

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Crop Disaster Program
5-DAP (Revision 2)

Amendment 6

Approved by: Deputy Administrator, Farm Programs



Amendment Transmittal

A Background

Since issuing FSA-770 CDP (12-07-07), questions have been raised about using FSA-770 CDP. Based on the comments received, and additional input from State and County Office employees, a revised FSA-770 CDP has been developed.

Note: For situations where FSA-770 CDP dated December 7, 2007, has already been prepared, County Offices are **not** required to initiate FSA-770 CDP, dated January 15, 2008. However, FSA-770 CDP, dated January 15, 2008, shall be used for **all** FSA-840's beginning with the issuance of this amendment.

B Reasons for Amendment

Paragraph 11 has been amended to:

- clarify that FSA-770 CDP must be completed for each of the first five FSA-840's processed by each FSA employee in a Service Center

Note: All units and pay groups must have a corresponding FSA-770 CDP for each FSA-840 filed.

- correct the 25-AS reference for retaining FSA-770 CDP's
- correct FSA-770 CDP line item references
- note that FSA-770 CDP must be completed before payments can be issued
- clarify the instructions for completing FSA-770 CDP (01-15-08).

Note: FSA-770 CDP (12-07-07) is obsolete.

Page Control Chart		
TC	Text	Exhibit
	11-29 through 11-34 11-35 (add)	

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 each FSA employee in a Service Center

Note: All units and pay groups must have a corresponding FSA-770 CDP for each FSA-840 filed.--*

- 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 each FSA employee in a Service Center

Note: All units and pay groups must have a corresponding FSA-770 CDP for each FSA-840 filed.--*

- 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 27.7. 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

Each County Office employee 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

Note: All units and pay groups must have a corresponding FSA-770 CDP for each FSA-840 filed.

- 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 and date FSA-770 CDP, item 25A, 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 each FSA employee in subparagraph 11 E

Note: All units and pay groups must have a corresponding FSA-770 CDP for each FSA-840 filed.

- randomly spot-check a minimum of 5 producer's 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 8 through 24, as applicable, in item 26A
- sign and date items 26B and 26C--*
- 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 producer's, not to exceed ten, FSA-770 CDP's spot-checked by CED in each County Office.

Note: All units and pay groups must have a corresponding FSA-770 CDP for each FSA-840 filed.--*

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 8 through 24, as applicable, in item 27A
- sign and date items 27B and 27C.

Note: FSA-770 CDP must be completed before payments are issued to applicable producers.--*

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 last Friday of the new FY.--*

11 FSA-770 CDP (Continued)

I Example of FSA-770 CDP

The following is an example FSA-770 CDP.

*--

Office Staff Actions:		Handbook or Other Reference	YES	NO	N/A	Initials	Date Completed
8. Has the CCC-770 Eligibility Checklist been completed?		3-PL, paragraph 3					
9. Has proper signature authority been verified for all signatures on the FSA-840?		1-CM, Part 25					
10. Has supporting documentation to support producer eligibility been submitted, and accepted by the county committee?		5-DAP (Rev. 2), paragraph 10					
11. Does the producer on the RMA download match the producer of record listed on the FSA farm tract file?		2-CP Section 7, and 5-DAP, sub-paragraphs 132B & D					
12. If Item 11 is "NO", was Cmd 16 properly used for the eligible exceptions?		5-DAP (Rev. 2), sub-paragraphs 132B & D, and paragraph 348					
13. Was crop insurance or NAP coverage obtained for the crop?		5-DAP (Rev. 2), paragraph 30					
14. In cases where a NAP claim was not filed or RMA record was not provided, was reliable/verifiable production evidence provided or higher of producer's certified production or STC approved maximum average loss level correctly assigned?		5-DAP (Rev. 2), paragraph 90					
15. Has the correct information been loaded in the system for this producer if insurance was purchased for GRP, Revenue, or Dollar Insured Crop?		5-DAP (Rev. 2), Paragraph 252					
16. Were skip-row provisions applied correctly to multiple planted crop acreage?		2-CP, Ex. 21, and 5-DAP, subparagraph 72H					
17. Was Item 16 on the FSA-840 checked "Yes", and if so, was a FSA-840M filed?		5-DAP (Rev. 2), paragraph 253					
18. Have multiple cropping provisions been met? If answer is "NO", write N/A?		5-DAP (Rev. 2), paragraph 72					
19. Were only those crops intended for harvest during the 2005, 2006, or 2007 Crop year considered for assistance?		5-DAP (Rev. 2), subparagraph 3F					
20. Have payment factors been applied correctly?		5-DAP (Rev. 2), subparagraph 131					
21. 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 90G					
22. Has COC action been recorded on FSA-840, Part E?		5-DAP (Rev. 2), sub-paragraphs 240B & C, FSA-840, Part E, subparagraphs 55A through C					
23. 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					

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11 FSA-770 CDP (Continued)

I Example of FSA-770 CDP (Continued)

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Office Staff Actions:		Handbook or Other Reference	YES	NO	N/A	Initials	Date Completed
24. Has the correct loss data been entered into the automated system and reviewed by second party before payment is issued?		5-DAP (Rev. 2), Subparagraph 4E and subparagraph 276B					
25A. Signature of Preparer		25B. Date (MM-DD-YYYY)					
26A. I concur/do not concur that the above items have been verified and updated, accordingly:			<input type="checkbox"/> Concur		<input type="checkbox"/> Do Not Concur		
26B. CED Signature for Spot Check		26C. Date (MM-DD-YYYY)					
27A. I concur/do not concur that the above items have been verified and updated, accordingly:			<input type="checkbox"/> Concur		<input type="checkbox"/> Do Not Concur		
27B. DD Signature for Spot Check		27C. Date (MM-DD-YYYY)					
28. 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	Enter the crop year fro which disaster benefits are being requested.
6	Enter the unit number that corresponds to FSA-840 being reviewed.
7	Enter the pay group that corresponds to FSA-840 being reviewed.
8 through 24	Check (√) "Yes", "No", or enter "N/A".
25A	County Office employees who initial items 8 through 24 sign as preparer. Note: By signing as preparer, this does not mean that an employee checked items 8 through 24; only that this employee completed an item that was initialed by that employee.
25B	County Office employee who signs item 25A enters the current date.
26A	When applicable, CED or designated representative indicates whether or not they concur with how items 8 through 24 were completed. See subparagraph F for CED spot check procedure.
26B	CED or designated representative who completed item 26A signs.
26C	CED or designated representative who signed item 26B enters the current date.
27A	When applicable, STC or their representative indicates whether or not they concur with how items 8 through 24 were completed. See subparagraph G for STC or their representative spot check procedure.
27B	STC or their representative who completed item 27A signs.
27C	STC or their representative who signed item 27B enters the current date.
28	Enter remarks.--*

12-29 (Reserved)

