SURE CALCULATOR INSTRUCTIONS

<<<<BEFORE YOU START, READ THE DEFINITION OF A FARM>>>>>

Definition of a "farm": (as defined in the 2008 Farm Bill) The term "farm" means, the sum of all acreage in all counties that is planted or intended to be planted for harvest by the eligible producer. In the case of aquaculture, the term "farm" means all fish being produced in all counties that are intended to be harvested for sale by the eligible producer. In the case of honey, the term "farm" means all bees and beehives in all counties that are intended to be harvested for a honey crop by the eligible producer.

<u>Purpose</u>: This calculator is being provided as a tool to help with calculations for the Supplemental Revenue Assistance Payments (SURE), it is not the approved software to compute and provide actual payment information. Users will be able to calculate their estimated SURE Guarantee, estimated Revenue, estimated Farm Revenue and estimated SURE payment.

NOTE – this calculator is designed to compute standard yield-based commodities and does not adjust for Prevented (PP), Unharvested (UH), or similar adjustments. Likewise, most revenue and value-loss policies will not contain yield and price information necessary for this calculator. Actual FSA payment software is in the developmental stage and will be released to County FSA Offices after formulation, testing and approval. You can use this calculator to obtain an approximate SURE payment based on the data that is entered. The result will only be as good as your estimates and entries.

Opening the Calculator: This calculator was developed using Microsoft Office Excel 2003 and may not be fully functional using other versions. When users click to open the calculator, they will receive a Security Warning pop-up box. Users must choose to "Enable Macros" to allow the calculator to work. Also, the disclaimer provided in the calculator worksheet requires agreement before a user may proceed. Click on the "I Agree" button to be able to start the process. Next, click on the "Record Crop Information" button.

Entries: As information is entered, the use of the TAB key will move the cursor to the next cell to the right. The function to go back to previous worksheets is designated as a BLUE arrow button. The function to move forward in the worksheets is designated by a GREEN arrow button. These buttons are located in the top portion of the worksheet. Users may also navigate to different areas of the worksheet from the Summary Page by clicking on the button with their desired worksheet title.

If a crop has more than one intended use such as corn for grain and corn for silage, enter on two separate lines. If a crop has different shares, the acreage should be totaled and entered on separate lines, by share. For example: a producer owned and cash rented (100% share) on three farms with corn for grain acreage, totaling 100 acres. The same producer rents 50 acres of corn for grain on two other farms on a one third/two thirds share basis. This producer would enter his corn for grain on separate lines.

Users who have a crop that is not insurable and not eligible for the Non-Insured Crop Disaster Assistance Program (NAP): At this time, this crop would not be used to calculate a SURE guarantee but would be used to calculate Farm Revenue. In this case, a user would enter data in the SURE Guarantee worksheet in the following columns only: Crop, Crop Type (not required), Intended Use, Producer Share, and Insured Acres column. The user would also enter data into the following columns in the SURE Revenue worksheet: Actual Yield and National Average Market Price (the other entries will carry-over from the SURE Guarantee worksheet). This crop data will not be included in the "SURE Guarantee" or the "Expected Revenue" calculations, but will be included in the "Farm Revenue" total.

<u>Users who are multi-county producers and a have a crop that is insurable in one county and a NAP crop in the other</u>: The same crop would have to be entered on two separate lines to designate NAP on one line and Insured on another.

Safeguards: Entries that conflict with the intent of the calculator will cause affected cells to be highlighted in "red." An example of this condition would be if entries are made in both the "Insured" and "NAP" cells in the same row. When cells are highlighted in "gold", the user has made an entry which requires completion of the highlighted cells. Use the "delete" key or back space key to remove unwanted entries. Entries that "black" out other cells in the row are intended to help the user from making incorrect or duplicative entries. NOTE - it is possible to make an entry in the blacked out cells, but a safeguard is built in to exclude the entry from the calculator equations.

<u>Printing Instructions</u>: Select the print option of choice from the Summary page.

ENTRIES FOR THE "SURE GUARANTEE" SCREEN:

- <u>Crop</u>: Enter crop name.
- <u>Crop Type</u>: Enter the crop type (if known, but not required). Some examples: "Hard Red Spring" for wheat; "Yellow" for corn; "Spring" for barley, etc.
- <u>Intended Use</u>: Click on the "drop down" box to select the intended use of the crop. NOTE intended use of "foraging" in the drop down box also includes the broader uses of hay and silage, for example. If the intended use is not listed in the drop down box, leave blank.
- <u>Producer Share</u>: Enter producer's share of the crop. If a crop has more than one share enter on a separate line. (For example: One farm is cash rented 100% and another farm is share rented. Each total of the applicable crop acreage would be entered on a separate line to calculate correctly.) Ensure that the share does not exceed 100%.
- <u>Insured Acres</u>: Enter insured crop acreage for the crop, type and use.
- <u>NAP Acres</u>: Enter NAP acreage for the crop, type and use. Honey should be entered as the number of colonies instead of acres and only in the "NAP Acres" cell.

ENTRIES FOR THE "SURE GUARANTEE" SCREEN: (continue)

- <u>Crop Insurance Coverage</u>: Applicable to insured acres only. Enter the coverage level for the crop, type and use. The coverage level for insured crops can range from 50% (as in CAT) 85% of yield. This information is available in the crop summary of coverage or from producer's crop insurance agent.
- <u>Crop Insurance Price Level</u>: Applicable to insured crop acres only. Enter the price election percentage selected by the producer for the crop, type and use. For example, the price level will be at 100% for most buy-up insurance (CAT is 55%). Again, this information is available from the crop summary of coverage or from producer's crop insurance agent.
- <u>NAP Coverage and Price Levels</u>: No entries.
- <u>Yield Data APH</u>: Enter the Actual Production History (APH) Yield for the crop (if not known, enter an estimate) for the "farm" (as defined at the beginning of these instructions). NOTE irrigated and non-irrigated yields need to be blended into one entry, since Counter-Cyclical (CC) yields are already blended. Be sure to use the correct unit of measure. For example, use bushels for wheat for grain; use tons for alfalfa hay; use pounds for honey, etc.
- <u>Yield Data Counter Cyclical (CC)</u>: Enter the blended CC Yield for the crop for the "farm" (as defined above), if applicable. NOTE irrigated and non-irrigated yields need to be blended into one entry, since each farm's CC yields are already blended.
- <u>Price/Rate</u>: For insured crops, enter 100% of the RMA price election for the crop, type and use. For NAP crops, enter 100% of the NAP price for the crop, type and use. Price should correlate with the unit of measure, i.e. bushels should correlate with price per bushel or as with honey, pounds should correlate with price per pound.
- <u>Program Guarantee</u>: Calculated (<u>Insured Crops</u> are calculated by Share x Insured Acres x Coverage Level x Price Level x [higher of APH or CC] Yield x Price/Rate x 115%. <u>NAP Crops</u> are calculated by Share x NAP Acres x [higher of NAP APH or CC] Yield x 50% x Price/Rate x 120%).
- <u>Expected Revenue</u>: Calculated (<u>Insured Crops</u> are calculated by Share x Insured Acres x [higher of APH or CC] Yield x Price/Rate. <u>NAP Crops</u> are calculated by Share x NAP Acres x [higher of NAP APH or CC] Yield x Price/Rate.)

ENTRIES FOR THE FARM REVENUE SCREEN:

- <u>Crop</u>: Entry is brought forward from the SURE Guarantee Screen.
- <u>Crop Type</u>: Entry is brought forward from the SURE Guarantee Screen.
- Intended Use: Entry is brought forward from the SURE Guarantee Screen.
- <u>Producer Share</u>: Entry is brought forward from the SURE Guarantee Screen.
- <u>Acres</u>: Entry is brought forward from the SURE Guarantee Screen.
- Actual Yield: Enter an actual harvested yield per acre for the crop, type and use (if not known, use an estimate).
- <u>National Average Market Price</u>: Enter the <u>estimated</u> 12-month average market price for the crop, type and use. If not yet available or unable to estimate, use the Price/Rate entry from the SURE Guarantee screen for the crop, type and use for the purposes of this calculator.
- <u>Estimated Crop Value</u>: Calculated (This value is the sum of all entries from the Farm Revenue screen "Estimated Crop Value" column. This is calculated by Share x acres [from SURE Guarantee screen] x estimated actual yield x estimated National Average Market price).

ENTRIES FOR SURE SUMMARY SCREEN:

Program Guarantee Information

- <u>Program Guarantee</u>: Calculated (This value is the sum of the program guarantee entries for insured and NAP crops)
- <u>Expected Revenue</u>: Calculated (This value is the sum of the expected revenue entries for insured and NAP crops <u>times 90%</u>. This value represents the maximum SURE Guarantee, which is referred to as the CAP.
- <u>Supplemental Revenue Assistance Guarantee</u>: Calculated (This entry is the lesser of the two entries above)
- Farm Revenue Information
- Estimated Crop Value: Calculated (Accumulated total of the estimated crop level values for insured and NAP crops)
- <u>Total DCP Direct Payments</u>: Manual entry of the estimated or actual **total DCP Direct payments** for all crops on the "farm" (as defined at the beginning of these instructions) as one entry. The calculator will compute 15% of this entry for use in the summary addition on this page.
- <u>Total DCP Counter-Cyclical (CC) Payments</u>: Manual entry of the estimated **total CC payments** for all crops for the "farm". For most crops this will be zero for 2008.
- <u>Total DCP ACRE Payments</u>: Manual entry of the total DCP ACRE payments for all crops for the "farm." (This is "0" for 2008)
- <u>Total Market Gains Received through Price Support Loans</u>: Manual entry of the total estimated or actual Market Gains for all crops for the "farm".
- <u>Total Crop Insurance Indemnities Received</u>: Manual entry of the **total crop insurance indemnities** for all crops for the "farm". This can be an estimate if completed prior to receipt of the indemnity.
- <u>Total NAP Payments:</u> Manual entry of the estimated or actual total NAP payments for all crops for the "farm".
- <u>Other Disaster Benefits Received</u>: Enter the **total** of any "other disaster" program benefits received as a lump sum entry.

Total Farm Revenue: Calculated (Accumulated total of crop values.) Plus: **15%** of DCP total direct payments, 100% of DCP Counter-Cyclical payments, 100% of DCP ACRE payments, 100% of the market gains, 100% of the Loan Deficiency Payments (LDP), total of all crop insurance indemnities, total of all NAP payments and total of all other disaster benefits received.

ESTIMATED Calculated SURE Payment: 60% of the difference between the SURE Guarantee (3rd entry from the top of the Summary Page) and the Total Farm Revenue (second entry from the bottom of the Summary Page).