

Checklist to Assist with Compliance Reviews

Note: NAU Country will check records for past reviews that cover the crop and county being reviewed. If you are aware that a review or loss with NAU Country or any other approved insurance provider (“AIP”) had been completed on the same crop and county, please contact the NAU Country Compliance Department and provide the company name and policy number.

When conducting an APH Review, the reviewer shall determine if the insured’s acreage and production evidence support the amounts certified on the production report.

The following records are acceptable and must be separated by crop year. 100% of the production must be provided, not just the insured’s share.

- Sold or commercially stored production records** from a disinterested third party. Examples include gin records, load summaries, settlement sheets, processor records, marketing outlet records, buyer records, packer records, elevator receipts, warehouse receipts, storage facility records, ledger sheets, broker records, distiller records, first handler records, and boiler house records. The records must contain the following information:
 - Name of the insured
 - Name of crop
 - Quantity of production
 - Date of transaction
 - Crop year commodity was produced
 - Practice and type of crop
 - Unit number, block number, or the location of the production
 - Planting period from which production was produced

- Farm-Stored Production:** Acceptable records include actual measurements completed by FSA or an Approved Insurance Provider:
 - If a bin/structure contains production from a previous crop year, a disinterested third-party measurement is required before adding current year crop.
 - If current year production in bin has not been measured, contact the Compliance Advisor or the Field Claim Manager to arrange for measurement.
 - FSA or CCC loan records must provide evidence of production that was determined **and verified** by an authorized representative of FSA or CCC in order to be acceptable.

- Pick Records:** Typically applies to crops such as apples, blueberries, grapes, macadamia nuts, peaches, pears, fresh freestone peaches, fresh apricots, fresh nectarines, and fresh plums. To be acceptable, the records must contain the following information:
 - Name of the person(s) paid by the grower for the harvest of the crop
 - Price paid, per volume picked, for picking the crop
 - Proof of payment to the picker(s) for the harvesting of the crop
 - Date the crop was picked and the location of the crop

- Machine Harvest Records:** Machine harvest records alone are considered acceptable production records unless the policy requires a pre-harvest appraisal and/or records of sold production. Crops that may use machine harvest records include almonds, apples, blueberries, citrus, cranberries, dry beans, dry peas, figs, forage production, avocados, grapes, green peas, macadamia nuts, onions, pears, peaches, peanuts, plums, potatoes, processing beans, processing sweet corn, prunes, sugarcane, sugar beets, tobacco, tomatoes, and walnuts. To be acceptable, the records must contain the following information:
 - Name of the insured
 - Name of crop
 - Date of harvest
 - Quantity of weighed production
 - Practice, type, and crop year
 - Unit number or the location of the production

- Daily Sales Records:** Daily sales records alone are considered acceptable production records unless the policy requires a pre-harvest appraisal and/or records of sold production. Daily sales records typically apply to fresh fruit such as apples or peaches. To be acceptable, the records must meet the following criteria:
 - The records must be contemporaneous (in the form of either a daily sales ledger or a transaction summary of sales from an electronic point of sale system).
 - The records and/or receipts must specify the crop, quantity/weight sold, grade (when available to the insured), and amount received.
 - The insured must provide tax forms or other receipts which verify the income from the sale of the crop.

- Precision Farming Technology Systems (PFTS) or Automated Yield Monitoring System records** are acceptable if the system is properly calibrated, by crop, in accordance with the owner’s manual (manufacturer) specifications. The sensor calibration must result in an error rate of three percent or less based on actual production from the sample acres. The yield map or production summary report generated by the yield monitoring system must provide all of the following information:

- Name of the insured
- Unit number
- Harvest date
- Total weight
- Name of crop
- Acres harvested
- Average moisture
- Total dry weight/yield adjusted for moisture, as required by the CP, actuarial documents, and loss claims standards
- Legal description of acreage
- FSA farm/tract/field ID number (optional)
- Total yield (unadjusted for moisture)

Livestock Feeding Records: Contemporaneous livestock feeding records **will not** be required if all production is determined (either by having production measured or appraised by the AIP) or by other allowable farm management records prior to insured feeding production. Insureds request to measure prior year(s) production must be made *at least 15 days* before the beginning of harvest of the current year production to allow time for the AIP to conduct a field visit.

If livestock feed records are used, they must meet the following criteria to be acceptable:

- Be in writing
- Be contemporaneous for each feeding as it occurs
- Provide the amount of production, by crop, fed at each feeding
- Identify the crop year in which fed production was harvested
- Provide the unit number from which the fed production was harvested

Field harvest records: Field harvest records alone are considered acceptable production records unless the policy requires a pre-harvest appraisal and/or records of sold production. Examples of field harvest records include:

- Truck, wagon, or hopper loads that are documented by weight tickets, grain carts, or conveyance measurements;
- Separate measurements of production, by unit, when placed in farm storage structures;
- Cotton module measurements; or
- Certified Scale Weight Records (only available to Vertically Integrated Producers).

To be acceptable, the records must contain the following information:

- Name of the insured
- Name of the crop
- Practice, type, and crop year
- Date of harvest / date weighed
- Unit number or the location of the production
- Quantity of weighed production

Unharvested acreage appraisals: Must be performed by a(n) authorized AIP or FSA personnel to be acceptable. If acreage of the crop was destroyed/put to another use and an appraisal of the potential production was not made (not requested for APH database purposes or no claim), the production report will indicate the planted acres and a yield of zero.

Claim production: Any unit with a prior year claim payment uses that determined production for the actual yield.

Acreage Verification

Acreage verification must be included for all crops and units for each year subject to review. Examples of acceptable acreage documentation includes:

- FSA 578s: Labeled by unit number or legal description or provide maps for each legal description.
- CIMs data;
- Copy of deeds, leases, real estate tax documentation, measurement service (by AIP, FSA, or disinterested third-party), Precision Farming Technology System (PFTS) - calibrated, state or federal agency measurements (e.g. Bureau of Land Management, Forest Service, etc.), or other proof of acres. These are acceptable only if FSA or CIMs 578s are not available, and only if specially reported as to why other documentation is not available.

Additional tips to expedite review processing

- **Verify** that total certified production and acres by year have acceptable records submitted that reflect the totals.
- **Sort and group** records by crop year and label properly by year, unit, etc.
- **Do not submit original documents**, provide copies only.
- **If newly certified (crop/county basis)**, provide records for each certified crop year.