

For: State and County Offices

Revised Policy for CCC-770 Checklists for FY 2008

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

After FSA completed reviews of 2005 payments, the National Office prescribed a series of checklists (CCC-770's) for County Offices to complete before issuing various farm program payments.

Recent reviews completed for 2006 payments, concluded that:

- errors have been reduced
- most County Offices have performed well in ensuring that accurate data has been used in all programs.

B Purpose

This notice provides:

- a revised policy on CCC-770 checklists for FY 2008
- clarification on current checklist policy that remains unchanged.

Disposal Date

October 1, 2008

11-13-07

Distribution

State Offices; State Offices relay to County Offices

Notice CM-588

2 Revised CCC-770 Checklist Policy

A New Policy on Required Use of CCC-770 Checklists

FSA employees shall complete:

- CCC-770 checklist for each of the first 5 applications, contracts or offers (except CCC-770's completed for eligibility, NAP, and MILCX) they process for each program at the beginning of each application period or payment period whichever comes first (example is CCC-770 CRP3)

Note: This revised policy also applies to CDP, LIP, and LCP authorized under the U.S. Troop Readiness, Veteran's Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (Pub. L. 110-28).

- CCC-770 checklists for all FSA employees participating in a program including STC's and COC's.

B New Policy on Required CCC-770 Checklist Spot Checks

CED or designee shall:

- spot check the first five CCC-770's completed by FSA employees in subparagraph 2 A per program (except CCC-770's completed for eligibility, NAP, and MILCX)
- randomly spot check a minimum of five CCC-770's per program for each FSA employee participating in a program, including STC's and COC's, according to Notice CM-576.

STC or designee shall spot check a minimum of five, not to exceed ten, CCC-770's per program spot-checked by CED in each Service Center.

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

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2 Revised CCC-770 Checklist Policy (Continued)

C Policy for CCC-770 Eligibility Checklist

CCC-770 Eligibility is required to be completed when a new determination or certification is recorded for a producer in 1 of the following fields:

- Person/Actively Engaged
- Cash Rent Tenant
- AD-1026
- Adjusted Gross Income
- Gross Revenue for NAP Certification.

If only 1 of these fields has a determination or certification updated, then no entry is required in the other fields on CCC-770 Eligibility.

Example: A producer files documentation that requires a new person determination, actively engaged determination, and cash rent tenant rule determination. After the determinations are made and entered into the web-based subsidiary system, an FSA employee is **only** required to complete items 7a, 7b, 8a, and 8b of CCC-770 Eligibility. All other items should be left blank and remarks entered in section 15 to clarify.

Note: 3-PL, subparagraph 3 C will be amended to reflect this change. All other policy in 3-PL, paragraph 3 remains unchanged.

3 Current Checklist Policy That Remains Unchanged

A Policy for CCC-770 NAP Checklist

State and County Offices shall continue to follow:

- 1-NAP (Rev. 1), paragraph 11 for completing CCC-770 NAP and spot-checks completed by CED each quarter
- Notices CM -576 and CM-582 for spot-checking FSA employees for NAP.

B Policy for CCC-770 MILCX

State and County Offices shall continue to follow:

- 11-LD (Rev. 1) for completing CCC-770 MILCX
- 11-LD (Rev. 1), subparagraph 40 I for documenting second party review of eligibility requirements and production evidence before issuing a monthly contract payment
- Notices CM-576 and CM-582 for spot-checking FSA employees for MILCX.

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3 Current Checklist Policy That Remains Unchanged (continued)

C Policy for CCC-770 TTPP

State and County Offices shall continue to follow Notices TB-1237 and TB-1238 for CCC-770 TTPP policy.

D Policy for FSA-770 LCP

State and County Offices shall continue to follow 4-DAP (Rev. 2), subparagraph 180 D for all manually submitted FSA-901's.

E Policy for CCC-195

State and County Offices shall continue to follow 1-FSFL, paragraph 43 for FSFL's.

4 Action

A County Office Action

County Offices shall follow the policy in this notice when:

- spot checking applicable CCC-770's
- completing CCC-770:
 - Eligibility
 - NAP
 - MILCX
 - TTPP.

B State Office Action

SED's shall:

- ensure that County Offices follow the new policies in this notice concerning CCC-770 checklists
- direct County Offices to perform additional CCC-770 checklists when internal control deficiencies are apparent.