

**UNITED STATES DEPARTMENT OF AGRICULTURE**

Farm Service Agency  
Washington, DC 20250

<b>Crop Disaster Program 5-DAP (Revision 2)</b>	<b>Amendment 3</b>
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**Approved by:** Deputy Administrator, Farm Programs



**Amendment Transmittal**

**A Reason for Amendment**

Paragraph 11 has been added to provide procedure for completing FSA-770 CDP.

<b>Page Control Chart</b>		
<b>TC</b>	<b>Text</b>	<b>Exhibit</b>
1, 2	1-27, 1-28 1-29 through 1-34 (add)	1, pages 1, 2



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## 10 Eligible Producers (Continued)

## C Deceased Producers and Dissolved Entities (Continued)

FSA-325 is:

- only used in situations where a program application was filed by an individual who subsequently died, is declared incompetent or is missing before the payment is issued
- not applicable for determining who may file a program application for a deceased, incompetent, or missing individual.

State Office shall consult with the OGC Regional Attorney on the following types of cases:

- documentation submitted does not clearly establish authority to enter into a contract or application on behalf of the deceased individual, closed estate, or dissolved entity
- application from and request for issuing payments to heirs of a deceased individual without documentation provided that establishes authority to enter into a contract or application on behalf of the deceased individual.

If a CDP application involving a deceased individual or closed estate is determined to have been signed by an authorized individual:

- payment shall be issued using the ID number of the eligible individual or the individual's estate, as applicable
- payment may be issued in the names of the heirs, based on OGC's determination, according to 1-CM.

If a producer is general partnership or joint venture that was dissolved, **all** members of the general partnership or joint venture at the time of dissolution, or their representatives, must sign a separate FSA-840 and associated forms.

**Note:** Only one FSA-840 will be submitted for the partnership or joint venture; however, all members must sign FSA-840.

**10 Eligible Producers (Continued)****D Change in Ownership**

A producer who lost control or ownership of the land with a disaster-affected crop during the growing season is eligible to participate, if the applicant meets **all** of the following:

- was the producer at the time of planting
- had control of the crop at the time of the disaster event as determined by COC
- lost control of the property after the disaster event, but before harvest
- is able to provide production evidence (COC may assign maximum loss levels, if applicable).

In the case of a prolonged disaster event, such as drought, the producer planting the crop and experiencing a significant portion of the drought condition, as determined by COC, may be eligible. Any sale of the property and crop during the drought disaster event should be reflected in the sales price paid by the new owner. Disaster assistance shall not be prorated between former and successive owners of the crop.

**\*--11 FSA-770 CDP****A Introduction**

The Improper Payments Information Act of 2002 requires Federal agencies to evaluate programs to determine if internal controls are sufficient to prevent improper payments. FSA-770 CDP was developed to address areas of concern to ensure that 2005, 2006, and 2007 CDP payments are issued properly.

**B FSA-770 CDP Applicability**

FSA-770 CDP:

- is applicable to administering 2005, 2006, and 2007 CDP
- shall be used when FSA-840 has been filed by the producer
- is producer specific
- is mandatory
- is required to be completed for each of the first five FSA-840's processed by FSA employees
- does **not** negate STC, SED, State Office, DD, COC, CED, or County Office responsibility for administering **all** provisions applicable to 2005, 2006, and 2007 CDP.

**Reminder:** County Offices shall ensure that eligibility has been updated according to CCC-770 Eligibility **before** payments are issued to applicable producers.

**C Maintaining FSA-770 CDP**

FSA-770 CDP:

- is applicable for each of the first five FSA-840's processed by FSA employees, by county
- has been designed to enable County Offices to update FSA-770 CDP as actions are taken
- shall be filed in the applicable producer's 2005, 2006, or 2007 CDP folder.--\*

**\*--11 FSA-770 CDP (Continued)****D Retention Period**

All FSA-770 CDP's shall be retained in the producer's 2005, 2006, or 2007 CDP folder with FSA-840 according to 25-AS, Exhibit 50.5. If a new FSA-770 CDP is initiated, the original FSA-770 CDP shall be retained, along with the newly initiated FSA-770 CDP.

FSA-770 CDP's shall be destroyed when FSA-840 is destroyed.

**E County Office Action**

County Office employees shall complete FSA-770 CDP's for:

- each of the first five FSA-840's processed for CDP at the beginning of each application period
- all FSA employees participating in a program, including STC's and COC's.

The County Office employee that completes each item on FSA-770 CDP:

- is certifying that the applicable program provisions have, or have **not**, been met
- shall refer to the applicable handbook provisions, as specified, for additional information
- shall place their initials in the "Initials" column
- shall enter the date the item was reviewed in the "Date Completed" column.

**Note:** As an alternative, County Offices may choose to review all items **after** COC approval, if applicable; however, each item **must** be initialed and dated verifying that each item has been reviewed.--\*

**\*--11 FSA-770 CDP (Continued)****E County Office Action (Continued)**

Once **all** questions on FSA-770 CDP have been answered in a manner that supports approving the applicable forms, the County Office employee shall sign FSA-770 CDP, item 22A, as the preparer.

**Notes:** By signing as the preparer, the employee is **not** certifying that they have reviewed **all** items in the applicable part of FSA-770 CDP; they are certifying that the item with their initial was reviewed and that the applicable program provisions have or have **not** been met.

County Offices **cannot** rely solely on using FSA-770 CDP for administering 2005, 2006, and 2007 CDP. **All** program provisions **must** be met, **not** just the items included on FSA-770 CDP. FSA-770 CDP is a tool to assist with program administration and includes the major areas where deficiencies have been identified, but it is **not** inclusive of all 2005, 2006, and 2007 CDP provisions.

**F CED Action**

CED or their designated representative shall:

- spot-check the first five FSA-770 CDP's completed by FSA employees in subparagraph 11 E
- randomly spot-check a minimum of five FSA-770 CDP's for each FSA employee participating in CDP, including STC's and COC's.

When spot-checking information certified on FSA-770 CDP, CED shall:

- review each part of FSA-770 CDP that has been completed
- indicate whether or **not** they concur with the certification of items 5 through 21, as applicable
- sign and date items 23B and 23C
- report to COC and STC or their designated representative, any FSA-770 CDP in which CED does **not** concur with the preparer's determination.--\*

**\*--11 FSA-770 CDP (Continued)****G State Office Spot Check Selections**

STC or their designated representative shall spot-check a minimum of 5, not to exceed ten FSA-770 CDP's spot-checked by CED in each County Office.

Additional FSA-770 CDP's will be required if apparent internal control deficiencies are found during CED or STC representative reviews.

When spot-checking information certified on FSA-770 CDP, STC or their representative shall:

- review each part of FSA-770 CDP that has been completed
- indicate whether or **not** they concur with the certification of items 5 through 21, as applicable, in item 24A
- sign and date items 24B and 24C.

**H National Report**

SED's shall report the following to the National Office as of September 30 of each FY, by county:

- the number of FSA-770 CDP's spot-checked by CED
- the number of FSA-770 CDP's spot-checked by DD
- the number of "Do Not Concur" signed by CED
- the number of "Do Not Concur" signed by DD.

SED shall e-mail the report to **kay.niner@wdc.usda.gov**. Reports are due in the National Office by the second Monday of the new FY.--\*

\*--11 FSA-770 CDP (Continued)

I Example of FSA-770 CDP

The following is an example FSA-770 CDP.

<b>This form is available electronically.</b>		U.S. DEPARTMENT OF AGRICULTURE Farm Service Agency		1. Producer Name		2. ID Number (Last 4 Digits)	
<b>FSA-770 CDP</b> (12-07-07)		<b>2005, 2006, and 2007 CDP Check List</b>		3. State Name		4. County Office Name	
<b>County Offices shall ensure that eligibility has been updated according to CCC-770 Eligibility before payments are issued for applicable producers.</b>							
<b>Office Staff Actions:</b>				<b>Handbook or Other Reference</b>	<b>YES</b>	<b>NO</b>	<b>Initials</b>
							<b>Date Completed</b>
5. Has the CCC-770 Eligibility Checklist been completed?				3-PL, paragraph 3			
6. Has proper signature authority been verified for all signatures on the FSA-840?				1-CM, Part 25			
7. Has supporting documentation to support CDP eligibility been submitted, and accepted by the county committee?				5-DAP (Rev. 2), paragraph 10			
8. Does the producer provided on the RMA download match the producer of record listed on the FSA farm tract file?				2-CP Section 7, and 5-DAP, subparagraphs 132 B & D			
9. If Item number 8 is "NO", was Cmd 16 properly used for the eligible exceptions?				5-DAP (Rev. 2), subparagraphs 132 B & D, and paragraph 348			
10. Was crop insurance or NAP coverage obtained for the crop?				5-DAP (Rev. 2), paragraph 30			
11. Does the CCC-576 Notice of Loss or RMA download, as applicable, contain sufficient information relating to the loss?				5-DAP (Rev. 2), paragraph 90			
12. Was Item 16 on the FSA-840 checked, and if so, was an FSA-840M filed, if applicable?				5-DAP (Rev. 2), paragraph 253			
13. Have multiple cropping provisions been met, if applicable?				5-DAP (Rev. 2), subparagraph 72			
14. Were only those value loss and specialty crops that existed between October 1, 2004, and February 28, 2007 considered for assistance?				5-DAP (Rev. 2), subparagraph 3 F			
15. Have payment factors been applied correctly?				5-DAP (Rev. 2), subparagraph 131			
16. Was acreage planted before February 28, 2007, kept separate from acreage planted after that date?				5-DAP (Rev. 2), subparagraph 70 B			
17. Were skip-row provisions applied correctly to multiple planted crop acreage?				2-CP, Ex. 21, and 5-DAP, subparagraph 72 H			
18. For production records not considered verifiable and/or reliable, did COC properly assign the higher of the producer's certified production or STC approved maximum average loss level?				5-DAP (Rev. 2), subparagraph 90 G			
19. Has COC action been recorded on FSA-840, Part F, and recorded in COC minutes?				5-DAP (Rev. 2), subparagraph 240C, Part F, 55 A-C			
20. Has an FSA-841 been completed that reflects the reduction required for payments received under 2005/2006 HIP, HDP and/or Sugarcane programs?				5-DAP (Rev. 2), paragraph 37			
21. Has the correct payment data been entered into the automated system and reviewed by second party before payment is issued?				5-DAP (Rev. 2), Part 4E			
22A. Signature of Preparer		Date (MM-DD-YYYY)		22B. Signature of Preparer		Date (MM-DD-YYYY)	
23A. I concur/do not concur the above items have been verified and updated accordingly:				<input type="checkbox"/> Concur		<input type="checkbox"/> Do Not Concur	
23B. CED Signature for Spot Check				23C. Date (MM-DD-YYYY)			
24A. I concur/do not concur the above items have been verified and updated accordingly:				<input type="checkbox"/> Concur		<input type="checkbox"/> Do Not Concur	
24B. DD Signature for Spot Check				24C. Date (MM-DD-YYYY)			
25. Remarks:							

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\*--11 FSA-770 CDP (Continued)

**J FSA-770 CDP Instructions**

This table provides instructions for completing FSA-770 CDP.

Item	Instructions
1	Enter name of the producer.
2	Enter last 4 digits of the producer's ID number.
3	Enter applicable State's name.
4	Enter County Office name that is completing FSA-770 CDP.
5 through 21	Check (√) "Yes", "No", or enter "N/A".
22A	County Office employees who initial items 5 through 21 sign as preparer.  <b>Note:</b> By signing as preparer, this does <b>not</b> mean that an employee checked items 5 through 21; <b>only</b> that this employee completed an item that was initialed by that employee.
22B	County Office employee who signs item 22A enters the current date.
23A	When applicable, CED or designated representative indicates whether or <b>not</b> they concur with how items 5 through 21 were completed. See subparagraph F for CED spot check procedure.
23B	CED or designated representative who completed item 23A signs.
23C	CED or designated representative who signed item 23B enters the current date.
24A	When applicable, STC or their representative indicates whether or <b>not</b> they concur with how items 5 through 21 were completed. See subparagraph G for STC or their representative spot check procedure.
24B	STC or their representative who completed item 24A signs.
24C	STC or their representative who signed item 24A enters the current date.
25	Enter remarks.

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12-29 (Reserved)

## Reports, Forms, Abbreviations, and Delegations of Authority

### Reports

None

### Forms

This table lists all forms referenced in this handbook.

<b>Number</b>	<b>Title</b>	<b>Display Reference</b>	<b>Reference</b>
AD-1026	Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification		Text
CCC-36	Assignment of Payment		35, 472
CCC-37	Joint Payment Authorization		35, 472
CCC-184	CCC Check		Text
CCC-458	RMA Compliance Referral Worksheet		71, 132
CCC-502	Farm Operating Plan for Payment Eligibility Review		10, 34, 240
CCC-509	Direct and Counter-Cyclical Program Contract		10
CCC-526	Payment Eligibility Average Adjusted Gross Income Certification		240
CCC-770 Eligibility	Eligibility Checklist		1, 451
CRP-15	Agreement for Reduction for Bases, Allotments, and Quotas		71
FSA-325	Application for Payment of Amounts Due Persons Who Have Died, Disappeared, or Have Been Declared Incompetent		10, 36, 451
FSA-570	Waiver of Eligibility for Emergency Assistance		3
FSA-578	Report of Acreage		Text
FSA-770 CDP	2005, 2006, and 2007 CDP Checklist	11	

## Reports, Forms, Abbreviations, and Delegations of Authority (Continued)

## Forms (Continued)

Number	Title	Display Reference	Reference
FSA-840	2005, 2006, and 2007 Crop Disaster Program Application	241	Text
FSA-840A-1	2005, 2006, and 2007 Crop Disaster Program Quantity Payment Calculation Worksheet (Yield Based Single Market and Multiple Market-Single Price Crops)	242	455, 475
FSA-840B-1	2005, 2006, and 2007 Crop Disaster Program Quantity Payment Calculation Worksheet (Yield Based Multiple Market-Multiple Price Crops)	244	455, 475
FSA-840C	2005, 2006, and 2007 Crop Disaster Program Payment Calculation Worksheet (Value Loss Crops)	246	181, 240, 251, 455, 475
FSA-840E	Estimated Calculated Payment Report - Producer Summary Report		451, 521, 540, 541
FSA-840E-1	Detailed Statement of Calculated Payment Amounts for Single-Market Crops		451, 521, 542, 545
FSA-840E-2	Detailed Statement of Calculated Payment Amounts for Multiple-Market Crops		451, 521, 543, 545
FSA-840E-3	Detailed Statement of Calculated Payment Amounts for Value Loss Crops		451, 521, 544, 545
FSA-840M	2005, 2006, and 2007 Crop Disaster Program for Multiple Crop - Same Acreage Certification	253	72, 240, 251, 402
FSA-841	2005, 2006, and 2007 CDP Certification of Duplicate Benefits Under HIP and HDP	254	37, 240, 251, 320