



WFRP CHECKLIST

Insured:	Policy Number:
Agency:	Crop Year:
Agent:	State:

FORMS REQUIRED AT SALES CLOSING:

- ☐ **Application**
- ☐ **WFRP Consent Form** (blanket form requiring one signature for all forms). If not used, then all forms must be signed.
- ☐ **5 years of Schedule F forms (excluding lag year) if new policy**
- ☐ **1 year of Schedule F (excluding lag year) if carryover policy**
- ☐ **WFRP Packet – Either New or Renewal: includes the following required forms.**
 - **Allowable Revenue and Expense Worksheets** – 5 forms each for new policies and 1 form each for carryover policy
 - **Whole Farm History Report** – If indexing applies and there is a value on lines 11A & 11B, then the Indexed Average needs to be marked with either ‘Yes’ or ‘No’.
 - **Farm Operation Report** – Intended Section only – Columns 6 through 13E completed.
 - **Expected Value and Yield Source Document Certification Worksheet** – Columns 5, 6, 7, 12, & 14 will pre-fill from the information provided in the Farm Operation Report. Columns 8, 9, 10, 11, 13, & 15 must be completed.
 - **Verifiable records supporting this information should be included.**
 - **Inventory Report** – The Beginning Inventory must be completed even if there is a zero and the insured doesn’t have any inventory as of the beginning of the insurance period.
 - **Accounts Receivable, Payable, and Prepaid Expenses Report** – The Beginning Section should be completed or zero applied.
 - **Market Animal and Nursery Inventory Report** – Include beginning inventory. If there is a value in column 13, then it should be carried to the Farm Operation Report as Cost/Basis, column 13B.
 - **Narrative regarding the farm operation.**
 - **PAW or FUR (Forage Underwriting Report) if applicable.**
 - **Underlying SOC/SOI and APH to verify yield and acres used for MPCI commodities.** If crops’ AR is before the WFRP SCD, then the SOI/SOC will be available. If not, then it’s due by the Revised FOR – July 15th.

APPLICATION AND WFRP CONSENT FORM AT SALES CLOSING

☐ **PRODUCER INFORMATION –**

- Verify that name of Entity matches Entity and Tax ID on tax documents (Schedule F's). If not, need an explanation why.
- Review SBI's and signature

☐ **COVERAGE/POLICY INFORMATION**

- The County listed on the application should be the county with the highest expected revenue. All other counties (if applicable) should be listed.
- Coverage level and Filer type (Late Fiscal, Early Fiscal, or Calendar) should be listed.
 - If coverage level is 80 or 85%, there must be 3 qualifying commodities. (FMHA will calculate and there is an edit on the policy if the qualifying threshold for these coverage levels isn't met).
 - All MPCU Underlying policies (if applicable) must be listed and keyed in FMHA.
- Conditions of Acceptance Questions completed.

☐ **WFRP CONSENT FORM**

- Review insured's signature, agent's signature, and signature dates.

ALLOWABLE REVENUE & EXPENSE WORKSHEETS AND SUPPORTING SCHEDULE F'S

- ☐ **New Policy** – 5 sets of each worksheet completed to match each year in the whole-farm history used. (2019 example for calendar year filer: 2013-2017)
- ☐ **Renewal Policy** – 1 set of each worksheet completed to match the most recent year in the whole-farm history (2019 example for calendar year filer: 2017)
- ☐ **Schedule F Tax forms or Substitute Schedule F's –**
 - Were five years included if new policy and one year if renewal policy?
 - Yes
 - No – *All 5 years are REQUIRED unless a BFR*
 - If No, is this Producer applying for BFR benefits?
 - Yes
 - No
 - If Yes for BFR Benefits, are there at least three years of farm tax forms in the whole-farm history period and was revenue earned during the lag year?
 - Yes
 - No
 - If Substitute Schedule F's were completed, was all information that would appear on the Schedule F included?
 - Yes
 - No
 - If Substitute Schedule F's were completed, they must be signed by the insured and agent, and anyone who may have completed the form. These aren't included on the WFRP Consent Form.
- ☐ **Allowable Revenue Worksheets** – Are these completed for each year in the whole farm history period?
 - Yes
 - No
- ☐ **Allowable Expense Worksheets** - Are these completed for each year in the whole farm history period?
 - Yes
 - No

☐ **Were another person/entity's tax forms used?**

- Yes
 - No
- If yes, did the insured obtain control of at least 90% of the other person's farm operation (land and facilities)?
 - Yes
 - No
- If yes, did the other person have an insurable interest in all commodities produced on the farm operation obtained?
 - Yes
 - No
- If yes, is there verifiable documentation such as a lease or purchase agreement or inheritance included?
 - Yes
 - No
- If yes, was a written request to use the other person's farm tax forms submitted with application?
 - Yes
 - No
- If yes, were copies of the other person's tax forms for each year included?
 - Yes
 - No
- If yes, does the completed Whole-Farm History Report represent the combination of the Allowable Revenue and Expenses of the insured and other person's farm tax forms for the applicable year?
 - Yes
 - No

Items to Note

Allowable Revenue

- *Cooperative Distributions are not allowable unless directly related to the sale of the commodity.*
- *Other Income is not allowable unless directly related to the production of the commodities that the IRS requires to report.*

Allowable Expenses

- *Depreciation is ONLY an allowable expense for livestock. If there isn't any livestock, then depreciation is NOT allowable.*
- *Workers' Compensation is allowable*
- *Other Expenses are only allowable if they are directly related to the production of the commodities that the IRS allows to be reported.*

WHOLE-FARM HISTORY REPORT

- ☐ Revenue and Expenses for each year should match what is on the Allowable Revenue and Expense forms (the FMH packet automatically calculates this information)
- ☐ Any changes to figures in the history of a renewal policy will require a revised Allowable Revenue and Expense form to be attached to explain.
- ☐ Verify that values match what is keyed in FMHA.
- ☐ Verify that the Indexed Average question is marked Yes or No (the FMH packet calculates the values if either Yes or No is selected).
- ☐ Expanded Operation –
 - If a value is added, was documentation included?
 - Yes
 - No
 - If yes, documentation should include the expansion for the lag year, which may include such items as a lease or purchase agreement, or 578's.
 - If no, Expanded Operations can't be accepted without documentation.

FARM OPERATION REPORT

- ☐ The Intended section should be completed. If policy has Perennial Commodities, Revised section may be completed.
- ☐ Make sure the commodity and rate codes are entered (these can be found in the Actuarials or if keyed in FMHA, these are auto-filled and can be taken from that information).
- ☐ Separate lines for commodities should be included if there are different prices from contracts, varieties, and yields.
 - If a weighted average for contracts is used, a weighted average worksheet should be included.
- ☐ Are there commodities listed as Purchase for Resale?
 - Yes – needs to be indicated on FOR and marked in FMHA
 - No
- ☐ Are there any Organic Commodities?
 - Yes
 - No
- ☐ If yes, an Organic Certificate should be uploaded by the Revised FOR deadline of July 15th.
- ☐ Is this a vertically integrated Operation?
 - Yes – is explanation included?
 - No
- ☐ Are any commodities nursery related?
 - Yes – has an inspection been completed in the last 5 years?
 - No – order an inspection
- ☐ Are there any perennial commodities listed?
 - Yes – PAW or FUR required. Has an inspection been completed in last 5 years?
 - Yes
 - No – order an inspection.
 - No
- ☐ FMH packet calculates Average Revenue, and Approved Revenue and Expenses. Verify this matches how FMHA is calculating.

EXPECTED VALUE AND YIELD SOURCE DOCUMENTATION FORM- See Section 18 of Policy

Commodities, Codes, Yields, and Values flow from the Farm Operation Report in FMH packet.

- ☐ Are yields reasonable and supported for each commodity
 - Yes
 - No
- ☐ Is there an underlying MPCI policy?
 - Yes
 - No
 - If yes, do yields match the yields reported on that policy?
 - Yes
 - No
 - If no, are there verifiable records supporting the yield during the 5-year whole-farm history period and lag year?

Yields must match underlying policy unless an explanation has been approved by the AIP (Section 18).

- ☐ Are expected values reasonable and supported for each commodity?
 - Yes
 - No

☐ Values must follow the hierarchy below with verifiable documentation (Section 18).

- *1. Contract Price
 - Yes – must be included at SCD or by RFOR deadline if received after SCD.
 - No – then go to next
- *2. Price received for sold commodity
 - Yes – need copies of settlement sheets to verify price
 - No – then go to next
- *3. Order of Priority:
 - AMS/NASS/Economic Research Service or other government agency
 - Yes – copies of verifiable evidence must be included
 - No – then go to next
 - FCIC published price for the area where the commodity is normally sold
 - Yes – screenshot or copy of actuarial documents must be attached.
 - No – then go to next
 - Current local, average, cash bid price in market commodity is normally sold
 - Yes-verifiable documentation must be attached.
 - No – then go to next
 - The average price offered by at least two commercial buyers: one selected by insured and one selected by FMH
 - Yes – verifiable documentation must be attached.
 - No – then go to next
 - Prices from a reliable third party source
 - Yes – verifiable documentation must be attached.
 - No – then go to next
- *4. Average price received for the three most recent years if no disinterested third-party source above exists.
 - Yes – verifiable documentation must be included
 - No

If price or yield cannot be determined for a commodity because an acceptable price source doesn't exist or expected yield can't be established, the expected value of the commodity will be zero and all revenue from that commodity will be considered revenue-to-count (Section 18 (i)).

INVENTORY REPORT

- ☐ Only the Beginning Inventory Section should be completed with values based on the beginning of the insurance period.
- ☐ Each place a commodity is stored should be listed.
 - If the insured doesn't submit a beginning inventory report, including zero inventory, note the policy because any revenue received from these commodities produced or purchased for resale in prior policy years reported on the insured's tax forms will be included as revenue-to-count at claim time.
- ☐ The count of measurement of the insured's quantity of the commodity should use the unit of measure in which the commodity is marketed, such as bushels, tons, hundredweight, etc.
- ☐ Insured must have verifiable records available if requested by AIP.

ACCOUNTS RECEIVABLE, PAYABLE, AND PREPAID EXPENSES REPORT

- ☐ Only the Beginning Amount or balance in each section should be completed (if applicable).
- ☐ Listed on separate line per buyer/creditor.

MARKET ANIMAL & NURSERY INVENTORY REPORT

- ☐ Only needs to be completed if there are market animals or nursery products listed on the FOR
- ☐ Only the Beginning Inventory should be filled out.
 - If column 13 has a value, this value needs to be added to the Cost/Basis column for that commodity.
- ☐ Can request an inspection for complete and accurate count of animals and nursery commodities.

NARRATIVE (last page of FMH packet)

- ☐ Should be completed giving a detailed description of the insured's farm operation, including commodities and further explanation as to how prices and yields are derived.

PAW OR FUR

- ☐ Must be completed for perennial or forage commodities.
- ☐ Inspections may need to be requested based on these forms. Inspections should be ordered on new policies if we don't have underlying MPCl policy with current inspections completed.

UNDERLYING MPCl SOC & APH DOCUMENTS

- ☐ If policy is with FMH, we can pull forms and verify yields, acres, and MPCl liability
- ☐ If MPCl is with other AIP, agent must include documents at SCD or SOC by the Revised FOR deadline (July 15th).
- ☐ MPCl policy number and AIP must be keyed in FMHA under the Farm Report tab and MPCl liability must be included.
 - The MPCl liability is a manual entry and must be added and keyed manually in order to be used for premium rating.

REVISED FARM OPERATION REPORT (July 15th)

- ☐ Did the county where the majority of the expected revenue to be earned change within the policy year (#4a on FOR)?
 - Yes – must be indicated on RFOR and keyed in FMHA.
 - No
- ☐ Did all commodities carry over from Intended to Revised Section?
 - Yes
 - No
- ☐ Were commodities modified from the Intended Farm Operation Report?
 - Yes
 - No
- ☐ If yes, did the additional commodities meet the guidelines of the Expected Values and Yields (Section 18 of policy)?
 - Yes
 - No
- ☐ Additional commodities that were not listed on the Intended FOR must include the expected value and yield source on the Expected and Value Yield Source Certification Worksheet with verifiable documentation.
- ☐ The Narrative must be updated to explain any changes made to the farm operation from the Intended to the Revised FOR.
 - Example: replanted crops and replacement crops (was notice of loss filed?) See Paragraph 49 of WFRP Handbook for replanted and replacement crop examples
 - Example: Farm management decision made to not plant an intended crop. This would carry over on the revised as zero and removed completely in FMHA.
- ☐ If the Revised FOR was already submitted and past the July 15th deadline, was the AIP notified within 30 days of the commodity change(s)?
 - Yes – review changes and determine if appropriate documentation was attached to verify change
 - No - revenue will be considered as revenue-to-count at claim time.

REVISED FARM OPERATION REPORT SUPPORTING DOCUMENTATION

- ☐ All contracts MUST be attached. If an insured receives a contract after the SCD, this is the only time a price can be changed from the Intended to the Revised FOR.
 - If contracts aren't available, then the contract price will be removed and the price will be determined per the expected value hierarchy and priority list (Section 18 of policy).
- ☐ All PAWS and FURS must be attached if added commodities. Should have already been included at SCD.
- ☐ Organic Certificate must be included if there are organic commodities.
 - If there is not an organic certificate by July 15, organic commodity lines must be changed to conventional and conventional expected values MUST be used.

UNDERLYING MPCl SOC & APH

- ☐ If the underlying crop's ARD was prior to the WFRP SCD, then the SOC's should have been included with the Intended Farm Operation Report at SCD. If not, then due by the Revised FOR deadline.
- ☐ If underlying MPCl is with FMH, then can reference policy number or attached SOC and APH documents.
- ☐ If underlying MPCl is with another AIP, agent must include SOC to verify acreage and MPCl liability for premium rating.