



USDA Coronavirus Food Assistance Program Data Story





OFFICE OF INSPECTOR GENERAL

United States Department of Agriculture



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TO: Zach Ducheneaux
Administrator
Farm Service Agency

ATTN: Gary Weishaar
Branch Chief
External Audits and Investigations Division

FROM: Craig M. Goscha
Deputy Assistant Inspector General for Analytics and Innovation

SUBJECT: USDA Coronavirus Food Assistance Program Data Story

The U.S. Department of Agriculture (USDA) Office of Inspector General (OIG) has launched a series of data products called data stories. The purpose of these data stories is to enhance transparency of significant USDA programs using data analytics and visualizations while integrating data storytelling methods.

This data story is the second in the series and focuses on the [USDA Coronavirus Food Assistance Program](#) (CFAP). This product utilized data analytics, visualizations, and data storytelling methods to enhance transparency of how the CFAP 1 and CFAP 2 programs evolved over time. The data utilized for this data story were unaudited.

CFAP 1 and CFAP 2 provided payments to agricultural producers to help address the economic hardships created when COVID-19 disrupted the agricultural supply chain. This CFAP data story invites the reader to explore both programs and how they evolved from inception to the end of February 2022 in response to changing pandemic conditions.

Farm Service Agency's written response to the data story is included in its entirety in the data story and this report. OIG applied the established Office of Analytics and Innovation quality assurance standards to ensure the information presented in this product is adequately supported.

We appreciate the courtesies and cooperation extended to us by members of your staff during the development of this data story. The product will be posted in its entirety to our website (usdaoig.oversight.gov) in the near future.

Attachment

Topic: Response to the Office of Inspector General Data Story on the Coronavirus Food Assistance Program

To: Craig Goscha, Craig.Goscha@oig.usda.gov
Deputy Assistant Inspector General, Analytics and Innovation, Office of Inspector General

From: Zach Ducheneaux, Zach.Ducheneaux@usda.gov
Administrator, Farm Service Agency, U.S. Department of Agriculture



The U.S. Department of Agriculture’s (USDA’s) Farm Service Agency (FSA) commends the Office of Inspector General’s launch of its new product, Data Stories, and its efforts to use this product to enhance the transparency of significant USDA programs using data analytics and visualization while integrating data storytelling methods. Below are our comments:

FSA agrees with OIG’s explanation of the sizable disruptions to food supply chains caused by the onset of the COVID-19 pandemic and the impacts of those disruptions on American farmers, ranchers, and producers. Through funds provided by Congress in response to this unprecedented crisis, USDA under the previous Administration distributed tens of billions of dollars in supplemental assistance to agricultural producers. Part of this assistance was distributed through the Coronavirus Food Assistance Program (CFAP).

The previous Administration [announced the CFAP](#) on April 17, 2020. This program, which totaled over \$19 billion, initially provided support to farmers and ranchers impacted by the COVID-19 pandemic. The vast majority of this funding—\$16 billion—was administered as direct payments to producers who [suffered price declines and faced additional significant marketing costs](#) as a result of lower demand, surplus production, and disruptions to shipping patterns and the orderly marketing of commodities.

OIG appropriately notes that, following the initial payments under the original CFAP (“CFAP 1”), in September 2020, the previous Administration [announced details of another multi-billion “CFAP 2.”](#) Unlike CFAP 1, payments under CFAP 2 were divided into multiple categories, including price trigger commodities, flat-rate commodities, and sales commodities. In December 2021, Congress also approved additional funding for relief to agricultural producers, including a third round of CFAP payments.

As all forms of CFAP assistance were paid out to producers, Congressional leaders and agricultural stakeholders raised concern that the relief was not reaching a broad enough set of producers, and many of the most vulnerable agricultural communities were not receiving the assistance they needed to weather the pandemic.

While the OIG Data Story elevates the fact that more than 200 commodities were ultimately included under both CFAP 1 and CFAP 2—and that both programs were amended over time to include “wider varieties of producers and commodities”—it is important to understand that

both iterations of the program had very low participation among minority producers. When CFAP 1 was initially implemented, the program had a minority participation rate of 4.4 percent (3.5 percent of payments), and prior to being reopened, CFAP 2 had a minority participation rate of 4.2 percent (3 percent of payments). That is why, one of the first actions of Biden-Harris Administration leadership was to temporarily pause CFAP payments; the Administration paused payments so that USDA could conduct a detailed analysis of the payments that had been issued and the gaps in assistance that remained. The Administration deemed it essential to ensure that future CFAP payments were targeted towards producers and industries that had not yet benefitted from the program.

During its review and analysis of previous CFAP payments, USDA found that, under CFAP 2 in particular, sign-up appeared rushed and lacked normal procedures focused on ensuring effective outreach, from translated forms to partnerships focused on reaching underserved and nontraditional customers. USDA also found that, while the sales commodity category of payments under CFAP 2 provided a new opportunity to reach specialty crop and diversified producers who normally do not participate in USDA's price support programs, data continued to reflect a lack of nontraditional producers' participation through this category.

After completing its analysis of the program, in March 2021, USDA shared that it would [re-open signup for CFAP 2](#) for at least 60 days beginning on April 5, 2021. USDA's FSA [committed at least \\$2 million](#) to improve outreach for CFAP 2 and established partnerships with organizations with strong connections to historically underserved communities to ensure they were informed and aware of the application process. The formula payments to finish out CFAP went out under the then-existing CFAP rules due to statutory requirements. However, future opportunities for USDA pandemic assistance were reviewed for verified need, and during the rulemaking process, USDA was committed to making eligibility more consistent with the Farm Bill.

It is important to note that the re-opening of CFAP sign-up under the Biden-Harris Administration was for all eligible producers and was based on the clear discovery of inadequate outreach under previous iterations of the program. As a result of USDA's efforts, USDA [saw a fourfold increase](#) in CFAP 2 participation by underserved producers during the reopening period.

Moreover, in addition to reopening CFAP and intentionally working to expand its reach in underserved communities, USDA concurrently established several new programs and efforts to bring financial assistance to farmers, ranchers, and producers who felt the impacts of COVID-19 market disruptions but had not received assistance through CFAP. USDA [dedicated \\$6 billion](#) to a new Pandemic Assistance for Producers initiative, putting a greater emphasis on outreach to small and underserved producers, including but not limited to specialty crop and organic producers, timber harvesters, and others impacted by COVID.

The Department remains focused on reaching a better understanding of where barriers to accessing USDA programs and services exist, so that they can be better addressed both in program design as authorities allow and in USDA's outreach efforts. FSA respectfully

requests the OIG CFAP data story reflect the additional context and information this management response provides.

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