

# Payment Integrity Scorecard

## Program or Activity

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

## Reporting Period

Q3 2025

## FY 2024 Overpayment Amount (\$M)\*

**\$102**

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



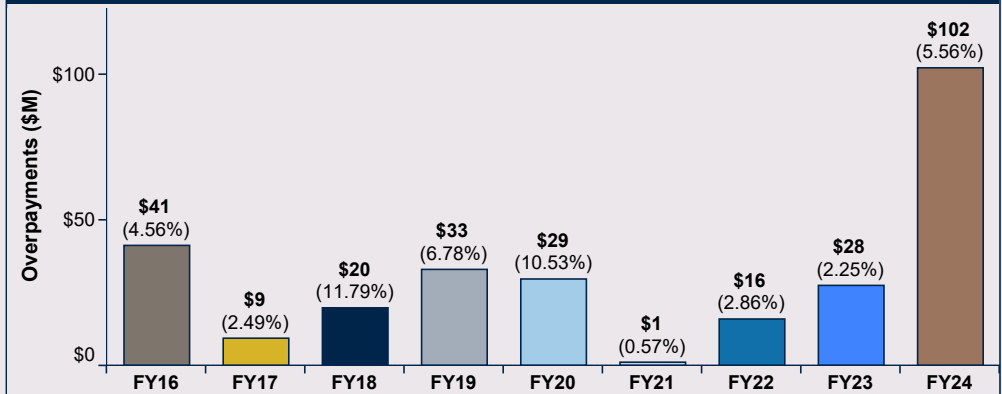
## U.S. Department of Agriculture

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 are producers of grazed forage crop acreage that have suffered a grazing loss 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: Continued monthly livestock disaster training sessions with state office specialists occur that focuses on policy review, updates, and commonly asked questions. • Tracking system for District Director reviews has been challenged with lack of resources to continue to enhance that system. 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 continues to prioritize the Internal Control roadmap that was launched. The improper payment trend analysis tool has helped identify common errors targeted training along with holding employees accountable. LFP has updated the Internal Control Plan and Risk Matrix, with continual work identifying where the program has risk and areas where there are opportunities to mitigate.

Accomplishments in Reducing Overpayment		Date
1	Finalized the program's Internal Control Plan and Risk Matrix.	Jun-25
2	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.	Jun-25
3	Results of the FY 2025 Payment Integrity Review were received, indicating that the program exceeded the goal of under 10 percent error rate with a 6.41 percent error rate in the review of FY24 LFP payments. This is a reduction from 2024 error rate of 12.9 percent.	Jun-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 FY2019-2024 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.