

National Center for Peanut Competitiveness's (NCPC)
“Preliminary Base Acreage and Payment Yields Decision Calculator”
July 26, 2014

The NCPC's calculator program is a Microsoft Excel spreadsheet that utilizes “macros”. Before the spreadsheet can be used, one will need to enable the use of Macros. The spreadsheet starts with worksheet entitled “Start Sheet.” On this worksheet, you will find the initial guidelines. You will need to follow the steps in numerical order. Each worksheet also has steps spelled out and one will need to follow those steps in numerical order.

While USDA-FSA has not issued final rules and regulations on base reallocation and yield updating as well as temporary generic base allocation for a crop year, the spreadsheet was developed from reading the text of the Farm Bill and from discussions with Congressional staffers involved in the writing of the Farm Bill and USDA-FSA personnel. Once the final rules and regulations are issued, the spreadsheet will be modified appropriately. In the 2014 Farm Bill, the landowner makes the decisions on base reallocation and payment yield updating. If USDA follows the same process used during the 2002 Farm Bill implementation, a producer with a signed power of attorney form will be able to make the decisions for the landowner. This feature is not known at the present time.

All decisions will be based on each 2014 USDA-FSA farm serial number (FSN) on record independently. The decision of whether you want to participate in the ARC (Agricultural Risk Coverage) or the PLC (Price Loss Coverage) for the life of the 2014 Farm Bill will be based on the 2014 FSN. This spreadsheet does not address that decision process. A web-based tool is available on the Texas A&M's Agricultural and Food Policy Center (AFPC) website to aid in that decision process (<https://afpc.tamu.edu/models/decisionaid.php>).

Important: *While entering the data into the various spreadsheets, an error can occur where you enter data for the wrong covered crop or year. If this occurs, please highlight that cell with the wrong information and hit the “delete” key on your keyboard. Do not use the space bar to delete a wrong entry as this will cause an error in the calculations and an error message will appear. Always use the “delete” key to remove wrong entries.*

The NCPC calculator spreadsheet does include in Step 10 in the “Start Sheet” a worksheet that provides how generic base may be allocated in 2014 for that FSN. Recall, the FSN's generic base is that FSN's cotton base as specified in 2013.

Before entering any data into the spreadsheet, you need to obtain from FSA all of the FSA-156 EZ forms for their respective 2014 FSNs. This form provides the base acreage and the respective CC yield (i.e., payment yield) by covered crop as of September 30, 2013. The information on this form will provide the FSN's information as well as the information for the tracts that compose this FSN.

If the FSN **has not changed** from 2008 to 2014, the process in filling out the spreadsheet will be relatively easier. After inputting the FSN's FSA-156 EZ form information in Step 4, you will

need to collect the FSA-578 forms for the years 2008-2012 for that FSN or request from the county FSA office the excerpt from the Historical acreage report for the respective FSN. The certified planted, double cropped and subsequent planted acreage are the planted acreage. The planted acreage and the prevented planted acreage will need to be entered for the respective covered crops.

If planted acreage is reported for any particular year, a proven yield for that covered crop will need to be entered. Proven yields will need to be obtained from the producer that farmed that FSN and/or tract. If crop insurance was utilized for that covered commodity, you can use the FSN's covered crop insurance actual yield. For peanuts, you can also use the FSN's 1007 to obtain the gross production and then divide that number by the planted acres (do not include the prevented planted acres) to obtain the yield per planted acre. For covered crops other than peanuts that do not have a crop insurance yield, you will need to use other sources like weight tickets to determine the proven yield on a planted acre basis. If for some reason, the landowner changed renters during this time period, some of the yields may not be able to be obtained. The only alternative that may exist is for you to use the 75% of the 5 year (i.e., 2008-2012) county average for that year. One last point is when the FSN's yields are being inputted. If the yield is less than 75% of the county's 5 year (2008-2012) average, you can use the 75% of the 5 year county average for that year's yield.

If the FSN **has changed** between 2008 and 2014, the process in filling out the spreadsheet will be more challenging. Remember, the 2014 FSN and the associated tracts are the primary FSN and tracts that all previous years' information must be linked to. That is, all tracts listed under the 2014 FSN must be traced back to 2008.

Steps 8 and 9 of the "Start Sheet" provide you with key information to aid you in deciding if you want to update the FSN's covered crops CC yields and/or reallocate the FSN covered crops bases. You are able to print out those two decision sheets for the respective FSN.

In Step 10, you can see how your generic base may be allocated in 2014 if you have generic base for that FSN. Once this worksheet is done, you are able to start again with a new spreadsheet for your next FSN.

If one has any questions, please contact:

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