\$2,907	100%	Incorrect shares on cattle and acres entered.	Overpayment recovered.	Review and strengthen procedures on computing and entering shares in program applications.
	Individual	Waller, TX	\$6,504	\$0	\$6,504	100%	Applicant provided acreage report containing an error.	Future payments will be offset.	Strengthen procedures for completing second party reviews.
FSA - Noninsured Assistance Program	Individual	Waller, TX	\$82,468	\$17,343	\$65,125	376%	Incorrect number of colonies entered causing payment calculation error.	Demand letters and bill issued. Overpayment partially recovered.	Strengthen procedures for completing second party reviews.
	Individual	Talbot, GA	\$5,635	\$0	\$5,635	100%	Payment based on producer's incomplete crop production records.	Demand letters and bill issued.	Reiterate procedures to COFs that producers are notified of the importance of correct production reporting.
FSA - Marketing Assistance Loan Program	Individual	Moore, TN	\$22,145	\$0	\$22,145	100%	Loan cancelled due to use of incorrect loan rate.	Overpayment recovered.	Provide guidance to COFs on how to properly execute future loans.