UNITED STATES DEPARTMENT OF AGRICULTURE
Farm Service Agency
Washington, DC 20250

Notice CM-632

For: State and County Offices

Policy for CCC-770 or FSA-770 Checklists

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 or FSA-770's) for County Offices to complete before issuing various farm program payments.

Recent reviews completed for 2006 and 2007 payments concluded that errors have been reduced and most County Offices have performed well in ensuring that accurate data has been used in all programs.

As a result of MIDAS-Lean Six Sigma (LSS) site visits, the following data was captured about the program checklists:

- checklists are useful tools to reduce erroneous/improper payments
- items on the checklists are redundant
- completing the checklist is time consuming
- the checklist should be revised to:
    - reduce the time it takes to complete
    - clarify questions that appear to be redundant.

Based on the data captured, the checklists were reviewed and analyzed by a team of DAFP-division area personnel and State and County Office employees. The recommendation to modify the existing checklists by removing the “date” and “initial” fields on specific 770 checklists was presented and accepted.

The revised checklists provide a solution for reducing the time spent for manually completing the form and the redundancy in completing certain data fields.

Disposal Date	Distribution
September 1, 2009	State Offices; State Offices relay to County Offices

1 Overview (Continued)

B Purpose

This notice:

- provides policy on CCC-770 and FSA-770 checklists
- informs State and County Offices of the modified program checklists
- authorizes using the modified checklists as they are provided by the specific program area.

2 CCC-770 or FSA-770 Checklist Policy

A Required Use of CCC-770 or FSA-770 Checklists

FSA employees shall complete:

- CCC-770 or FSA-770 checklist for each of the first 5 applications, contracts, or offers (except CCC-770's completed for eligibility, MILC, and NAP, see applicable program handbook for policy surrounding the frequency of completing these checklists) that they process for each program at the beginning of each application period or payment period whichever comes first (example is CCC-770 CRP3)
- CCC-770 or FSA-770 checklists for all FSA employees participating in a program including STC and COC members.

B Required CCC-770's or FSA-770's Checklist Spot-Checks

CED or designee shall:

- spot-check the first five CCC-770's or FSA-770's completed by each FSA employee in subparagraph A per program (except CCC-770's completed for eligibility, MILC, and NAP)
- randomly spot-check a minimum of five CCC-770's or FSA-770's per program for each FSA employee participating in a program, including STC and COC members.

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

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

3 Current CCC-770 Checklist Policy

A Policy for CCC-770 Eligibility Checklist

CCC-770 ELIG 2008 is required to be completed according to Notice PL-188, subparagraphs 2 B and F.

CED or designee spot-checks are required according to Notice PL-188, subparagraph 2 C.

STC or designee spot-checks are required according to Notice PL-188, subparagraph 2 D.

Note: These instructions will be provided in the forthcoming 3-PL revision.

B Policy for CCC-770 MILC Checklist

State and County Offices shall continue to follow 11-LD, paragraph 45 for completing CCC-770 MILC and spot-checks completed by CED or designee.

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

C Policy for CCC-770 NAP Checklist

State and County Offices shall continue to follow 1-NAP, paragraph 11 for completing CCC-770 NAP and spot-checks completed by CED each quarter

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

D Policy for CCC-770 TTPP

State and County Offices shall continue to follow Notice TB-1268 for CCC-770 TTPP policy.

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 Office shall follow the policy in the applicable program handbook and this notice when completing and spot-checking applicable CCC-770's or FSA-770's; however, when **manually** completing the checklists, do the following:

- upon verifying that the applicable program provisions have or have not been met, place a check mark (✓) in the “Yes”, “No”, or “N/A” column appropriately for the corresponding questions

- when verifying the items on the checklist, sign and date as a preparer certifying that the items have been verified

- in cases involving multiple preparers, the preparer can use the “Remarks” section to indicate what items they verified.

B State Office Action

SED's shall:

- ensure that County Offices follow the policies in this notice concerning CCC-770 or FSA-770 checklists

- direct County Offices to complete additional CCC-770 or FSA-770 checklists when internal control deficiencies are apparent

- submit the National Report in the format provided by the National Office no later than October 31 each year. The report will be compiled as a State summary of the applicable CCC-770's or FSA-770's completed within the State.