

Using the USDA Risk Management Checklist



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PRODUCTION

Question 1.

Have you recently evaluated your risk in the event of the loss of your crops?

If crops are lost due to a crop-insurance-covered loss, your policy will state the value of the crop and the percentage of the loss covered by your policy. For crops grown that are not covered by crop insurance, most can be insured through the Noninsured Crop Disaster Assistance Program, which is acquired through your local Farm Service Agency (FSA) office.

- Risk Management Agency (RMA): www.rma.usda.gov
- Noninsured Crop Disaster Assistance Program (NAP): www.fsa.usda.gov/programs-and-services/disaster-assistance-program/noninsured-crop-disaster-assistance/index

For crops not covered under either program, enterprise budgets should be developed for each crop, determining its value to your operation. For more information about budgeting, please see extension.psu.edu/budgeting-for-agricultural-decision-making.

Question 2.

Have you recently evaluated your risk in the event of the loss of your animals?

Depending on the species of livestock raised, there are crop insurance programs covering several livestock options.

- Livestock Indemnity Program (LIP): www.fsa.usda.gov/programs-and-services/disaster-assistance-program/livestock-indemnity/index
- Emergency Assistance for Livestock, Honey Bees, and Farm-raised Fish (ELAP): www.fsa.usda.gov/programs-and-services/disaster-assistance-program/emergency-assist-for-livestock-honey-bees-fish/index
- Livestock Forage Program (LFP): www.fsa.usda.gov/programs-and-services/disaster-assistance-program/livestock-forage/index

The Risk Management Agency (RMA) also has programs benefiting livestock and dairy producers. For more information, please see www.rma.usda.gov/en/Topics/Livestock.

Question 3.

Have you investigated other alternative production methods and their consequences?

One alternative method to consider is organic certified production. For information covering organic certification, please see www.usda.gov/topics/organic. The United States Department of Agriculture (USDA) outlines several alternative production methods at www.nal.usda.gov/afsic/production-practices-0.

Question 4.

Do you have the necessary knowledge to consider an additional or alternative enterprise?

A list of many alternative enterprises is available from the following:

- Penn State Extension: extension.psu.edu/business-and-operations/business-management/ag-alternatives
- Iowa State University: www.extension.iastate.edu/alternativeag
- Sustainable Agriculture Program (ATTRA): attra.ncat.org

Question 5.

Have you investigated which crop insurance alternative (PLC, ARC) best fits your needs?

The Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) options are administered by FSA. Detailed information is available at www.fsa.usda.gov/programs-and-services/arcplc_program.

The Supplemental Coverage Option (SCO) for crop insurance provides additional coverage for your policy. You will be required to make a decision about this product, so please see www.rma.usda.gov/en/Fact-Sheets/National-Fact-Sheets/Supplemental-Coverage-Option-2018.

Question 6.

Is your crop insurance protection adequate to cover a severe crop loss?

Before signing any insurance policy or related document, make very sure of what is in the document. You will need to ensure that you fully understand your coverage and regulations prior to signing the policy.

Question 7.

Have you reviewed all of your crop insurance options with your agent?

You should have at least an annual meeting with your salesperson to review the past year, assess your coverage and options, and potentially explore any coverage changes.

Question 8.

If you are producing crops not covered under a crop insurance program, have you considered the Farm Service Agency’s Noninsured Disaster Assistance Program (NAP) ?

The fact sheet for NAP can be accessed at www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/FactSheets/2017/nap_for_2015_and_subsequent_years_oct2017.pdf. For additional program information, please see www.fsa.usda.gov/programs-and-services/disaster-assistance-program/noninsured-crop-disaster-assistance/index.

Question 9.

If you are considering NAP, do you know the sales closing deadlines?

The sales closing dates for NAP may vary by state and by county. The program is administered through your state and local FSA office, so please see www.fsa.usda.gov/state-offices/index. You will need to find your state site then choose the county closest to you.

Question 10.

Have you conducted a Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis for your operation within the past five years?

“SWOT” stands for Strengths, Weaknesses, Opportunities, and Threats. A SWOT analysis is used for both marketing and business decisions. A guide to conducting a SWOT analysis can be found at extension.psu.edu/conducting-a-swot-analysis.

Question 11.

Are you in an area capable of supporting irrigation?

The Natural Resources Conservation Service (NRCS) web soil survey is located at websoilsurvey.nrcs.usda.gov/app/WebSoilSurvey.aspx. Using this survey will provide your soil type and structure, and allow you to determine if irrigation may be necessary.

The National Weather Service site contains a wealth of information covering past rainfall amounts, current weather conditions, and weather alerts for your area. This site can be found at www.weather.gov. This site is a great supplement to your own farm weather records.

The Hydrologic Unit Maps for the entire United States can be found at water.usgs.gov/GIS/huc.html. Using these maps will help you determine the amount of underground water available in your area. The surface water maps of your area can be found at waterwatch.usgs.gov.

Question 12.

Do you know the irrigation system that best suits your needs and its cost?

There are two basic methods of irrigation, both having several variations. One method is overhead irrigation (spraying water over the crop) and the other is trickle (or drip) irrigation (adding the water closer to the root system of the plant). See Sustainable Agricultural Research and Education website at www.sare.org/Learning-Center/Books/Building-Soils-for-Better-Crops-3rd-Edition/Text-Version/Managing-Water-Irrigation-and-Drainage/Irrigation.

Question 13.

Have you used the Coverage and Exemption Tool to confirm compliance requirements??

It is important to assess how the FSMA Produce Rule affects you—whether you need to comply or are exempt. Use the exemption tool found at extension.psu.edu/fsma-produce-safety-rule-coverage-and-exemption-tool.

PRODUCTION

Question 14.

If you are a specialty crop or value-added farmer, have you used the Preventive Controls Exceptions Chart to determine if you have a Mixed Type or Qualified Exemption from Food Safety and Modernization Act (FSMA)?

If you are selling any value-added items (including products that are washed, peeled, cut, or processed), it is important to know whether you must comply or are exempt. To determine how FSMA applies to your enterprises, use the flow chart found at extension.psu.edu/fsma-preventive-controls-rule-exemptions.

MARKETING

Question 1.

Do you have a current written marketing plan?

Developing a marketing plan will guide you to products and services that your target market will want to buy. Good marketing helps your customers understand the benefits and features of your products or services. The first component of the marketing plan gathers pertinent information about the potential market for your product(s) and/or service(s), evaluates strengths and weaknesses, and identifies a target audience. For more information, see:

- extension.psu.edu/marketing-research-basics-identifying-your-target-market
- extension.psu.edu/first-steps-to-a-marketing-strategy
- extension.psu.edu/fruit-and-vegetable-marketing-for-small-scale-and-part-time-growers
- www.business.gov.au/planning/marketing-plans/why-do-i-need-a-marketing-plan

Question 2.

Have you coordinated your marketing plan with your goals and objectives and your financial and production plans?

An important task in starting a new venture is to develop a business plan. This plan is a “road map” to guide the future of the business or venture. The elements of the business plan impact daily decisions, providing direction for expansion, diversification, and future evaluation of the business. Resources for business plan develop include:

- extension.psu.edu/developing-a-business-plan
- extension.psu.edu/product-pricing-what-do-i-charge
- extension.psu.edu/budgeting-for-agricultural-decision-making
- extension.psu.edu/fruit-and-vegetable-marketing-for-small-scale-and-part-time-growers
- extension.psu.edu/the-build-a-budget-book

Question 3. **Managing marketing risks**

Market risk refers to uncertainty about both the prices received for commodities and the prices paid for inputs. The nature of market risk varies significantly from commodity to commodity.

Question 3a.

Are you comfortable with your knowledge of marketing opportunities?

Sound market research depends on reliable, applicable information to build your business. This research provides information to help you predict sales and develop a marketing strategy.

- extension.psu.edu/do-your-products-meet-your-customers-values
- extension.psu.edu/direct-marketing-where-to-begin
- extension.psu.edu/choosing-the-right-market-channel
- www.extension.iastate.edu/agdm/wholefarm/html/c5-30.html

Question 3b.

Have you reviewed your marketing options within the past six months?

See how to review your marketing options at extension.psu.edu/a-four-step-plan-to-marketing.

Question 3c.

Do you understand how crop insurance revenue guarantees can enhance marketing opportunities?

Revenue protection insurance guarantees a certain level of revenue regardless of what happens during production or in the marketplace. It protects you from declines in both crop prices and yields. The guarantee is based on market prices and the actual yield on your farm. See the following:

- extension.psu.edu/crop-insurance
- extension.psu.edu/crop-insurance-prevented-planting-details
- extension.psu.edu/ag-profitability-growing-profit
- www.extension.iastate.edu/agdm/crops/html/a1-54.html

Question 3d.

Do you proactively manage input prices?

Proactive management of input prices is necessary, as it is the piece of marketing risk that you can best control. Don't become a person of habit when ordering your inputs from year to year; take time to look at the marketplace for new suppliers and new products to be sure you are using resources wisely.

Question 3e.

Do you know where you are on the value chain and have you considered any value-added opportunities?

Supply chains refer to the flow of products and information between the producer and consumer. Supply chain management is needed when buying materials, transforming materials into finished products, and distributing those products to end customers. Value-added agricultural business refers to activities other than traditional commodity production and can include creating consumer-ready products with shelf-life, as well as agritourism and entertainment agriculture activities.

- extension.psu.edu/what-is-value-added-agriculture
- extension.psu.edu/agritainment-information-for-starting-the-business

Question 3f.

Do you have difficulty meeting quality requirements?

Contract farming is an agreement between farmers and buyers covering terms and conditions for the production and marketing of farm products. Conditions usually specify the price to be paid to the farmer, the quantity and quality of the product demanded by the buyer, and the date for delivery to buyers. To learn more about this option, see:

- www.fao.org/3/a-i7581e.pdf
- www.agmrc.org/business-development/getting-prepared/valueadded-agriculture/what-is-value-added-agriculture

Question 4.

If you're a specialty crop farmer, do you have the necessary marketing records to validate that at least 51 percent of your products were sold directly to consumers or a restaurant or retail food establishment that is located in the same state as the farm (or not more than 275 miles away) in compliance with food safety regulations?

The Food Safety Modernization Act Produce Safe Rule allows farmers exemption from detailed compliance with some of the food safety requirements if the produce is sold in its natural form (that is, not cut, pared, washed, or cooked) directly to customers or qualified retail establishments (local restaurants and small stores) that are in the same state as the farm or within 275 miles (even across state lines). However, in order to claim these exemptions, it is necessary for the farmer to plan for least 51 percent of sales to fall into this local, direct category—and the farmer must keep and retain (for three years) detailed records showing date, to whom, and the quantity for each sale, in case an FDA audit is performed. For more information about all records required by the FSMA Produce Safety Rule, see producesafetyalliance.cornell.edu/sites/producesafetyalliance.cornell.edu/files/shared/documents/Records-Required-by-the-FSMA-PSR.pdf.

Question 1.

Do you have a current written business plan?

While many farmers may not have a written business plan, many have a mental plan they follow. However, a plan is not a plan until it is written, so take some time during an off-season to develop a written plan with the help of family and employees. To assist with drafting the plan, please see the following:

- Penn State Extension: extension.psu.edu/developing-a-business-plan
- University of Minnesota: agplan.umn.edu
- Small Business Development Centers (SBDCs): www.sba.gov/business-guide/plan-your-business/write-your-business-plan
- Service Corps of Retired Executives (SCORE): www.score.org

Question 2.

Have you planned for a best-case scenario and developed a plan for how additional income will be used?

When you are developing or revising your business plan, create your pro forma (before actual) financial statements as accurately as possible. Do not embellish income and reduce expenses to make the “bottom line” look better. However, if you find you have additional income, create a plan for the best use of those funds. A conservative use is to always reduce your debt load; some farmers prefer to use the funds to purchase wanted (not needed) capital improvements like more land or upgraded equipment.

Question 3.

Have you planned for a worst-case scenario and considered an alternative plan?

What will you do in the event of a major or partial crop failure that reduces your income? If you purchased crop insurance, the claim will help reduce the potential loss and possibly cover input costs. As soon as you anticipate a loss of income, contact your lender. The early notification will strengthen your character portion of the five Cs of lending. Your lender will help you create a plan to compensate, reducing some of the stress of the situation.

Question 4.

Have you generated enterprise budgets for each of your production segments?

Having pro forma and actual budgets will assist with many decisions. The publication “Agricultural Alternatives: Budgeting for Agricultural Decision Making” (extension.psu.edu/budgeting-for-agricultural-decision-making) explains how to develop and calculate several types of budgets. In addition, the web pages and publications related to “Agricultural Alternatives” (extension.psu.edu/business-and-operations/business-management/ag-alternatives) contain budgets for many types of enterprises, including links to interactive PDF budgets you can customize to your operation.

Partial budgeting is used to compare potential profitability of one production practice over another, considering only the income and expense differences between the two practices. Penn State Extension also has an online course to teach partial budgeting (extension.psu.edu/partial-budgeting).

Question 5.

Do you know your breakeven costs and production levels, and have you included all costs of applying good manufacturing practices or preventive controls in the analysis?

Knowing your breakeven cost is imperative when deciding the best way to sell what you grow. If you do not know your breakeven cost, you may sell your crop at a loss. Your **breakeven price = projected (or actual) costs ÷ expected or actual yield**. Your **breakeven yield = projected (or actual) costs ÷ expected (or actual) “asking price.”** If you are adding value to farm products, you may have additional costs associated with FSMA—the requirement to use either a commercial kitchen or costly diagnostic tools to confirm safety standards. Including appropriate variable and fixed costs related to FSMA in your breakeven may drastically change how many units you will need to sell to cover all expenses and begin to make a profit.

Question 6.

Do you have the knowledge to create a balance sheet, cash flow, and income statement?

If you have an accountant for your business, he or she can create your statements at the end of your fiscal year. To use these documents, you will need to understand the purpose of each statement and the origin of the numbers. If you do not have an accountant, the Center for Farm Financial Management at the University of Minnesota has developed materials to assist you in creating your financial documents, found at www.cffm.umn.edu/farm-management-publications. Also see Penn State Extension (Farm Sense) at extension.psu.edu/farm-sense-online.

Question 7.

Do you have the knowledge to interpret important financial ratios?

See the Center for Farm Financial Management's Farm Finance Scorecard at www.cffm.umn.edu/wp-content/uploads/2019/02/FarmFinanceScorecard.pdf. You may want to check with an extension educator to see if there are benchmarks (averages of other farms like yours) to which you can compare your ratio scores.

Question 8.

What is your debt-to-asset ratio?

Your debt-to-asset ratio will be one of the calculations you will make when you create your ratios in the previous question; it measures the percentage of assets is "owned" by your lender compared with the percentage of resources that are "owned" by you.

Question 9.

Is the growth of your net worth exceeding inflation?

The rate of inflation, based on the Consumer Price Index (CPI), can be found at www.bls.gov/cpi. Your balance sheet will provide your net worth or owner's equity (total assets minus total liabilities). In order to determine your farm's financial health compared with inflation, you will need the net worth/owner's equity from at least two consecutive balance sheets.

Question 10.

Have you reviewed your ratio trends with your lender?

You should schedule regular meetings with your lender. At the minimum, these should be yearly, although every six months is better. These meetings may be one of the conditions of your loan package. There is no substitute for good communication with your loan officer, because he or she will provide a different perspective and interpretation to what is happening on your farm.

Question 11a.

Is your insurance protection adequate to repay current operating loans?

When discussing your crop insurance policy with your salesperson each year, be sure to consult your breakeven price and yield and determine the income you will need to cover all operating loans. These numbers tell you when to increase your yield and price guarantees to cover everything.

Question 11b.

Is your insurance protection adequate to allow you to take advantage of marketing opportunities?

Having adequate crop insurance will assist with marketing of many crops. Crop insurance provides a floor that your business will not go below. This figure provides the amount per bushel or unit you need to cover expenses. It may also help if you participate in forward contracting.

Question 12.

Have you reviewed your tax liability within the past three months to determine your tax strategies?

Many farmers wait until the end of their fiscal year to determine their tax burden. Continuous budgeting and regular income statements (at least every six months, though every three months is better) will provide an early alert of a potential excessive tax burden. Methods to reduce the tax burden need to be based on accurate information. You do not want to spend any extra funds from your checkbook only to find out later that those funds are needed to cover the tax burden.

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It's always good to determine your best tax reduction strategy by consulting your preparer. Federal Income tax information is available from extension.psu.edu/understanding-your-federal-farm-income-taxes.

Question 13.

Have you investigated all of your potential financing options?

While it is important to have consistency with your lender, paying too much in interest or settling for less-than-ideal terms may signal a need to make a change. Before jumping to another bank, be sure you are comparing the same options: the amount of funds borrowed, interest rate, and when payments are due. Rather than changing lenders, you may be able to change a short-term loan to an intermediate loan or restructure payment options to better suit income streams. These are all issues you should consider when making financing decisions.

Question 14.

Have you investigated all available government programs?

Several programs provide assistance to farms. Your local FSA office (www.fsa.usda.gov) is a visit most farmers make at least once each year, when reporting acreages and yields to be eligible for many crop programs. The NRCS (www.nrcs.usda.gov/wps/portal/nrcs/site/national/home) office is usually in the same building as FSA and can provide funding assistance for conservation related issues. USDA (www.farmers.gov) has a variety programs, making visiting these offices is a must for any farmer. Your local County Conservation District office can also help with conservation programs.

Question 15.

Have you considered trade-offs between maintaining your current investments (certificates of deposit/savings/etc.) and/or reinvesting in expanding your operation?

When your business is or has been profitable, you might consider investing the “excess funds” through savings or stocks and bonds. “Putting it away for a rainy day” is always beneficial, as most farmers do not have someone matching their retirement investments. See www.irs.gov/retirement-plans/help-with-choosing-a-retirement-plan.

After you have made your retirement contributions (see www.irs.gov/retirement-plans/plan-participant-employee/retirement-topics-ira-contribution-limits) or investments for the year, you may still have funds in savings. If you have loans that are charging more interest than that received from the savings, you may consider paying down debt rather than putting the funds into a savings account. Since this has tax implications, it is wise to consult your tax preparer or accountant to select the right course of action.

Question 16.

Do you consult a financial management consultant, lender, accountant, insurance provider, or other professional when making major financial decisions?

Developing a business team is always a good idea, especially to be able to consult when issues arise. Most business teams consist of family, an accountant, an attorney, an insurance provider, and possibly a mentor. These team members will view your business through their areas of expertise and provide more unbiased views of any issue, making them invaluable.

Question 17.

Are you comfortable with your level of debt?

The amount of time you have been in business may impact how much debt you are willing to carry. The person just starting out in business may be more risk adverse than someone who has farmed for 30 years. New farmers may have more uncertainty about the industry and their abilities than more experienced farmers. Each person is different, so only you can answer this question.

Question 18.

Do you manage working capital from year to year?

Working capital refers to the funds available in the short term from business operations. Is your operation generating enough funds to pay all bills in a timely manner? You need to operate within the means of the business income if possible. Due to the seasonal nature of farm income, you may need to borrow operating funds each year, but they should be paid back with interest from your working capital.

Question 1.

Is your will up to date?

A will is the primary document recognized by law in the United States to direct the distribution of property owned by the decedent at the time of the death. A will should be part of a comprehensive estate plan implementing a strategy to transfer farm assets to specific individuals in a way that minimizes stress, operational disruptions, and the potential tax burdens on your heirs. The actual estate plan needs to be revisited from time to time (every three to five years and when significant life or business changes occur) to ensure it continues to satisfy your needs and fulfill the goals set.

- extension.psu.edu/estate-planning-for-pennsylvania-farm-families
- farmlandaccess.org/wills
- www.ag.ndsu.edu/ndestateplanning/estateplanning/wills-1

Your will should be reviewed anytime there is a major change within the family (such as a new child or children no longer needing guardians). Additionally, with the passage of time, your choices as to who will fulfill important responsibilities, such as the executor of your estate, may change. Expanding/reducing the size of the farming operation should trigger a review of your legal documents. There are online tools to create a simple will, but farming operations are generally complex, and these online tools do not always account for the individualized circumstances of each person or business. As such, you should always exercise great caution in relying on these generalized tools. Obtaining the services of a licensed attorney in your state who can review your individual goals and circumstances is the best way to reduce the risks associated with estate planning decisions.

Question 2.

Do you have a living will or advanced directive?

If you have visited your doctor or had any hospital stays or surgeries, you have been asked this question. It is better for you to decide the level of life-saving methods you want in advance rather than create uncertainty or conflict among your family members as to your wishes during this time of major stress. An “advance directive,” sometimes referred to as a “living will” or an “advance health care directive,” provides a way for you to let doctors know how you wish to be treated when you need medical attention but are physically or mentally unable to give instructions about your care.

- articles.extension.org/pages/13463/a-living-will
- news.psu.edu/story/205693/2006/02/02/what-advance-directive-and-who-should-have-one

Question 3.

Have you designated health and financial powers of attorney?

All powers of attorney are legal written documents that designate an agent to perform a wide variety of financial, business, legal, and health decisions. A general power of attorney grants very broad powers for your agent to act on your behalf. A special power of attorney, also referred to as a limited power of attorney, restricts the powers of your agent to very specific types of actions. The powers granted in a power of attorney terminate if the principal becomes disabled or incompetent, unless the document states in writing that the power remains in effect throughout the incapacity of the person, and the agent retains his or her decision-making duties during this time. This is called a durable power of attorney. The authority granted through all powers of attorney, even durable powers of attorney, terminate upon the death of the principal.

- extension.psu.edu/getting-your-affairs-in-order
- msuextension.org/publications/FamilyFinancialManagement/MT199001HR.pdf

Question 4.

Do you have a farm transfer plan or exit strategy that has been reviewed within the past three years?

Having a farm transfer or succession plan will help you designate who takes over the farm, or it can lay out your lifetime investment strategies. A goal of any transition plan is to pass the farm to the appropriate individual(s) within the next generation with a minimum of inheritance taxes while also minimizing family dissension. When farms transition, it can be a challenging and emotional time. A financial planner and an attorney should be consulted through this process, and an extension educator can help facilitate family communications, financial decision making, and technical training of new farm managers. Information about succession can be found at:

- extension.psu.edu/estate-planning-for-pennsylvania-farm-families
- extension.psu.edu/farm-transition
- www.extension.iastate.edu/agdm/wholefarm/html/c6-46.html

Many Cooperative Extension services have programs to assist with farm transition; contact your local extension educator to see what your university has to offer. A good introductory article on this subject is “Agricultural Alternatives: Estate Planning for Pennsylvania Farm Families” (extension.psu.edu/estate-planning-for-pennsylvania-farm-families). Online courses and planning tools are available from:

- Penn State Extension: extension.psu.edu/business-transitions-family-farm-and-business-succession-planning
- University of Minnesota Center for Farm Financial Management: agtransitions.umn.edu
- The University of Vermont: www.uvm.edu/farmtransfer/?Page=ttffamily.html&SM=ttfsubmenu.html

Keep in mind that each state may have different laws, so verifying with an attorney is recommended.

Question 5.

Have you recently reviewed your farm owner’s policy?

Farm owner’s insurance covers the machinery, buildings, livestock, and farm shop equipment on your operation, as well as your house and its contents (if the house is on the same property). Your farm owner’s policy will also provide liability coverage.

- extension.psu.edu/usda-whole-farm-revenue-protection
- extension.psu.edu/farm-owners-insurance

Anytime you purchase a new or used piece of equipment, add or reduce land, or make any other substantial change to your business, you should contact your insurance salesperson. If you trade a piece of equipment, make sure it is removed from the policy. Likewise, anytime you add equipment, it should be added to the policy. If the equipment is used as collateral for a loan, your lender will require that it be covered. If you operate your farm with someone else or use multiple legal entities to operate different parts of your farm, it can be important to clarify the legal owner of each piece of equipment with your insurance salesperson to ensure coverage. If you have buildings you do not use regularly, consider whether they can be removed from or kept on the policy. Meeting with your insurance provider will help determine what can or should be covered. If a building is in disrepair, the company may not insure the building. A yearly insurance checkup should be scheduled prior to policy renewal.

Question 6.

Have you recently evaluated your risk exposure to...

There are many unpredictable factors in farming, necessitating understanding and managing risk to anticipate and reduce problems. Risk factors include weather, pests and disease, equipment failure, market fluctuations, changes in government policies, changes in consumer preferences, borrowing money, and changes in the labor market, to name just a few. Risk management identifies ways to reduce variability in productivity and increase profitability.

- extension.psu.edu/free-legal-services-for-farmers-available-through-penn-state-law
- extension.psu.edu/understanding-agricultural-liability

Question 6a.

Liability covering the public entering your property?

In Pennsylvania and many other states, you have varying degrees of responsibility for people on your property depending on whether people were invited (either directly or implied through your business operation) or were trespassing on your property. The ways in which liability is established will vary from state to state, so checking applicable liability is important. Penn State Extension’s “Agricultural Alternatives: Understanding Agricultural Liability” (extension.psu.edu/understanding-agricultural-liability) provides initial information for Pennsylvania.

An agritourism business must have adequate liability insurance coverage in case of a customer-related accident on the farm. The farm can choose to use the insurance company through which it has a general liability policy, or it can opt for an insurance agent that specializes in agritourism and farm coverage. Specific information about this type of enterprise is found at:

- www.rural.palegislature.us/documents/reports/Agritourism_handbook.pdf
- extension.psu.edu/agritourism-and-ag-safety
- extension.psu.edu/understanding-agricultural-liability

Some states have statutes that provide some liability protection for agritourism, equine operations, and the recreational use of land and water. You should check your state law to see what applies to your farm.

The National Ag Law Center also has a repository of information covering federal and some states' case law and statutes, accessed at nationalaglawcenter.org/research-by-topic/landowner-liability. There is no excuse or substitute for knowing the laws in your state.

Question 6b.

Liability of direct marketing?

When selling farm products directly to the consumer, food safety should be your first concern. Your risks related to food safety can result from regulations that you may need to follow and lawsuits that individuals may file against you if they get sick from your farm products. The Food Safety and Modernization Act of 2011 (FSMA) covers selling products (and even farm production) to the public. Even if you are not adding value or processing the production, you can still fall under the regulations. Check with your state Department of Agriculture to determine your responsibility.

Your farm owner's insurance policy may contain a limited amount of product liability insurance (around \$300,000). If you are direct marketing, however, this will not provide adequate protection. With current land values, this amount will probably not protect your farm, so buying additional product liability insurance is frequently required. For more information covering product liability insurance, please see extension.psu.edu/product-liability-insurance.

Another method of reducing direct marketing liability is through your business structure. A well-designed business structure will assist in protecting your personal assets if a judgment is entered against you. There are some structures (e.g., sole proprietorships and partnerships) you can establish without filing any documents in Pennsylvania, but these types of businesses offer little or no protection for personal assets. A corporation, LLC, or similar entity can provide a manner of protecting your personal assets. You should consult an accountant and an attorney to determine the best structure(s) for your farm activities. There are several sources of information covering business structures for your farm business:

- Sustainable Agriculture Research and Education: www.sare.org/Learning-Center/Books/Farmers-Guide-to-Business-Structures
- Penn State Extension: extension.psu.edu/choosing-a-legal-structure-for-your-agriculture-business
- Washington State University: s3.wp.wsu.../01/Business-Structure-For-Small-Farms_A-Quick-Guide.pdf
- The National Ag Law Center: nationalaglawcenter.org/overview/bus-org
- Kansas State University: www.ksre.k-state.edu/kams/succession.../Agricultural_Business_Structures
- Agricultural Marketing Resource Center: www.agmrc.org/business-development/starting-a-business/creating-a-business/legal-organizational-structure

Question 6c.

Liability of any value-added enterprises?

Direct farm marketing is defined as selling food and farm products directly to consumers without using an intermediary. There are many direct marketing opportunities available to farmers, including roadside markets and farm stands, farmers markets and public markets, pick-your-own operations, community-supported agriculture, direct sales to restaurants and stores, and agricultural tourism and on-farm recreation. When the middleman is eliminated, farmers may face increased scrutiny in cases of foreign object, foodborne illness, and other related cases.

- pennstatelaw.psu.edu/_file/aglaw/Direct_Farm_Marketing_2.pdf
- extension.psu.edu/product-liability-insurance

Many of the liability/risk aspects of agritourism also pertain to a value-added enterprise. In addition, you will need to consider any regulatory requirements under food labeling laws (see nationalaglawcenter.org/research-by-topic/food-labeling).

Product recall information from several federal agencies can be found at www.foodsafety.gov.

A repository of product recall information can be found at www.usa.gov/recalls.

LEGAL

Keep in mind that you will need to consider your product recall plan when beginning a value-added business. The plan should be written and available to all employees and potentially your wholesale customers.

Question 6d.

Your state Department of Agriculture's direct marketing regulations?

Each state has different laws and regulations governing production agriculture and marketing. Your State Department of Agriculture enforces these state laws and some federal laws and regulations. You should have your Department of Agriculture's web page bookmarked on your computer.

Question 6e.

Livestock breaking through fences?

In most parts of the United States, including Pennsylvania, you are responsible for controlling your livestock, so constant fence maintenance is a must. You should also review your farm owner's insurance policy to determine the level of coverage that is offered in the event of livestock breaking through a fence and causing damage to other's property. Pets or farm animals that are part of the farm enterprise may subject the owner to legal liabilities. Responsibility for acts of domestic animals is determined to a large extent by state fencing laws.

- pennstatelaw.psu.edu/_file/aglaw/Pennsylvania_Fence_Law.pdf
- extension.psu.edu/confidentiality-liability-and-legal-tangles

Question 6f.

Environmental (including spreading manure) and pesticide issues?

All facilities or properties that have animals that produce manure or apply manure or agricultural process wastewater to crop fields and pastures generally must have a written Nutrient Management Plan.

- extension.psu.edu/programs/nutrient-management/manure/overview-of-deps-manure-management-manual/the-basics-of-manure-management-requirements
- extension.psu.edu/programs/nutrient-management/act-38-law-and-regulations/nutrient-management-legislation-in-pennsylvania-a-summary-of-the-2006-regulations

Again, each state has statutes and regulations that may impose requirements on you and subject you to civil or criminal enforcement actions if you fail to meet these requirements. Review your farm owner's policy with your insurance provider to determine your coverage level in the event of an environmental incident. The National Ag Law Center has information covering environmental (nationalaglawcenter.org/research-by-topic/environmental-law) and pesticide (nationalaglawcenter.org/research-by-topic/pesticides) issues. Your attorney can also advise you regarding these topics.

Question 6g.

Land use issues with neighbors?

When you know your neighbors, it is easier to talk to them when problems occur and to keep problems from escalating into blame, misunderstandings, hard feelings, or intense community conflict. Knowing your neighbors makes it more likely that when they have a concern about your farm operation (such as noise or odor), they will call you directly to work it out instead of filing a lawsuit or reporting you to the township or a government agency. Check the following resources:

- extension.psu.edu/finding-the-common-ground-good-neighbor-relations-advice-and-tips-from-farmers
- extension.psu.edu/free-legal-services-for-farmers-available-through-penn-state-law

When neighbor relations become strained and communication is difficult, the National Ag Law Center has information regarding dispute resolution here at nationalaglawcenter.org/research-by-topic/alternative-dispute-resolution-2.

In Pennsylvania, individuals can contact the Pennsylvania Agricultural Mediation Program at pennstatelaw.psu.edu/pennsylvania-agricultural-mediation-program to inquire about mediation services.

Question 7.

Do you understand the provisions of all of your contracts, leases, and loans?

Anytime you enter into a contractual agreement with another business or person, that contract should be in writing and reviewed by your attorney. Some states may require most or all contracts to be in writing, while other states may only

require the sale of land contracts to be in writing. Oral contracts may sometimes be valid, but it can be very difficult to prove the terms of these contracts since the parties may remember the negotiations differently. The parties also may disagree on whether a contract exists at all. Having a contract that is not enforceable is essentially the same as not having a contract, so the best course of action is to always have a written contract.

For more information covering leases, see the National Ag Law Center's information at nationalaglawcenter.org/research-by-topic/ag-leases. University of Minnesota's Ag Lease 101 (aglease101.org) contains a wealth of information, including sample leases.

Lenders are governed by the Uniform Commercial Code (UCC) when securing loans with collateral. For more information from the National Ag Law Center, please see nationalaglawcenter.org/research-by-topic/secured-transactions. Keep in mind that any item listed as collateral is subject to be foreclosed or repossessed and then sold to satisfy a delinquent loan. Additional resources about this subject are found at:

- nationalaglawcenter.org/publication/download/hamilton-a-farmers-legal-guide-to-production-contracts-174-pp-farm-journal-inc-1995
- extension.psu.edu/free-legal-services-for-farmers-available-through-penn-state-law
- extension.psu.edu/a-disciplined-contract-process
- extension.psu.edu/a-checklist-for-leasing
- extension.psu.edu/obtaining-a-loan-the-cs-of-credit
- extension.psu.edu/contracts-for-the-sale-and-purchase-of-goods

Question 8.

Have you recently evaluated all of the different business entity options for your operation?

Business structure information was covered in sub-question 6b. When considering the appropriate business structure, you should consider a number of factors, including liability protection, taxation, how the entity is controlled, transferability, and reporting requirements. Some business structures are easier to dissolve or change than others, so choose your structure wisely.

Question 9.

Do you have a working relationship with your attorney and accountant, and have you reviewed your goals and objectives with each?

Your attorney and accountant are valuable members of your business team. You may have more regular contact with your accountant than your attorney, but a yearly checkup may be very beneficial. If your accountant prepares your taxes, you will meet with him or her at least once each year. Scheduling a meeting with your attorney close to the same time will avoid procrastination or forgetting, to ensure you are continuing your compliance with all regulations and contracts. Additionally, it can sometimes be beneficial for you to meet jointly with your accountant and attorney or for your accountant and attorney to communicate with each other so that each understands what the other is doing. You will need to give appropriate authorization for them to discuss your information, and you can put limits on their disclosure.

Question 10.

Are you in compliance with such regulations as worker protection, pesticide use records, vehicle registrations, and necessary safety inspections, including food safety?

Compliance with pesticide laws pertains to both the owner and employees. The Worker Protection Standard, established by the Department of Environmental Protection (EPA), requires record keeping and following all label recommendations. Your state Department of Agriculture may enforce the regulations, but the EPA is the governing agency. The Pennsylvania Pesticide Control Act of 1973 is enforced by the Pennsylvania Department of Agriculture (PDA) Bureau of Plant Industry. This act regulates the labeling and registration, distribution, storage, transportation, use, application, and disposal of pesticides.

- extension.psu.edu/pesticide-laws-and-regulations
- extension.psu.edu/pesticide-101-for-new-and-beginning-farmers
- extension.psu.edu/general-guidelines-for-pesticide-safety

LEGAL

Although you may be familiar with personal vehicle insurance, business use and the potential for multiple operators increases your exposure to risk. See extension.psu.edu/vehicle-insurance.

Agricultural producers looking to hire employees are often presented with a host of federal and state laws that impact their ability to do so. Even workers who are not hired, such as interns or volunteers, may impose certain obligations on the farm. Some labor laws, such as the federal Fair Labor Standards Act, contain important exceptions for agricultural operations. It is important to know whether your operation meets the requirements for these exceptions. Many of you may ask, do minimum wage laws apply, can my 12-year-old work on the farm, and are there any other federal and state regulations? It is important to know the laws, federal and state, that pertain to your operation.

- www.dli.pa.gov/Individuals/Labor-Management-Relations/llc/Pages/Seasonal-Farm-Labor-Law.aspx
- extension.psu.edu/2016-new-labor-law-and-farming
- www.dol.gov/whd/mspa

To avoid noncompliance with many legal issues, busy farmers often select a “point person” to make sure everything is addressed. An example is delegating vehicle registration renewals to another family member or employee. Another good practice is to have a nonfarm friend tour your operation to look for unsafe items and practices, because it is easier for someone not involved in the farm to see hazardous items.

HUMAN

Question 1.

Is your personal insurance coverage current?

Unexpected events can often be costly or financially devastating, requiring planning to cover the cost and recover financially. Insurance is designed to help you maintain your financial status, not increase your financial standing.

- extension.psu.edu/principles-of-insurance
- extension.psu.edu/why-bother-with-insurance-tools-to-hone-your-insurance-risk-management-plan
- extension.psu.edu/vehicle-insurance
- extension.psu.edu/homeowners-renters-insurance
- extension.psu.edu/additional-health-insurance-options

Question 1a.

Do you have adequate medical and disability insurance?

Finding health insurance can be challenging and confusing. In addition to the options available through the Health Insurance Marketplace, there are other options available for individuals who qualify, covered at extension.psu.edu/additional-health-insurance-options.

Question 1b.

Do you have adequate life insurance to cover your wishes and farm transfer at current values?

Life insurance may be used to provide a portion of an estate to a survivor who is not involved in the business. Life insurance may also be used to protect partners and your family in case you die unexpectedly.

- extension.psu.edu/getting-your-affairs-in-order
- extension.psu.edu/agricultural-business-insurance

Question 2.

Have you calculated your risk exposure to employee accidents or dishonesty?

Human or personal risk refers to factors such as problems with human health or personal relationships that can affect the farm business. Accidents, illness, death, and divorce are examples of personal crises that can threaten a farm business.

- extension.psu.edu/agricultural-business-insurance
- extension.psu.edu/new-worker-protection-standard-training-materials

Question 3.

Have you provided all employees with comprehensive safety training?

Contrary to the popular image of fresh air and peaceful surroundings, a farm is not a hazard-free work setting. Every year, thousands of farm workers are injured and hundreds more die in farming accidents. According to the National Safety Council, agriculture is the most hazardous industry in the nation, necessitating adequate farm safety training for everyone involved in the operation.

- extension.psu.edu/farm-family-emergency-response-training
- extension.psu.edu/employee-illnesses-what-you-need-to-know
- fyi.extension.wisc.edu/agsafety/employer-resources
- www.osha.gov/OshDoc/data_General_Facts/FarmFactS2.pdf

Question 4.

Are all mandated employee safety and pesticide trainings up to date?

Information about pesticide application and safety is available at:

- extension.psu.edu/pesticide-laws-and-regulations
- extension.psu.edu/general-guidelines-for-pesticide-safety
- extension.psu.edu/private-pesticide-applicator-short-course
- extension.psu.edu/new-worker-protection-standard-training-materials

Question 5.

Do you have an employee handbook?

The Farm Management Handbook is a general guide to the role and utilization of farm management techniques in agriculture and provides data and budgets for livestock and poultry, farm crops, and fruit and vegetable operations.

- extension.psu.edu/the-penn-state-farm-management-handbook
- extension.psu.edu/standard-operating-procedures-a-writing-guide
- www.canr.msu.edu/uploads/234/68198/Agriculture_Employee_Handbook_Template_MSU_-_Final_Version_02032014.docx
- www.extension.iastate.edu/agdm/wholefarm/html/c1-72.html

Question 6.

Are your goals Specific, Measurable, Attainable, Reasonable, and Timed (SMART)?

SMART goals can improve your business immediately. “Decision fatigue” is the situation that happens after a human makes multiple decisions. Business owners and managers are faced with decisions every hour.

- extension.psu.edu/goal-setting-worksheet
- extension.psu.edu/the-seven-steps-of-action-planning
- njaes.rutgers.edu/fs1263
- www.producer.com/2017/01/put-your-data-to-work-by-identifying-smart-goals
- agebb.missouri.edu/mgt/settingfandfgoals.htm

Question 7.

Have you conveyed the goals and objectives of the business to all family members, business team, and employees?

The farm employee is still responsible for implementing production changes, and accountable for the success of these changes.

- www.canr.msu.edu/news/strong_communication_skills_are_effective_on_farm_tools
- extension.psu.edu/goal-setting-worksheet
- extension.psu.edu/changing-the-organization

HUMAN

Question 8.

Are your goals written?

The research is conclusive. Dr. Gail Matthews, a psychology professor at Dominican University in California, did a study on goal-setting with 267 participants. She found that you are 42 percent more likely to achieve your goals just by writing them down.

- extension.psu.edu/goal-setting-worksheet
- extension.psu.edu/the-seven-steps-of-action-planning

Question 9.

Is everyone in your family (or on your team) employed to the full extent of their education, training, and experience?

Modern farms require a wide range of experience and training, depending on the enterprises engaged. Delegation of authority for a specific segment of the business, especially to rising generation members, paves the way for succession/transition and at the same time is an efficient use of human resources. If a specific enterprise on the farm requires special training or certification, this needs to be identified and resources/time provided for the appropriate person to receive necessary education.

Question 10.

Do you have a plan to manage stress, exhaustion, and burnout for yourself and your employees?

Emergencies, delays, and other problems on the farm that a confident farmer/rancher takes in stride may be a stumbling block for one who feels inadequate. While part of an individual's stress tolerance is inborn, a crucial part depends on the quality of coping skills practiced. Learning to cope successfully with a stressor once makes it easier the next time.

- extension.psu.edu/de-stress-for-health
- www.ag.ndsu.edu/publications/kids-family/farm-stress-fact-sheets-stress-management-for-farmers-ranchers

Question 11.

If you are adding value, is someone in your business certified in Preventive Controls for Human Foods or has he/she completed Better Process Control School? Does that individual provide food safety training to other employees and/or family members?

See "Food Safety."

GENERAL

Question 1.

Do you have a confident relationship with your risk management advisers?

You should be comfortable enough with your insurance providers to discuss anything; if not, you may need to reevaluate the relationship. Insurance providers cannot provide accurate information if they do not know everything you are doing.

Question 2.

Do you have the knowledge to evaluate new technologies?

Your business team should be able to assist with the evaluation process. Your extension educator is also a nonbiased source of information.

Question 3.

Are you planning for your children's educational needs, and are these savings protected?

Do you have a financial adviser? If not, your accountant may be able to assist with investment advice or recommend someone who can assist.

Question 4.

Are your savings for retirement on course with your plans?

Again, a financial adviser or your accountant will assist with this knowledge if you do not feel qualified to evaluate your position.

Question 5.

Do family members know the location of all important documents?

All important documents (wills, insurance policies, etc.) should be in one secure place such as in a safe at home or a safety deposit box at your bank. Be sure family members know the combination or where you have secured the key(s).

Question 6.

Do you have the knowledge and skills to assess all areas and levels of risk?

A yearly checkup with insurance providers is always a good idea. Also, have a trusted friend, the executor of your will, or relative review your documents with you. You should also have them walk your farm and look for any safety hazards that you do not see because you are too familiar with the property.

Question 7.

Are you constantly looking for ways to increase your profitability?

Whole-farm and enterprise budgets prepared regularly will assist with the evaluation. Prepare breakeven analyses for all enterprises and evaluate your marketing plan since this has the most potential for increased profits.

FOOD SAFETY

Question 1.

Do you grow and sell produce that must meet the FSMA Produce Safety Rule? If yes, then:

- a) Do you have a written food safety plan that covers the six areas of compliance for your operation?
- b) Do you provide food safety and hygiene training to employees and family members?

The Food Safety Modernization Act (FSMA) encourages qualified growers and producers of covered fruit and vegetable crops that will be marketed into wholesale, retail, or other identified markets to develop and implement a food safety plan that addresses known or foreseeable risks that could impact the safety of the produce being sold for human consumption. In addition to the food safety plan, growers need to follow Good Agricultural Practices (GAPs) to ensure proper practices are being followed when growing, harvesting, processing, transporting, and marketing their produce. Additional information can be found at producesafetyalliance.cornell.edu.

Question 2.

Do you add value to any of the produce that you grow, requiring compliance with the FSMA Preventive Controls for Human Food Rules? If yes, then:

- a) Does your operation have a Preventive Controls Qualified Individual (PCQI) to develop and oversee the preparation and needed updates of the food safety plan? Do you have documentation of the PCQI's training?
- b) Does the PCQI have the authority to train all employees related to adding value and to monitor their activities?
- c) Do you have an up-to-date food safety plan that includes:
 - I) A thorough hazard analysis?
 - II) Preventive controls that the hazard analysis concludes are necessary?
 - III) Recall steps to use in the event that any adulteration occurs/if products are mislabeled?
 - IV) Monitoring procedures for each identified preventive control?
 - V) Actions and procedures for each identified preventive control?
 - VI) Written validation and verification procedures for each identified preventive control?
 - VII) Record keeping of compliance with controls for each batch, every time?

Since September 2018, all Pennsylvania-registered food establishments (no exceptions) must comply with the "GMPs for Human Food Standards" found in 21 CFR 117 Subpart B, accessible at www.govinfo.gov/content/pkg/CFR-2016-title21-vol2/xml/CFR-2016-title21-vol2-part117.xml. GMPs (Good Manufacturing Practices) are the basic operational and environmental conditions required to produce safe foods. They ensure ingredients, products, and packaging materials are

FOOD SAFETY

handled safely and that food is manufactured, processed, held, and distributed in a suitable environment and sanitary conditions. GMPs addresses the hazards associated with personnel and the environment during food production. They provide the foundation for any food safety system. This includes producers who were previously registered with PDA as a limited food establishment (making products in the farm residential kitchen) or a second, commercial kitchen. Generally, GMPs address the following areas:

- Buildings and facilities
- Personnel health and practices
- Sanitation and controls

To help with assessing your operation's current food safety preparedness for GMPs, we recommend you use the "Modernized GMPs Checklist for Pennsylvania Food Establishments" at www.agriculture.pa.gov/consumer_protection/FoodSafety/manufacturing-packing-holding-distribution/commercial-food-establishments/Documents/Modernized%20GMPs%20Checklist%20for%20PA%20Food%20Establishments.pdf. The checklist is intended to serve as a guideline to help food establishments organize and document that they meet the standards.

Question 3.

Do you review your plan and activities on an annual basis with the sanitarian or inspector who has jurisdiction?

Other changes that took place in September 2018 (when the FSMA Produce and Preventive Controls for Human Foods Rules went into effect for very small businesses) require the following:

- Operators of juice or juice product wholesale businesses must meet the requirements of the Juice HACCP regulation found in 21 CFR 120 as well as the current good manufacturing practice (GMP) requirements of 21 CFR Part 117. If HACCP requirements apply, processors must conduct or have conducted a hazard analysis, and if there are food safety hazards associated with their products that are reasonably likely to occur, they must have the required HACCP plans in place for each type of juice or juice products they are processing prior to the start of operations. See FDA Juice HACCP Information at www.fda.gov/food/hazard-analysis-critical-control-point-haccp/juice-haccp for more details.
- Producers of acidified foods, such as pickles, salsas, BBQ sauces, etc., and low-acid canned foods must apply for a Food Establishment Registration and be inspected and found in compliance before the department can issue a registration. Processors of these types of foods must meet the requirements of the code of federal regulations in Part 114 for acidified foods and in Part 113 for thermally processed low acid foods packaged in hermetically sealed containers (low-acid canned foods) as well as Part 108 (emergency permit control) for both.

Processors of acidified foods and low-acid canned foods offered for interstate commerce are also required to register with FDA and file scheduled processes (through their process authorities), and the operation must be under the supervision of a qualified individual through education (e.g., Better Process Control School) and/or relevant experience. More information about this requirement can be found at the websites below or by talking to your PDA sanitarian:

- FDA registration and process filing for acidified and low-acid canned foods: www.fda.gov/food/registration-food-facilities/establishment-registration-process-filing-acidified-and-low-acid-canned-foods-lacf
- FDA guidance for processors of acidified and low-acid canned foods: www.fda.gov/food/guidance-documents-regulatory-information-topic-food-and-dietary-supplements/acidified-low-acid-canned-foods-guidance-documents-regulatory-information

ELECTRONIC

Question 1.

Do you know how to protect your online presence?

The following information is for securing your network and systems. If you are guiding customers to your website to purchase goods, you need to be sure you are as secure as possible. One data hack and theft of information can be devastating to your business.

- www.nist.gov/itl/smallbusinesscyber
- www.nist.gov/itl/smallbusinesscyber/guidance-topic/securing-data-devices
- www.ftc.gov/system/files/documents/plain-language/pdf0205-startwithsecurity.pdf

Question 2.

If you accept credit card transactions at market or on your website, is that information secure?

Securely processing credit card transactions is critical to all businesses. The following information will assist in your efforts:

- fitsmallbusiness.com/best-credit-card-processing-for-small-business
- www.pcisecuritystandards.org/merchants

Question 3.

Is your website compliant with the Americans with Disabilities Act (ADA)?

You should consider having your website comply with the Americans with Disabilities Act (ADA). The following information will guide your development:

- <https://www.ada.gov>
- https://www.ada.gov/2010_regs.htm
- <https://accessibility.psu.edu>

CROP, REVENUE, AND LIVESTOCK INSURANCE DEADLINES

If you do not know all the dates in this section, you should contact your crop insurance agent for help.

1. Do you know all critical dates and signup deadlines?

- a) **Sales closing date**
last date to apply for crop insurance coverage is:
- b) **Sales closing date**
last date to apply for NAP coverage is:
- c) **Cancellation date**
give notice if I do not want crop insurance next year by:
- d) **Production reporting date**
actual production history must be reported by:
- e) **Final planting date**
if unable to plant, I must contact my agent by:
- f) **Acreage reporting date**
I must report my acreage planted to my agent by:
- g) **Payment due date**
interest charges will be incurred after:
- h) **Final date to file notice of crop damage**
any perceived damage must be reported no later than:
- i) **End of insurance period**
latest date of coverage for current year's crop is:
- j) **Debt termination date**
insurance coverage for next year will be canceled if payment is not made by:



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