

Improper Payments Information Act of 2002

Aimed to Reduce the Number of Improper
Payments in the Federal Government

- Measures two items:
 - 1) Incorrect disbursements
 - 2) Incomplete or missing paperwork used for the calculation of payments

USDA

- Evaluates all programs
- High risk programs are measured on an annual basis using a statistical sample.

2005 - measured \$38 billion in program payments

2006 - measured \$65 billion in program payments

USDA

2005 – Measured \$38 Billion

Estimated errors equal \$1.6 billion mostly incorrect disbursements.

Reductions in the percentage in improper payments in:

- Wildland Fire Suppression Management
- Farm Security and Rural Investment Program
- Food Stamps Program

USDA

2006 – Measured \$65 billion

Additional Factors

- OCFO strengthen guidance
- Increased number of programs included in high risk (\$28 billion of the increase is Farm Programs)
- Measured not only incorrect disbursements, but incomplete paperwork

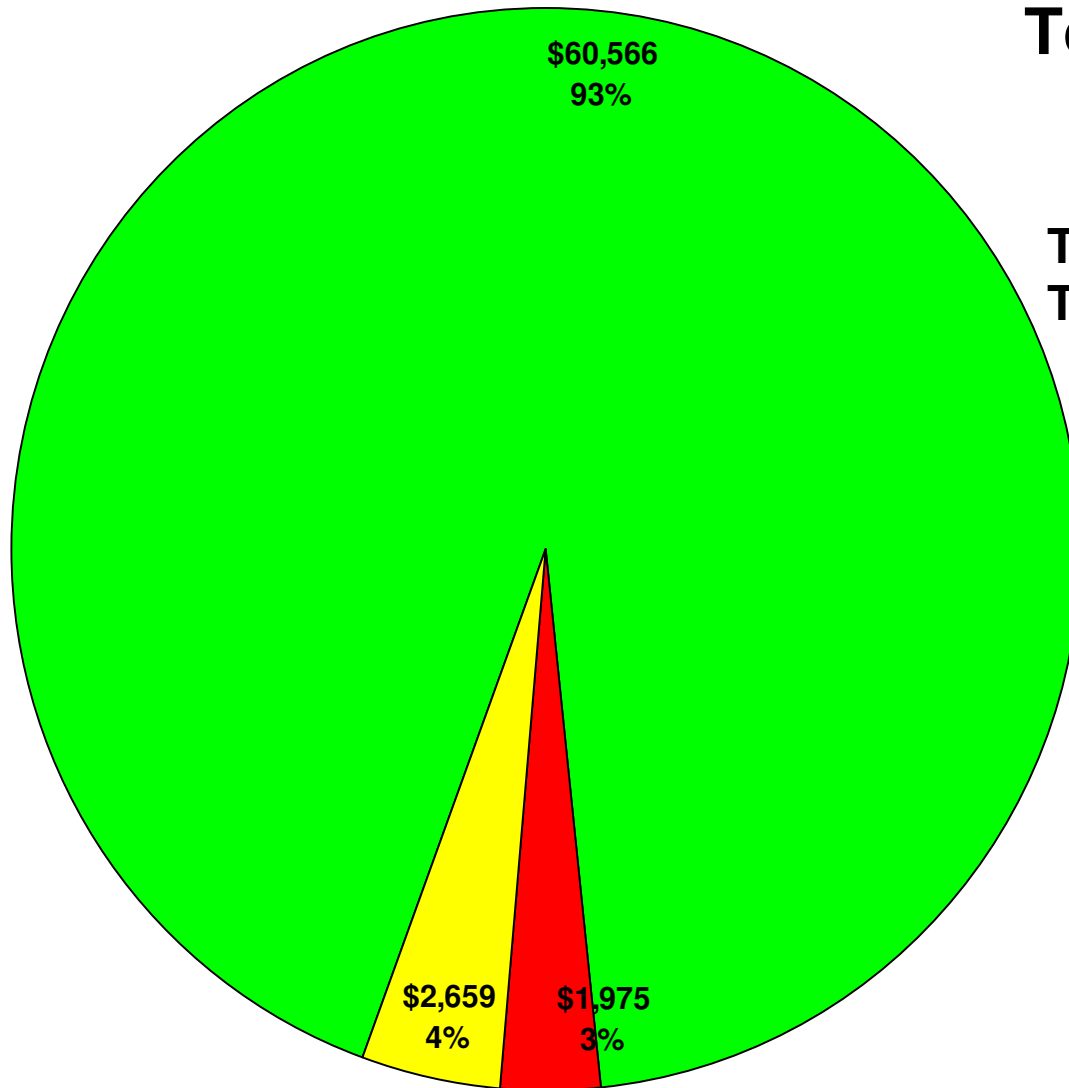
FY 2006 USDA Improper Payment Results

Total USDA Improper Payments

(Dollars in Millions)

Total Outlays: \$65,200 Million

Total Improper: \$4,634 Million



■ Proper

■ Incorrect Disbursement

■ Incomplete Paperwork

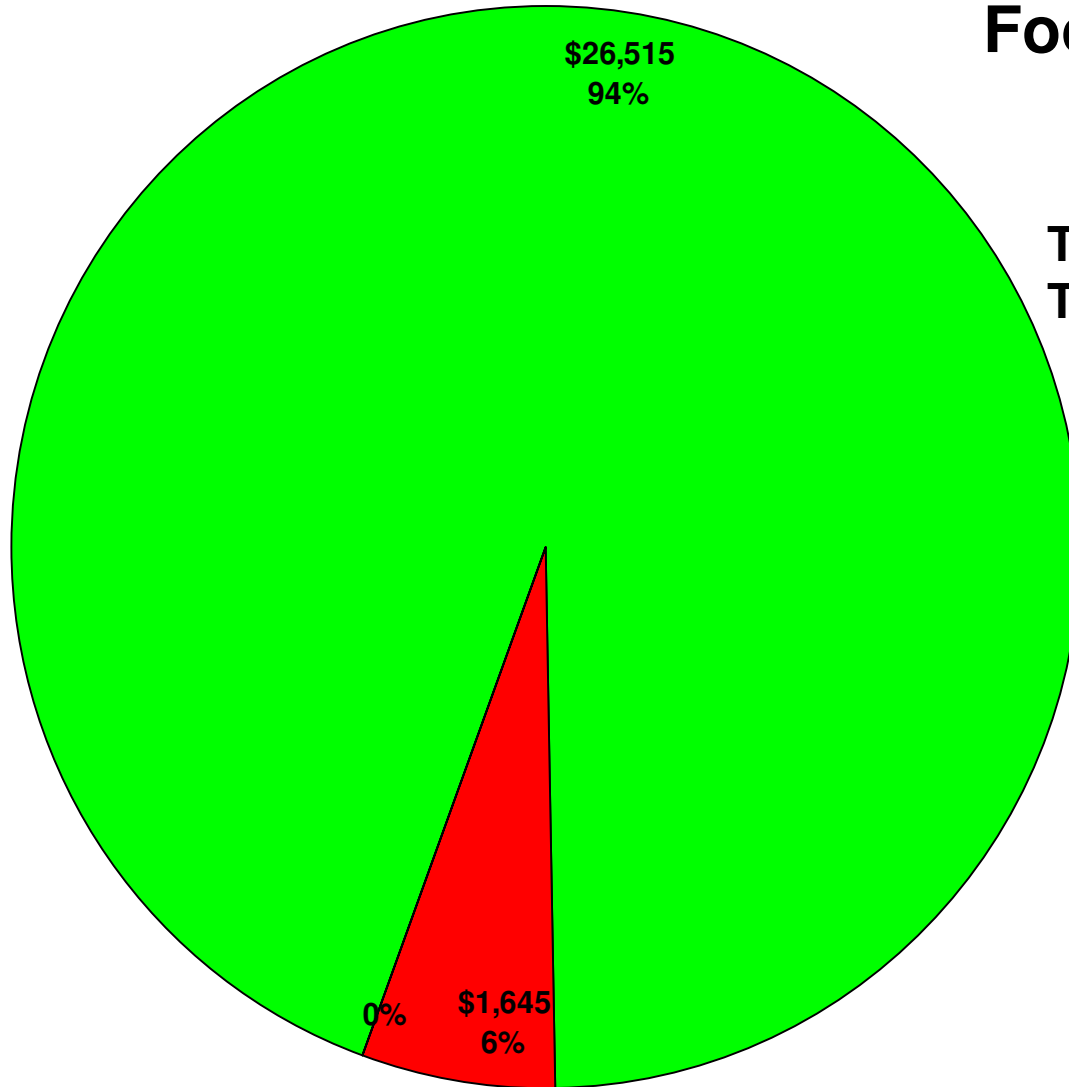
Total Improper contains Incorrect Disbursements and Incomplete Paperwork

Details of Major Programs Measured

FY2006 FNS Improper Payment Results

Food Stamps Program (Dollars in Millions)

Total Outlays: \$28,160 Million
Total Improper: \$1,645 Million



- Proper
- Incorrect Disbursement
- Incomplete Paperwork

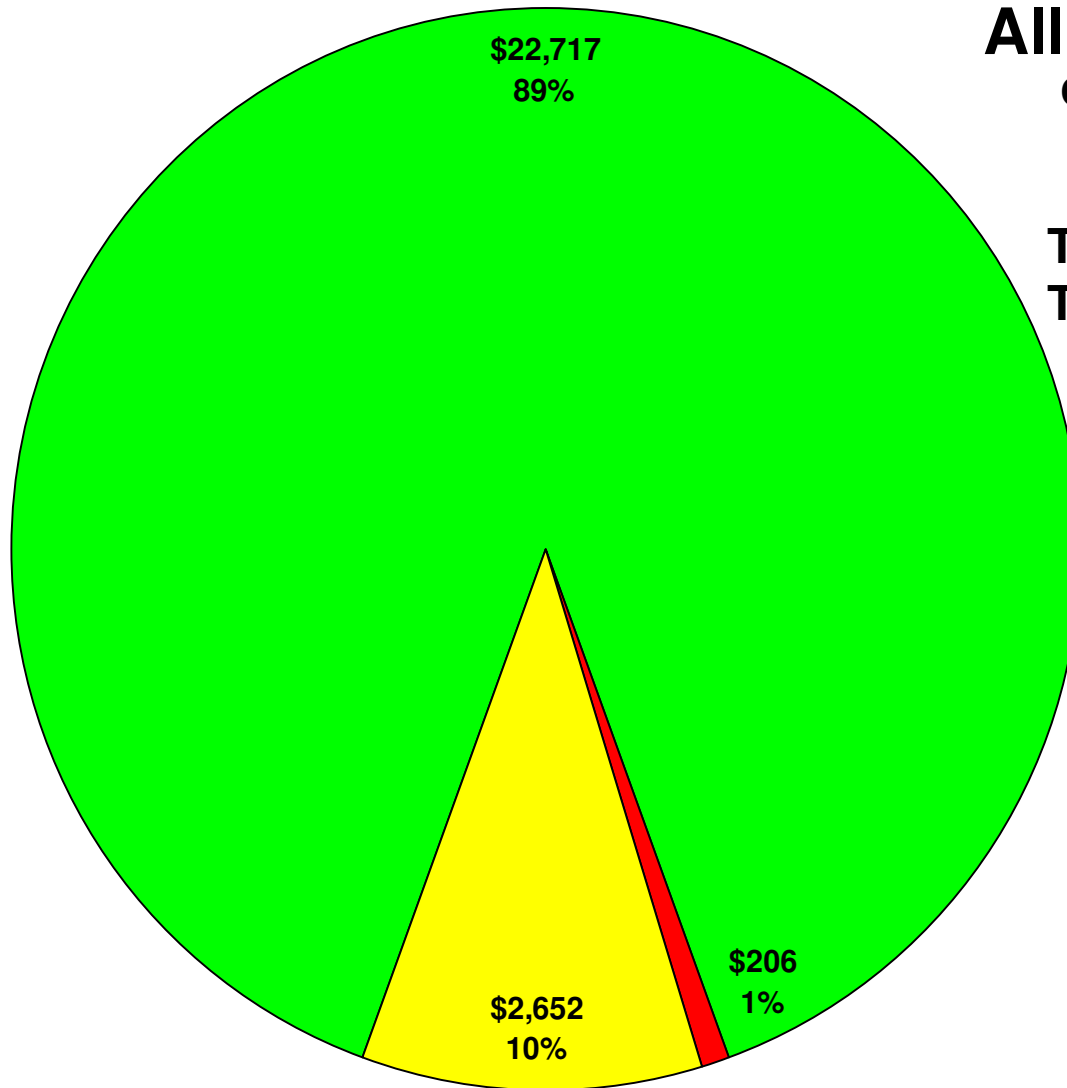
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FY2006 FSA Improper Payment Results

All High Risk Programs

CDP, CRP, DCP, LDP, MAL, NAP
(Dollars in Millions)

Total Outlays: \$25,575 Million
Total Improper: \$2,858 Million



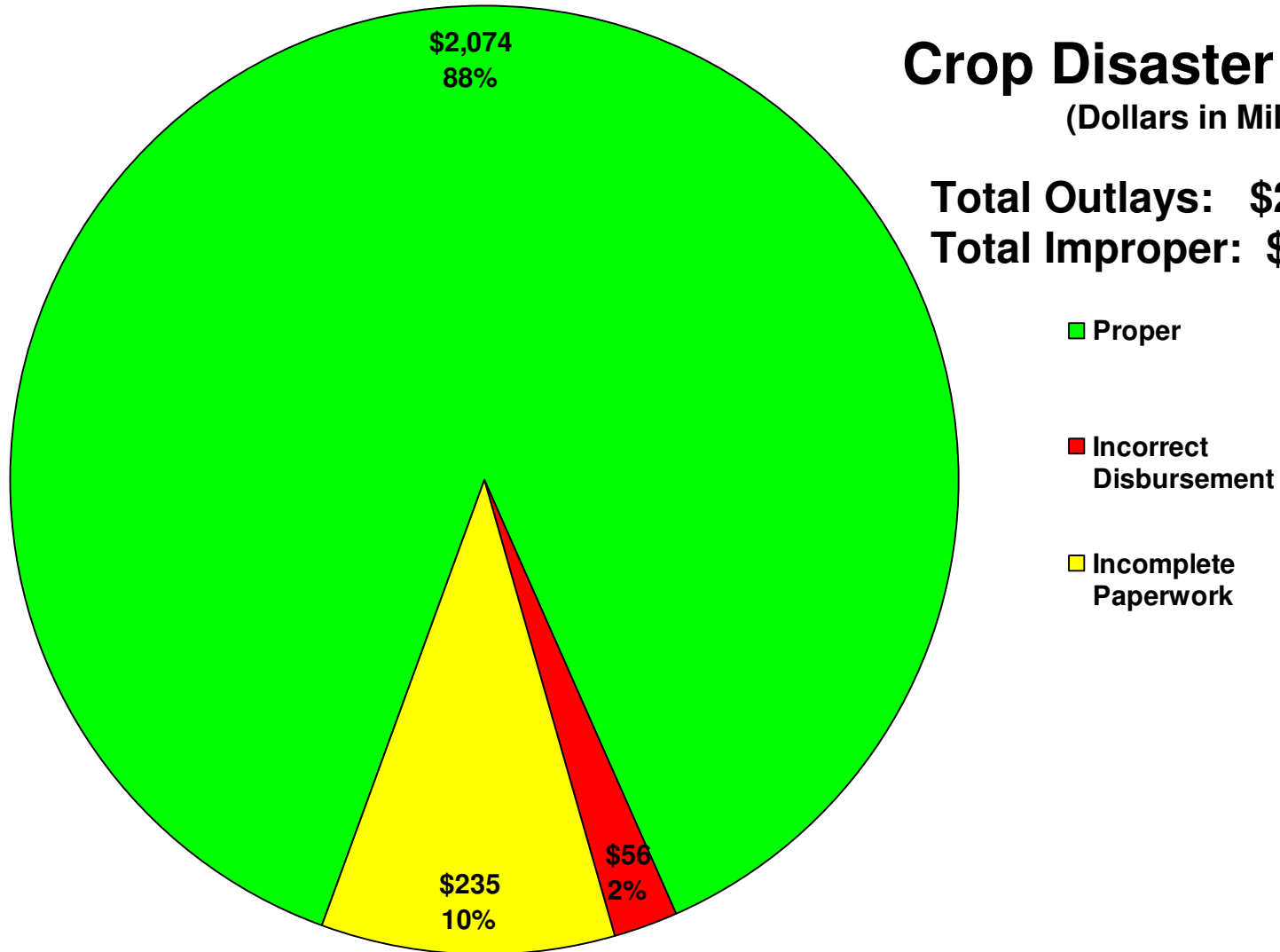
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FY2006 FSA Improper Payment Results

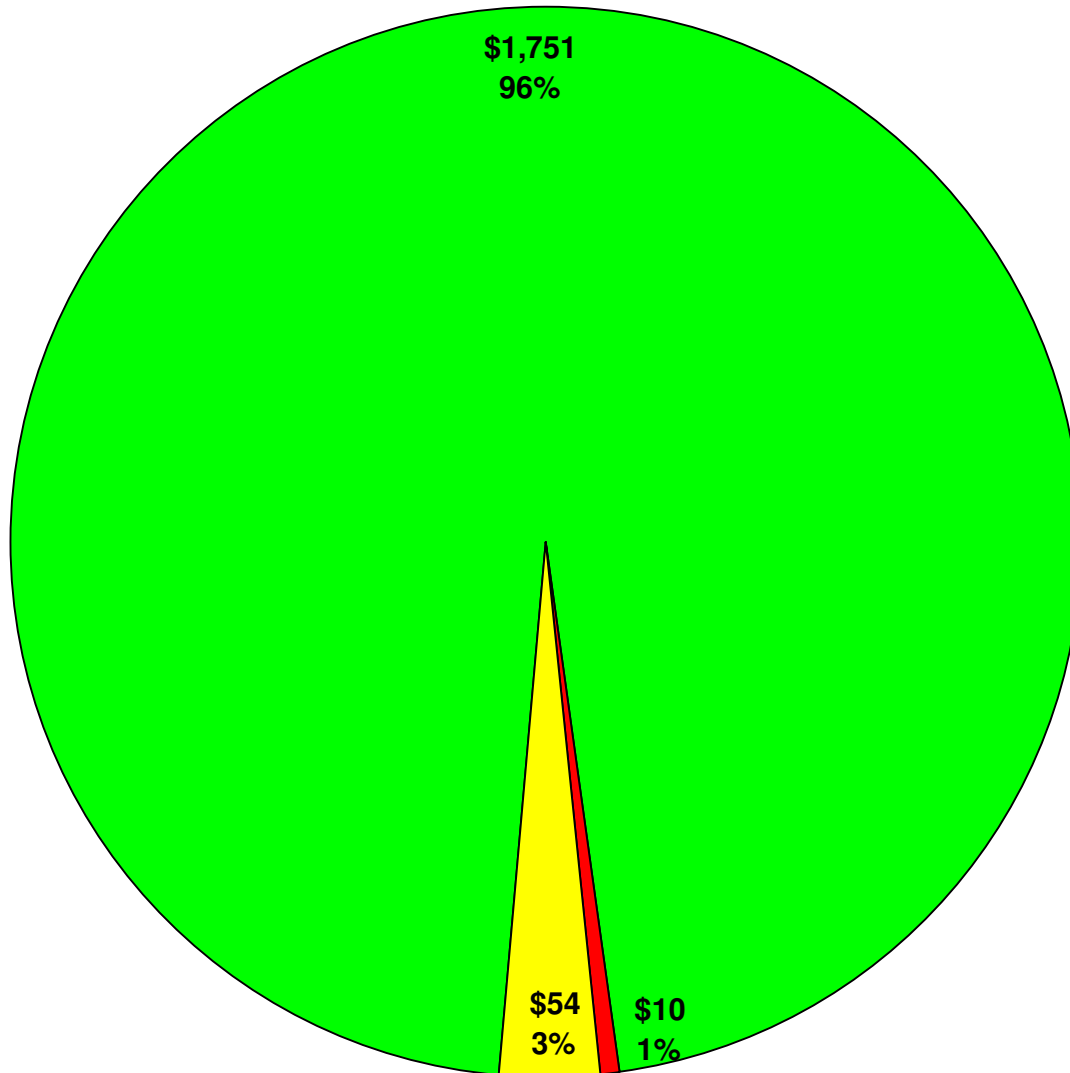
Crop Disaster Program (Dollars in Millions)

Total Outlays: \$2,365 Million
Total Improper: \$291 Million



Total Improper contains Incorrect Disbursements and Incomplete Paperwork

FY2006 FSA Improper Payment Results



CRP

(Dollars in Millions)

Total Outlays: \$1,815 Million

Total Improper: \$64 Million

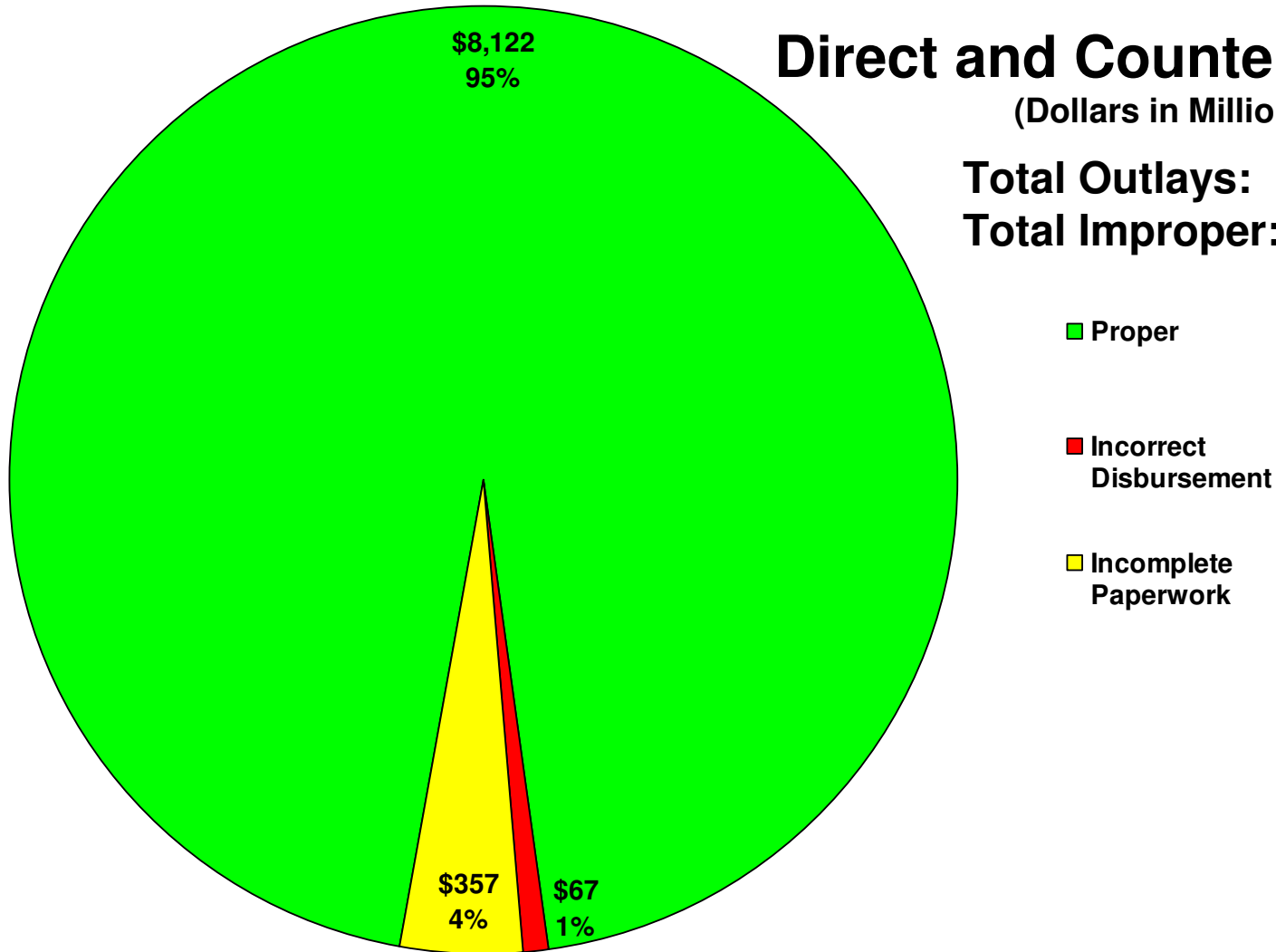
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FY2006 FSA Improper Payment Results

Direct and Counter-Cyclical (Dollars in Millions)

Total Outlays: \$8,546 Million
Total Improper: \$424 Million



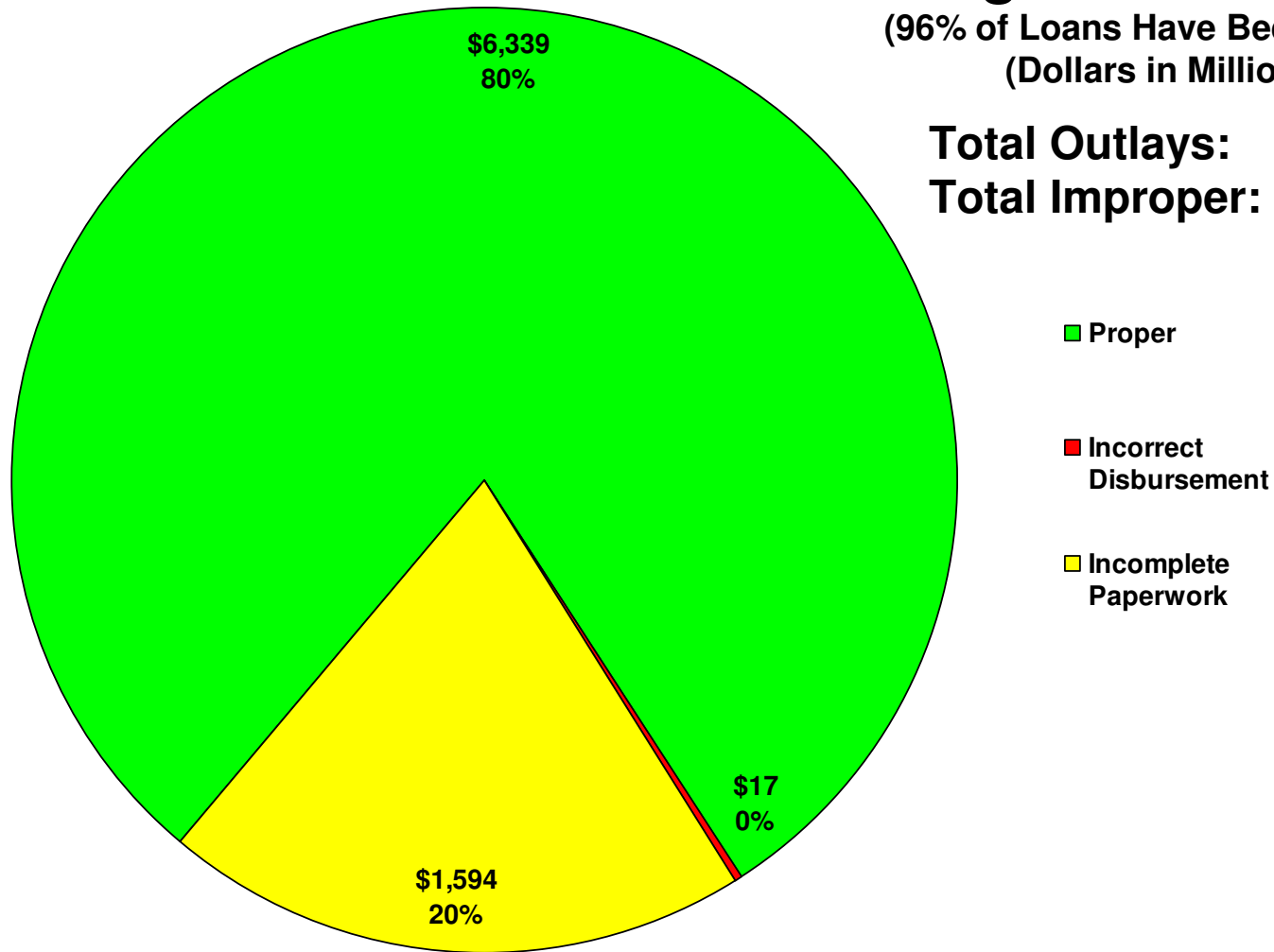
Total Improper contains Incorrect Disbursements and Incomplete Paperwork

FY2006 FSA Improper Payment Results

Marketing Assistance Loans

(96% of Loans Have Been Repaid)
(Dollars in Millions)

Total Outlays: \$7,950 Million
Total Improper: \$1,611 Million



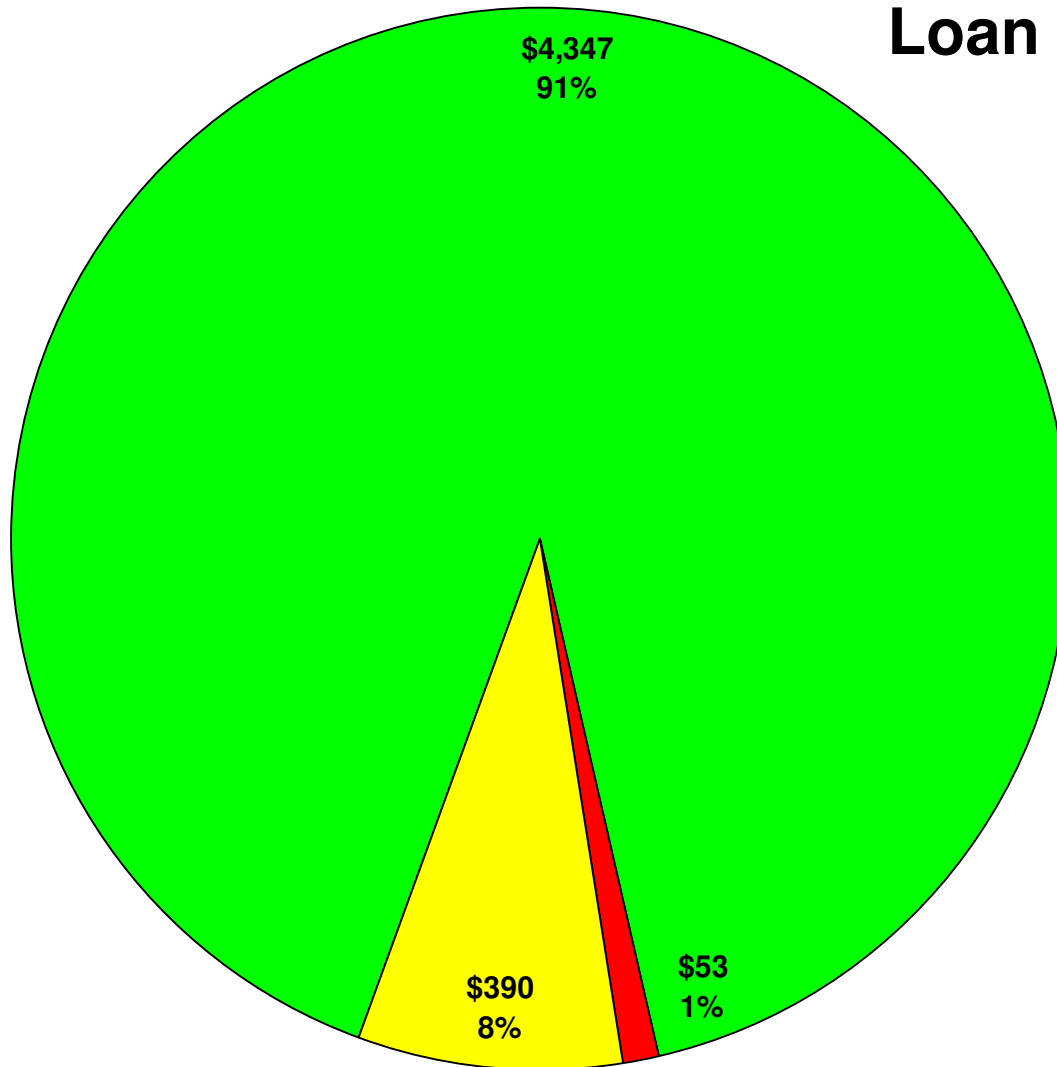
Total Improper contains Incorrect Disbursements and Incomplete Paperwork

FY2006 FSA Improper Payment Results

Loan Deficiency Payments

(Dollars in Millions)

Total Outlays: \$4,790 Million
Total Improper: \$443 Million



- Proper
- Incorrect Disbursement
- Incomplete Paperwork

Total Improper contains Incorrect Disbursements and Incomplete Paperwork

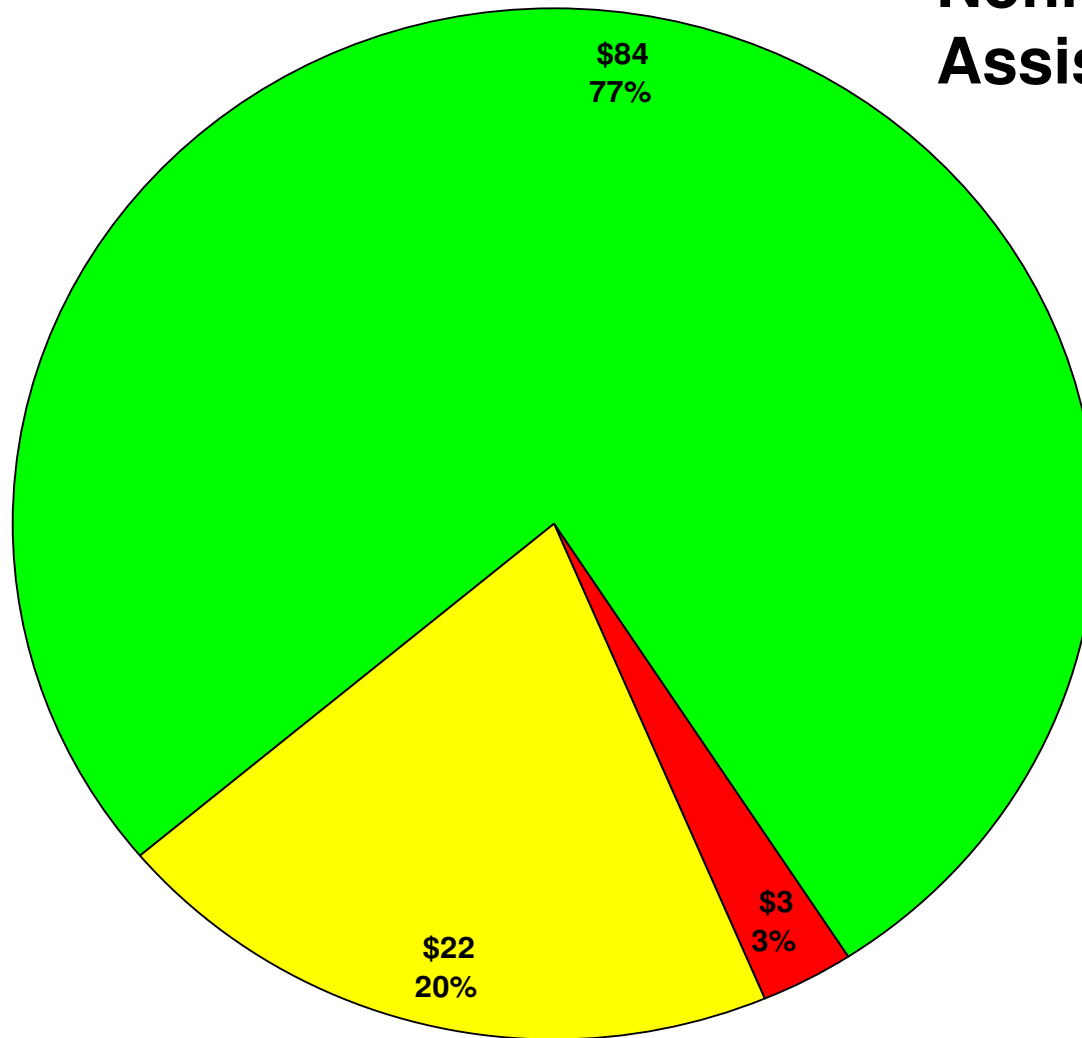
FY2006 FSA Improper Payment Results

Noninsured Crop Disaster Assistance Program

(Dollars in Million)

Total Outlays: \$ 109 Million

Total Improper: \$25 Million



■ Proper

■ Incorrect Disbursement

■ Incomplete Paperwork

Total Improper contains Incorrect Disbursements and Incomplete Paperwork