

IMPORTANT CROP INSURANCE RECORD KEEPING REQUIREMENTS

RECORD KEEPING HIGHLIGHTS AND TYPES OF RECORDS

It is extremely important to keep accurate and detailed records of your farm operation should you need to file a crop insurance claim to prove your APH yields

In the event of a loss, your records will be used to provide proof of the amount and cause of loss, verify input and production costs, and to verify production by insurance unit. It is beneficial to have a diary type record to prove that timely and good farming practices were used during production of the crop

Types of records that should be kept:

1. Financial records– for business management and to document the application, kinds and amounts of inputs, and control measures, etc.
 2. Acreage and production records– for documentation and proof of performance (APH)
 3. Diary type records– to determine such things as planting, spraying, crop scouting, harvesting and other important dates of activities may help to substantiate that good farming practices were followed and deadline dates met.
- * You should consider keeping records on production acreage, planting, spraying, yield, weather, marketing and financial matters. At the very least however, you should keep records for each insurance unit, by practice type and variety
 - * If you ever want to split your farm into more optional units, you need to have past records for each new unit as well. It may also be beneficial to keep records by field or tract

Questions about Crop Insurance?

Contact a crop
insurance agent or
call our toll free
information line at
1-800-308-2449

Or Ask the Expert
online at
<http://saalem.njaes.rutgers.edu/cropinsurance>

WHAT ARE CONSIDERED ACCEPTABLE RECORDS?

Production records should be verifiable by a disinterested third party such as a packing house or a grain elevator. You can also use field harvest or pick records. Acceptable records of yields must be on a weight or measurement basis kept separate by unit and may include the following:

- ◆ Elevator or warehouse receipts, ledger sheets, load summaries, weight tickets, settlement sheets, or CCC loan documents noting weighted and quality data
- ◆ Use of another producers records sharing acreage– with consent form
- ◆ Any other document showing weighted scale data with 1) insured's name, 2) commodity, 3) name of buyer, storer, or marketing outlet, 4) crop year of production and date of transaction, 5) class or variety when available, and 6) quantity of production and unit description

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RULES OF THUMB

- ◆ Never destroy production evidence until an adjuster evaluates it
- ◆ Never mix farm stored production from two insurance units without consulting your agent
- ◆ If you insure with basic or enterprise units, you may want to maintain records on what could become optional units in case you decide to switch your unit structure



ADEQUATE RECORD KEEPING

If you keep up to date accurate records you pay only the premium needed if you experience a loss and nothing more, you will be better able to document any claim you may need to file and thus your record keeping diligence will allow you to receive maximum policy benefits



Tips on keeping adequate records

- ◆ Uniquely identify all fields, blocks and storage bins
- ◆ Know which fields/blocks correspond to separate insurance units, if more than one
- ◆ Keep separate records by practice and type (irrigated, non-irrigated, continuous crop, first crop, double crop, etc.)
- ◆ Start by determining your beginning inventory in each storage bin (if you anticipate a loss, it must be measured by an adjuster or FSA)
- ◆ Keep a field harvest record during harvest to record the amount of production from each field/ block and into which storage bin the production goes
- ◆ Keep track of production fed to livestock, including amount fed, type of livestock and number of head, and where the production came from
- ◆ Verify using sale and purchase transaction records- a disinterested third party is considered more reliable
- ◆ Keep separate acreage and production records for double cropped acreage (of first and second crops plus APH records for the entire unit)- you need to show that you double cropped at least 2 out of the last 4 years in the county



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