

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Cotton Loans and Loan Deficiency Payments
7-CN (Revision 15)

Amendment 40

Approved by: Acting Deputy Administrator, Farm Programs



Amendment Transmittal

A Reason for Amendment

Paragraph 54 has been amended to:

- replace references to CCC-770 UPLDP with CCC-770 LDP/eLDP
- removing the requirement to initial and date each reviewed item
- inform that cotton LDP reviews are to be recorded on revised CCC-770 LDP/eLDP.

B Obsolete Form

CCC-770 UPLDP is obsolete.

Page Control Chart		
TC	Text	Exhibit
1, 2	1-106.7 through 1-106.18 1-106.19, 1-106.20 (add)	1, pages 3, 4

Table of Contents

Page No.

Part 1 General Information and Administrative Provisions

Section 1 General Information

1	Purpose and Authorities	1-1
2	Program Objectives.....	1-2
3	Related Handbooks	1-3
4	Related Web Sites	1-5
5	Alphabetical Index	1-6
6-8	(Reserved)	

Section 2 Responsibilities

9	National Office Responsibilities	1-17
10	Kansas City Office Responsibilities	1-18
11	STC Responsibilities	1-22
12	SED Responsibilities	1-24
13	COC Responsibilities	1-25
14	CED Responsibilities	1-26
15-20	(Reserved)	

Section 3 Administrative Provisions

21	Amounts of \$9.99 or Less	1-41
22	AWP and CCA Announcement Times	1-41
23	Appeals	1-43
24	Bankruptcy Cases	1-45
25	Calculations of LDP and Market Gains	1-47
26	CCA	1-48
27	CCA: Applicable Bales	1-49
28	Corporations and Partnerships Dissolved and Loan Assumptions	1-50
29	Cotton Clerks	1-51
30	Finality Rule	1-52
31	Lost or Damaged Cotton Loan Collateral	1-53
32	Graduated Payment Reductions	1-55
33	Interest Rates	1-57
34	IRS Reporting Requirements	1-58
35	Loans Ineligible for Forfeiture	1-58
36	Local Sales	1-61
37	Lobbying Disclosure Requirements, Compliance, and Reporting	1-68
38	Market Gain Reports	1-81
39	Misinformation and Misaction	1-82
40	Nonresident Producer	1-82

Table of Contents (Continued)

Page No.

Part 1 General Information and Administrative Provisions (Continued)

Section 3 Administrative Provisions (Continued)

41	Offsets	1-83
42	Overdisbursements, Manual Checks, and Receivables	1-85
43	Payment Limitation	1-88.8
44	Monitoring Payment Limitation	1-89
45	Power of Attorney	1-90
46	Prompt Payment Act	1-91
47	Lost or Missing Warehouse Receipts	1-92
48	Warehouse Status Notification	1-95
49	Warehouse Storage and Receiving Charges	1-98
50	Notification During NITC Failure	1-99
51	Soldiers' and Sailors' Civil Relief Act of 1940	1-101
52	Accessing COPS	1-103
53	Eligibility Review	1-106.7
54	CCC-770 CottonMAL's and CCC-770 LDP/eLDP's.....	1-106.8
55, 56	(Reserved)	

Section 4 State Office Administrative Activities

57	Program Violations	1-107
58	Supervision	1-108
59	Approving County Offices to Make Seed Loans Without Measurement	1-109
60-63	(Reserved)	

Section 5 Automated Price Support System

64	Automated Procedures	1-117
65	County Office-Maintained Table Files	1-118
66	Producer and Loan Identification	1-120
67-69	(Reserved)	

Section 6 Ginner Approval Requirements, Agreements, and Codes

70	Overview.....	1-125
71	Cooperating Ginner Requirements Using CCC-809.....	1-126
72	Bagging and Tie Requirements Agreement Using CCC-809	1-128
73	Approving Cooperating Ginners.....	1-130
74	Cotton Ginned by Noncooperating Ginners	1-131
75	Nonspecification Bagging Used by a Cooperating Ginner.....	1-132
76	Posting Ginner Lists.....	1-133
77	Sending Lists to Producers, LSA's, and Cooperatives	1-135
78	(Withdrawn--Amend. 32)	

52 Accessing COPS (Continued)**D Password Expiration**

COPS passwords expire after 30 calendar days and can be reset by the user at the COPS Sign-On screen. If **not** reset, the COPS password will be:

- revoked after 36 calendar days
- suspended after 90 calendar days
- put on the delete list after 120 calendar days
- deleted after 180 calendar days.

If users have **not** accessed COPS recently, it may be necessary to update the password. Instructions are in the COPS User Guide, Section 1.3. On COPS Home Page, CLICK “System Access Instructions” link under the “Administrative” tab.

A pop-up box will appear on COPS if a user tries to change a password that does not conform to the new rules. The screen will identify the specific error, such as “does not include a numeric character.”

A new button labeled “Password Rules” has been added to the Secure System Password Reset Screen. Users can click “Password Rules” to obtain details of the new password requirements.

Three attempts to change the password will be allowed before the password is suspended. If problems are encountered while resetting a password, contact FSA Security Office at 816-926-6537.

--53 Eligibility Review*A Review**

A second party review of eligibility requirements for loan and LDP applications shall be performed before disbursement. The reviewer must initial the loan or LDP application when the review is completed.--*

***--54 CCC-770 CottonMAL's and CCC-770 LDP/eLDP's**

A Handling CCC-770 CottonMAL's and CCC-770 LDP/eLDP's

FSA employees shall:

- complete CCC-770 CottonMAL or CCC-770 LDP/eLDP for each of the first 5 requests they process at the beginning of the applicable crop year availability period.

Example:

FSA County Office Program Technician	Cotton MAL Requests Received	CCC-770 CottonMAL's Required	Cotton LDP Requests Received	CCC-770 LDP/eLDP's Required
John	10	First 5	7	First 5

- in addition, complete CCC-770 CottonMAL or CCC-770 LDP/eLDP for **all** FSA employees requesting an LDP/eLDP or MAL, including STC's and COC's
- obtain CCC-770 CottonMAL or CCC-770 LDP/eLDP from **<http://165.221.16.90/dam/ffasforms/currentforms.asp>**
- maintain a copy of CCC-770 CottonMAL or CCC-770 LDP/eLDP in the producer's LDP or MAL folder.

The signature of the preparer certifies that each item necessary was completed. All employees that are directly involved with issuing each LDP or disbursing each MAL shall certify and date CCC-770 CottonMAL or CCC-770 LDP/eLDP, as applicable.--*

--54 CCC-770 CottonMAL's and CCC-770 LDP/eLDP's (Continued)--

B Instructions for CCC-770 CottonMAL

Complete CCC-770 CottonMAL according to the following table.

Item	Instructions
1	Enter name of the loan applicant.
2	Enter loan number.
3	Enter State Office name.
4	Enter County Office name.
5	Enter farm number.
6	Enter crop year.
7 - 12	Enter check under "YES", "NO", or "N/A", as applicable for each entry. * * *
13	Enter any remarks that may explain special circumstances or explanation for items checked as "NO".
14A and B	Any employee that initials 1 or more items from items 7 through 12 shall certify by signing as preparer and entering date of signature.
15A, B, and C	<p>Note: This item will be completed if CCC-770 CottonMAL is selected for spot check.</p> <p>CED or designated representative shall certify by:</p> <ul style="list-style-type: none"> • in item 15A, indicating concurrence or not if CCC-770 CottonMAL items have been verified and completed • in item 15B, signing as Second Party Reviewer • in item 15C, entering date of signature.
16A, B, and C	<p>Note: This item will be completed if CCC-770 CottonMAL is selected for spot check.</p> <p>If CCC-770 CottonMAL is selected for spot check, STC designee shall certify by:</p> <ul style="list-style-type: none"> • in item 16A, indicating concurrence or not if CCC-770 CottonMAL items have been verified and completed • in item 16B, signing as spot-checker • in item 16C, entering date of signature; this item remains blank if CCC-770 CottonMAL is not selected for spot check.

*--54 CCC-770 CottonMAL's and CCC-770 LDP/eLDP's Continued)

C Example CCC-770 CottonMAL

Following is an example CCC-770 CottonMAL.

This form is available electronically.				
CCC-770 CottonMAL (01-08-09) U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation OUTSIDE-STORED ELS, WAREHOUSE-RECEIPTED COTTON, AND SEED COTTON MARKETING ASSISTANCE LOAN CHECKLIST	1. Applicant's Name	2. Loan Number		
	3. State Office Name	4. County Office Name		
	5. Farm Number	6. Crop Year		
	John Smith	00147		
	Texas	Gaines		
	1521	2008		
Note: Complete this checklist for each individual loan application. Provisions of 7-CN are applicable.				
7. Loan Request (ELS Outside-Stored Only)	Handbook or Other Applicable References	YES	NO	N/A
A. Are CCC Cotton A-5 and CCC-601 ELS Appendix completed, signed by producer, and signed and dated (date received) by CCC representative?	7-CN, paragraphs 182, 222.7, 223.8 and 224			X
B. Are bales represented by warehouse receipts? (If "YES", cotton is ineligible for outside-stored loan.)	7-CN, paragraph 189			X
C. Is CCC-10 on file? (except for turn-around loans)	7-CN, paragraphs 181 and 223.7			X
D. Is the cotton located in an area approved for outside storage?	7-CN, Exhibit 18.5			X
8. Loan Request (Warehouse-Stored, ALL Types)				
A. Is CCC Cotton A-5 completed, signed by producer, and signed and dated (date received) by CCC representative?	7-CN, paragraphs 182, 222.7, 223.8 and 224	X		
B. Is CCC-10 on file? (except for turn-around loans)	7-CN, subparagraph 181B	X		
9. Loan Request (Seed Cotton, Recourse)				
A. Is CCC-877 completed, signed by inspector	7-CN, subparagraph 238A			X
B. Is CCC-683 provided to applicant or inspector?	7-CN, subparagraph 239A			X
C. Is UCC-1 filed for the loan?	7-CN, subparagraph 124J			X
10. Producer/Commodity Eligibility				
A. Has the FSA-578 been properly completed and filed?	7-CN, subparagraph 118B	X		
B. Has the CCC-770 Eligibility checklist been completed and verified?	7-CN, subparagraph 53A	X		
C. Did the producer answer "NO" to the question, "Are you or any co-applicant delinquent on any Federal non-tax debt on CCC Cotton A-5?"	7-CN, subparagraph 101B	X		
D. Is the quantity requested within the COC-established reasonable yield for the commodity? County Offices MUST run queries.	7-CN, subparagraph 119B	X		
E. Has a second party review been properly completed? Ensure that the loan application was initiated by the reviewer.	7-CN, subparagraph 182A	X		
11. MAL Processing /Approval				
A. Has lien search been performed for each application?	7-CN, subparagraph 124A	X		
B. Has CCC-679 (lien waiver) been obtained from all parties with a security interest in the producer's crop?	7-CN, subparagraph 163C	X		
C. If producer is signing in a representative capacity, was indicator "by" or "for" used?	7-CN, paragraph 189	X		
D. Has "date documents received" (Item A8 of Cotton A-5) been determined based on the latter of either: • date CCC Cotton A-5 is received and all other forms (such as lien waiver, CCC-10) are received • date CCC is made holder of EWR's	7-CN, subparagraph 182B	X		
E. If applicable, has form CCC-674 or SF-LLL been obtained for loans greater than \$150,000?	7-CN, subparagraph 37A			X
<p><i>The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.</i></p>				

--*

*--54 CCC-770 CottonMAL's and CCC-770 LDP/eLDP's (Continued)

C Example CCC-770 CottonMAL (Continued)

CCC-770 CottonMAL (01-08-09)		Page 2		
12. Distribution of Loan Documents				
A. Has CCC Cotton A-5 or CCC-877, as applicable, been distributed as follows? <ul style="list-style-type: none"> copy in County Office records copy to producer copy to cotton loan clerk, if applicable 	7-CN, paragraph 193	X		
B. Are the following documents filed in a locked, fireproof custody file? <ul style="list-style-type: none"> original signed and approved CCC Cotton A and Continuation, if applicable original CCC Cotton A-1 original transaction summary report, if applicable 	7-CN, subparagraph 193B	X		
C. Are the following documents filed in the producer's loan folder? <ul style="list-style-type: none"> copy of signed and approved CCC Cotton A copy of signed CCC Cotton A Continuation, if applicable copy of CCC Cotton A-1 copy of transaction summary report other documents signed by producer pertaining to this loan original of Producer's Disbursement Transaction Statement all printouts from Cotton PC, including Validation Review Reports, Classing Data, and Bale Recap Listings 	7-CN, subparagraph 193C	X		
D. Have the following documents been provided to the producer? <ul style="list-style-type: none"> copy of signed and approved CCC Cotton A copy of signed CCC Cotton A Continuation, if applicable copy of CCC Cotton A-1 copy of transaction summary report generated by APSS copy of Producer's Disbursement Transaction Statement CCC-601 or CCC-601 ELS (as applicable) copies of other documents signed by producer pertaining to this loan 	7-CN, subparagraph 193A	X		
13. Remarks				
<p><i>Certifications:</i> I (we) the undersigned certify the above items have been verified or updated accordingly.</p>				
14A. Signature of Preparer(s)		14B. Date (MM-DD-YYYY)		
/s/ Program Technician Signature		01/13/2009		
15A. I concur/do not concur the above items have been verified or updated accordingly.		<input type="checkbox"/> Concur <input type="checkbox"/> Do Not Concur		
15B. CED Signature for Spotcheck		15C. Date (MM-DD-YYYY)		
/s/ CED's Signature		01/30/2009		
16A. I concur/do not concur the above items have been verified or updated accordingly.		<input type="checkbox"/> Concur <input type="checkbox"/> Do Not Concur		
16B. STC Designee Signature for Spotcheck		16C. Date (MM-DD-YYYY)		

--*

*--54 CCC-770 CottonMAL's and CCC-770 LDP/eLDP's (Continued)

D Instructions for CCC-770 LDP/eLDP

Complete CCC-770 LDP/eLDP according to this table.

Item	Instructions
1	Enter name of the producer.
2	Enter date of application.
3	Enter State Office name.
4	Enter County Office name.
5	Enter crop year.
6	Enter LDP or eLDP number.
7	Enter farm number.
8	Enter commodity/class/type.
9 - 13	Enter check under "YES", "NO", or "N/A", as applicable for each entry. Note: Item 10H is not applicable to cotton; leave blank.
14	Enter any remarks that may explain special circumstances or explanation for items checked as "NO".
15A and B	Any employee that answers 1 or more items from items 9 through 13 shall certify by signing as preparer and entering date of signature.
16A, B, and C	Note: This item will be completed if CCC-770 LDP/eLDP selected for spot check. CED or designated representative shall certify by: <ul style="list-style-type: none"> • in item 16A, indicating concurrence or not if CCC-770 LDP/eLDP items have been verified and completed • in item 16B, signing as Second Party Reviewer • in item 16C, entering date of signature.
17A, B, and C	Note: This item will be completed if CCC-770 LDP/eLDP selected for spot check. If CCC-770 LDP/eLDP is selected for spot check, STC designee shall certify by: <ul style="list-style-type: none"> • in item 17A, indicating concurrence or not if CCC-770 LDP/eLDP items have been verified and completed • in item 17B, signing as spot-checker • in item 17C, entering date of signature; this item remains blank if CCC-770 LDP/eLDP is not selected for spot check.

--*

*--54 CCC-770 CottonMAL's and CCC-770 LDP/eLDP's (Continued)

E Example CCC-770 LDP/eLDP

Following is an example CCC-770 LDP/eLDP.

This form is available electronically.					
CCC-770 LDP/eLDP (12-23-08) U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation LOAN DEFICIENCY PAYMENT (LDP) AND eLDP PROGRAM REVIEW CHECKLIST	1. Producer/Applicant Name John Smith		2. Date of Application (MM-DD-YYYY) 01-05-2009		
	3. State Office Name Texas		4. County Office Name Gaines		
	5. Crop Year 2008		6. LDP or eLDP Number 00155		
	7. Farm Number 1602		8. Commodity/Class/Type Cotton/UPL		
	NOTE: Properly completed forms mean completed according to the applicable procedure. This shall include proper signature, shares, ID numbers, addresses, date stamp, etc.				
9. LDP Request/Application					
		Handbook or Other Applicable References	YES	NO	N/A
A. Is there a properly completed and signed CCC-633 EZ Page 1 on file? <i>Explain "NO" answer:</i>		8-LP, paragraph 301.5 7-CN, paragraph 261F, 261.5	X		
B. Was the CCC-633 EZ Page 1 filed prior to loss of beneficial interest? <i>Explain "NO" answer:</i>		8-LP, paragraph 301.5 7-CN, paragraph 261.5, 275.5	X		
C. Has the CCC-633 EZ, Page 1 been forwarded to other county offices, if applicable?		8-LP, paragraph 301.5 7-CN, subparagraph 261G			X
D. Was the completed CCC-633 EZ, Page 1 and applicable LDP benefit request page (page 2, 3 or 4) received in the county office on or before the final loan/LDP availability date?		8-LP, paragraph 127 7-CN, paragraph 263	X		
E. Are CCC-633 EZ, Page 1 and Pages 2, 3, or 4 date-stamped?		8-LP, subparagraph 301E 7-CN, paragraph 263	X		
F. Did the producer answer the question, "Are you or any co-applicant delinquent on any Federal non-tax debt?"		8-LP, subparagraph 101B 7-CN, subparagraph 100.5	X		
G. Has a second party reviewer verified and initialed the applicable LDP benefits page (CCC-633 EZ, Page 2, 3 or 4) to ensure the applicable LDP request was properly completed and ready for approval and processing?		8-LP, paragraph 136 7-CN, paragraph 271A, 274J	X		
10. Producer/Commodity Eligibility (Continuation)					
		Handbook or Other Applicable References	YES	NO	N/A
A. Is there a properly completed and timely filed FSA-578 on file for the applicable crop year, with all cropland reported? <i>Explain "NO" answer:</i>		8-LP, paragraphs 100 and 128 7-CN, paragraph 100A 2-CP, paragraph 15	X		
B. Has producer eligibility been verified on the CCC-770 Eligibility Checklist?		8-LP, paragraph 100 7-CN, paragraph 53A	X		
C. Is the quantity requested for LDP within the COC-established reasonable yield for the commodity? NOTE: County Office must run price support queries or determine reasonableness based on maximum eligible quantity as applicable.		8-LP, paragraph 132 7-CN, paragraph 119B	X		
D. If the requested quantity exceeded COC established reasonable yield, did the COC determine the quantity was reasonable? <i>Explain "NO" answer:</i>		8-LP, paragraph 132 7-CN, subparagraph 119C			X
E. Did the producer have risk of producing the crop?		8-LP, paragraph 100 7-CN, paragraph 100	X		
F. If LDP is based upon date beneficial interest is lost, was acceptable production evidence provided and was the LDP rate verified? <i>Explain "NO" answer:</i>		8-LP, paragraph 129A, 303 7-CN, paragraph 262			X

--*

*--54 CCC-770 CottonMAL's and CCC-770 LDP/eLDP's (Continued)

E Example CCC-770 LDP/eLDP (Continued)

CCC-770 LDP/eLDP (12-23-08)		Page 2		
10. Producer/Commodity Eligibility (Continuation)	Handbook or Other Applicable References	YES	NO	N/A
G. Is LDP rate correct for request date and county where marketed or stored, if beneficial interest is maintained? (N/A for cotton)	8-LP, paragraph 303	X		
H. Is LDP rate correct for "dates of Delivery", if LDP requested based on date of delivery? (N/A for cotton)	8-LP, paragraph 303	X		
11. LDP Processing				
A. Has form CCC-674 or SF-LLL been obtained, if applicable? (LDP greater than \$100,000)	8-LP, paragraph 17 7-CN, paragraph 37			X
B. Has the Financial Services System been updated to reflect assignments, if applicable? NOTE: All assignments should be on file and recorded in Financial Services as "LDP" and "LDP Web", for e-mails. (Not applicable to CMA's)	63-FI, Parts 3 and 4			X
12. eLDP Processing				
A. Has eLDP customer profile been established? (Not applicable to CMA's).	15-PS, paragraph 251 7-CN, paragraph 282B	X		
B. Has eLDP application been submitted and printed?	15-PS, Part 3 7-CN, paragraph 285.2	X		
13. Cotton – Specific LDP Processing				
A. If request is for a module-lock-in LDP, is the request date after the beginning-of-harvest-date for the County?	7-CN, paragraph 261.5 and subparagraph 274			X
B. If request is for a module-lock-in LDP, does production evidence from the gin indicate that the bales were produced from the modules identified on the original application.	7-CN, subparagraph 275B			X
C. Has CCC-Cotton AA-1 been printed, filed in LDP folder and given to producer?	7-CN, subparagraph 278C	X		
14. Remarks				
<p><i>Certification: I (we) the undersigned certify the above items have been verified or updated accordingly. I also certify that the applicable LDP documents will be filed in accordance with Handbook 25-AS and that the producer will receive the applicable LDP documentation according to policies and procedures found in Handbook 8-LP.</i></p>				
15A. Signature of Preparer(s)		15B. Date (MM-DD-YYYY)		
/s/ Program Technician's Signature		1/13/2009		
<p>16A. I concur/do not concur the above items have been verified or updated accordingly. <input checked="" type="checkbox"/> Concur <input type="checkbox"/> Do Not Concur</p>				
16B. CED Signature for Spotcheck		16C. Date (MM-DD-YYYY)		
/s/ CED's Signature		1/30/2009		
<p>17A. I concur/do not concur the above items have been verified or updated accordingly. <input type="checkbox"/> Concur <input type="checkbox"/> Do Not Concur</p>				
17B. STC Designee Signature for Spotcheck		17C. Date (MM-DD-YYYY)		
<p><small>The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.</small></p>				

--*

--54 CCC-770 CottonMAL's and CCC-770 LDP/eLDP's (Continued)*F Instructions for CCC-770 Eligibility**

An example CCC-770 Eligibility and instructions for its completion are provided in 3-PL, paragraph 3.

G Spot Check Policy

CCC-770 CottonMAL's and CCC-770 LDP/eLDP's shall be:

- randomly selected for spot check
- spot-checked to verify that they were properly completed and filed, and to ensure that accurate MAL and LDP approvals and denials were completed.

H CED Spot Checks

CED's or designee, **before** payment disbursement, shall:

- spot check the first five CCC-770 CottonMAL's and CCC-770 LDP/eLDP's completed in each County Office:
 - by FSA employees in subparagraph A
 - per program
 - each FY
- randomly spot check a minimum of five CCC-770 CottonMAL's and CCC-770 LDP/eLDP's in each County Office:
 - completed for each FSA employee, including STC's and COC's
 - per program
 - each FY

Note: FSA employee CCC-770 CottonMAL's and CCC-770 LDP/eLDP's spot checks are in addition to required CED spot checks.

- sign CCC-770 LDP/eLDP and CCC-770 CottonMAL's and check the "Concur" or "Do Not Concur" box for the randomly selected CCC-770 CottonMAL's and CCC-770 LDP/eLDP's
- report to COC and the STC representative any CCC-770 CottonMAL and CCC-770 LDP/eLDP that is checked "Do Not Concur".--*

***--54 CCC-770 CottonMAL's and CCC-770 LDP/eLDP's (Continued)**

H CED Spot Checks (Continued)

CED's are:

- encouraged to copy and file, by program, all CCC-770 CottonMAL's and CCC-770 LDP/eLDP's that were spot checked by CED
- **not** required to spot check every CCC-770 CottonMAL and CCC-770 LDP/eLDP completed in their county.

I Accessing the Quarterly Spot-Check Register to Select CCC-770 CottonMAL's and CCC-770 LDP/eLDP's for Spot Check--*

On the 1st workday after a fiscal quarter ends, County Offices shall print the quarterly price support spot-check register.

County Offices shall access the quarterly spot-check register according to the following.

Step	Action	Result
1	On Price Support Main Menu PCA005: <ul style="list-style-type: none"> • ENTER "9", "Perform Administrative Functions" • PRESS "Enter". 	Administrative Main Menu PAA010 will be displayed.
2	On Administrative Main Menu PAA010: <ul style="list-style-type: none"> • ENTER "7", "Price Support Query Menu" • PRESS "Enter". 	Administrative Reports Main Menu PAA045 will be displayed.

*--54 CCC-770 CottonMAL's and CCC-770 LDP/eLDP's (Continued)

I Accessing the Quarterly Spot-Check Register to Select CCC-770 CottonMAL's and CCC-770 LDP/eLDP's for Spot Check (Continued)--*

Step	Action	Result
3	On Administrative Reports Main Menu PAA045: <ul style="list-style-type: none"> • ENTER "3", "Spot-Checking Process" • PRESS "Enter". 	Loan and LDP Spot Check Screen PVB000 will be displayed.
4	On Loan and LDP Spot Check Screen PVB000: <ul style="list-style-type: none"> • ENTER "8", "Print CCC-770 Spot-Check Register" • PRESS "Enter". 	Price Support Loan Servicing - Printing CCC-770 Spot-Check Register Screen PVB005 will be displayed.
5	On Price Support Loan Servicing - Printing CCC-770 Spot-Check Register Screen PVB005, select the applicable fiscal quarter. <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p>COMMAND PVB005 PRICE SUPPORT LOAN SERVICING - PRINTING CCC-770 SPOT-CHECK REGISTER</p> <hr style="border-top: 1px dashed black;"/> <p>1. Print 1st Quarter Register (Oct-Dec) 2. Print 2nd Quarter Register (Jan-Mar) 3. Print 3rd Quarter Register (Apr-Jun) 4. Print 4th Quarter Register (Jul-Sep)</p> <p>20. Return To Application Primary Menu 21. Return To Application Selection Screen 22. Return To Office Selection Screen 23. Return To Primary Selection Menu 24. Sign Off</p> <p>Cmd3=Previous Menu</p> <p>Enter option and press "Enter".</p> </div>	A series of queries will generate a separate register for each price support program, except eMILCX.

The spot-check register will display a list of producers who received payments during the applicable quarter. The following is an example of a quarterly spot-check register.

ID Number	Crop Year	Loan/LDP#	Prog Code
Last 4 ID			Accounting
1234	06	00123	06WHTLN
5678	06	00168	06SOYALN
8536	06	00177	06UPCNLN
6389	06	00035	06CORNLN
3581	06	00021	06CORNLN
0344	06	00057	06HONYLN
9935	06	00052	06UPCNLN
7744	06	00014	06OATLN
3331	06	00101	06WHTLN
COUNT 9			
<10 select 5 10-1000 select 10 >1000 select 20			

***--54 CCC-770 CottonMAL's and CCC-770 LDP/eLDP's (Continued)**

I State Office Spot Check Selection

The State Office shall select a minimum of five, not to exceed ten, CCC-770 CottonMAL's and CCC-770 LDP/eLDP's per program, per county, per FY, according to subparagraph L.

SED's may require additional spot check reviews, at their discretion, provided SED determines or identifies problems or concerns with existing internal controls.

J DD, STC, or Designee Action

DD, STC, or their designee shall:

- spot check a minimum of five, not to exceed ten, CCC-770 CottonMAL's and CCC-770 LDP/eLDP's that have been spot checked by CED or designee:
 - per program
 - in each County Office
 - each FY
- sign CCC-770 CottonMAL's and CCC-770 LDP/eLDP's, and check the "Concur" or "Do Not Concur" box for the selected determination or certification changes
- submit the results of the spot checks to SED.

Additional CCC-770 CottonMAL's and CCC-770 LDP/eLDP's will be required if--* apparent internal control deficiencies are found during CED and STC representative reviews.

--54 CCC-770 CottonMAL's and CCC-770 LDP/eLDP's (Continued)--

K National Report

At FY-end, State Offices shall submit a report of spot check results to the National Office. Each report **must** be categorized by the following:

- county
- number of MAL's and LDP's received in the County Office
- *--number of CCC-770 CottonMAL's and CCC-770 LDP/eLDP's:--*
 - selected for spot check by CED
 - selected for spot check by STC or designee
 - not concurred by CED or designee
 - not concurred by STC or designee

Reports of results are due to PSD no later than **October 31** of each year. Reports may be submitted by either of the following:

- e-mail to **gene.rosera@wdc.usda.gov**
- FAX to 202-690-1536.

55, 56 (Reserved)

Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)

Forms (Continued)

Number	Title	Display Reference	Reference
CCC-770 CottonMAL	Warehouse-Received Cotton and Outside-Stored ELS Marketing Assistance Loan Checklist	54	
CCC-770 Eligibility	Eligibility Checklist		54
CCC-770 LDP/eLDP	Loan Deficiency Payment (LDP) and eLDP Program Review Checklist	54	
CCC-809	Cooperating Ginner's Bagging and Bale Ties Certification and Agreement	72	71, 73, 76, 77
CCC-877	Seed Cotton Loan Worksheet	238	193, 236, 237, 240, 242, 243
CCC-879	Application for Approval of Cotton Gin Under Seed Cotton Loan Program	79	80
CCC-880	Ginner's Seed Cotton Agreement	80	
CCC-881	Seed Cotton Producer's Note and Security Agreement	242	240, 241, 243, 253
CCC-881-1	Seed Cotton Producer's Note and Security Agreement, Continuation Sheet	243	240, 241, 253
CCC-883	Seed Cotton Removal, Ginning and Marketing Authorization	253	250, 251
CCC-1099-G	Report of Payments to Producers		201
CCC-Cotton A	Cotton Producer's Note and Security Agreement	189	Text, Ex. 2
CCC-Cotton A Continuation	CCC-Cotton A Continuation Sheet	190	187, 188, 193, 223.9
CCC-Cotton A-1	Schedule of Pledged Cotton	191	Text
CCC Cotton A-5	Statement of Eligibility and Information Worksheet	182	Text, Ex. 2

Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)

Forms (Continued)

Number	Title	Display Reference	Reference
CCC-Cotton AA 1/	Upland Cotton Producer's Loan Deficiency Payment Application and Certification		275-278, 282
CCC-Cotton AA-1	Schedule of LDP for Upland Cotton	278, 285.2	Text
CCC-Cotton AA-2	Spotcheck of Upland Cotton Subject to AWP Lock-In	275	
CCC-Cotton G	Cotton Cooperative Loan Agreement		250, Ex. 2
FSA-211 - 211A	Power of Attorney (Includes FSA-211A, Power of Attorney Signature Continuation Sheet)		45, 181, 201, 237
FSA-211	Power of Attorney		181.5
FSA-237 1/	Facsimile Signature Authorization and Verification		205
FSA-578	Report of Acreage		100, 118, 181, 185, 237
KC-232	Notice of Approval or Change in Status of Storage Agreement or Contract	48	
SF-LLL	Disclosure of Lobbying Activities	37	
UCC-1	National Financing Statement		124, 181, 181.5, 223.7, Ex. 3.5
UCC-1F	Effective Financing Statement		124

1/ These forms are obsolete.