

For: State Offices, County Offices

Clarifying the Graze-Out Payment Program

Approved by: Acting Deputy Administrator, Farm Programs

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1 Overview

A Background

Graze-Out payments are payments made to eligible producers who, although eligible to obtain a MAL or LDP:

- elect to use acreage planted with barley, oats, triticale, or wheat for livestock grazing
- agree to forgo any mechanical harvesting of the commodity on this acreage during the applicable crop year.

Note: Triticale is defined as a grain that consists of 50 percent or more of whole triticale (X Triticosecale Wittmack) and not more than 10 percent of other grains for which standards have been established under the United States Grain Standards Act.

B Purpose

This notice provides information for Graze-Out program policies including:

- eligibility requirements
- application period
- completing and filing CCC-633 GRAZING
- determining payment rate and calculations
- requesting eFunds for Graze-Out payments
- processing and issuing Graze-Out payments through eLDP
- Interim Process to check eligibility and control payment limitation
- CCC-770 GRAZING checklist.

Disposal Date	Distribution
April 1, 2018	State Offices; State Offices relay to County Offices

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1 Overview (Continued)

C Contact

If there are policy questions about this notice, State Offices can contact Kimberly Kempel, PSD, by either of the following:

- e-mail to **kimberly.kempel@wdc.usda.gov**
- telephone at 202-720-0974.

2 General Graze-Out Information

A Producer Eligibility Requirements

The eligibility requirements for producers requesting a Graze-Out payment are the same requirements as for a LDP including, but **not** limited to the following:

- reporting acreage for **all** cropland on the farm according to 2-CP
- have a share in the commodity for which a Graze-Out payment is requested
- completion of CCC-941 to determine AGI eligibility for producer and all interest holders in a legal entity according to 5-PL
- completion of AD-1026 according to 2-CP for producer and all affiliated persons to determine conservation compliance
- CCC-902, and CCC-901 if an entity, with COC making the following determinations:
 - actively engaged in farming
 - member contribution
 - cash rent tenant provisions
- beneficial interest
- foreign person determination and DCIA compliant
- payment limitations for crop years 2014 through 2018, together with market loan gains, LDP's, Agriculture Risk Coverage and Price Loss Coverage. See 8-LP, subparagraph 34 A for additional information.

All eligibility documents for **all** producers or entities on a Graze-Out application **must** be submitted to the applicable County Office by the final availability date for crop year 2017 Graze-Out, which is March 31, 2018.

2 General Graze-Out Information (Continued)

B Application Period

The application period for Graze-Out:

- begins on the first day of mechanical harvest as determined by COC
- ends on March 31 of the calendar year following the year the crop is normally harvested.

Producers may file CCC-633 GRAZING anytime during this application period.

Reminder: CCC-633 GRAZING may **not** be cancelled or withdrawn once requested.

COC must determine and document in COC minutes, the beginning harvest date in the county for barley, oats, triticale, or wheat. This will be, for barley, oats, triticale, or wheat, the earlier of the normal harvest date for grain or the normal date when harvested as other than grain.

3 Specific Graze-Out Eligibility Requirements

A Eligible Producer

For Graze-Out purposes, an eligible producer must meet all the same eligibility requirements as are needed for LDP, according to subparagraph 2 A, and all of the following:

- requests Graze-Out payment on CCC-633 GRAZING (Exhibit 1) before March 31 of the calendar year following the year the crop is normally harvested
- agrees to forgo any other harvesting of the commodity on the acreage
- retains beneficial interest through the date the crop is grazed-out.

B Eligible Acres

Eligible acreage for Graze-Out purposes is any acreage of barley, oats, triticale, or wheat that is **not** harvested by any other means other than grazing. The acreage **must** be classified as “cropland” in FSA farm records.

The eligible acreage must have been planted, reported on FSA-578 with the intended use for “grazing” and would have been harvested if it went to the grain stage. Volunteer acreage is not eligible for Graze-Out.

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3 Specific Graze-Out Eligibility Requirements (Continued)

B Eligible Producer (Continued)

Exception: If the acreage was not originally reported with the intended use as “grazing”, and the producer decides before harvest to graze the acreage, the actual use on the FSA-578 and maps **must** be changed to “grazing” before the CCC-633 GRAZING can be approved.

Note: “Grazing/grain” is not an acceptable intended or actual use because there can be no harvesting of any acres on which a Graze-Out payment is made.

The requested crop acreage is **not** eligible for:

- any other MAL’s or LDP’s
- crop insurance indemnity
- NAP.

Notes: Producers who elect to graze barley, oats, triticale, or wheat will **not** be eligible for an indemnity for the same acres under the Federal Crop Insurance Act or NAP.

RMA is given, on a quarterly basis, the names of all producers paid a Graze-Out payment.

Follow 2-CP for approval of double-cropping acreage, as applicable.

C Grazing Leases and Eligibility

Producers who lease cropland to a second party for grazing on the acreage or on a per head per month basis are:

- **not** considered to have lost beneficial interest
- eligible for Graze-Out payments on the eligible commodity if all other eligibility requirements are met.

Producers are **not** eligible for Graze-Out payments, regardless of when beneficial interest is lost, if **any** of the following occur:

- grazing occurred on nurse crops that would not have met the definition of the crop if harvested as grain
- beneficial interest is lost and later regained

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3 Specific Graze-Out Eligibility Requirements (Continued)

C Grazing Leases and Eligibility (Continued)

- the cropland is subleased to a third party, by lessee, for grazing on a flat per acre rate
- no grazing occurred
- mechanical harvest occurred.

Owners allowing subleases on the cropland are **not** eligible for Graze-Out payments.

4 Filing CCC-633 GRAZING

A Requesting Graze-Out Payments

Producers must request graze-out payments by farm number on CCC-633 GRAZING.

Any producer or producers who share in the acreage grazed can request benefits on CCC-633 GRAZING.

If multiple producers share in the acreage:

- all signatures must be obtained on CCC-633 GRAZING before the request is considered complete
- the shares must equal 100 percent.

See Exhibit 1 for instructions on completing CCC-633 GRAZING and for an example of a completed application.

Note: The tract, field number and acres **must** be listed in item 16 for each application or a separate list attached to the CCC-633 GRAZING.

Eligible producers may obtain CCC-633 GRAZING from the FSA administrative County Office for the farm as follows:

- in person
- by mail, telephone, or FAX.

Notes: While producers can request CCC-633 GRAZING by phone, the CCC-633 GRAZING rate will not be determined until all the applicable signatures are received in the County Office.

Graze-Out payment requests must be approved and processed by the FSA administrative County Office for the farm.

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4 Filing CCC-633 GRAZING (Continued)

A Requesting Graze-Out Payments (Continued)

Producers may download CCC-633 GRAZING from the USDA Service Center Agencies eForms web site located at

<https://forms.sc.egov.usda.gov/eForms/welcomeAction.do?Home>.

All CCC-633 GRAZING's, including CCC-633 GRAZING's requested by mail, telephone, FAX, or downloaded from the internet, must be completed correctly, signed, and returned to the FSA administrative County Office on or before March 31 of the calendar year following the year the crop is normally harvested.

5 Payment Rate and Calculations

A Graze-Out Payment Rate

The Graze-Out payment rate is determined by the amount the applicable commodity loan rate exceeds the CCC-determined value of the commodity for the county where the farm is located.

The effective payment rates are posted at **<https://www.fsa.usda.gov/programs-and-services/price-support/ldp-rates/index>**.

The Graze-Out payment rate is the rate in effect on the day a completed CCC-633 GRAZING is received in the County Office.

Determining Graze-Out Payment Rate		
Line	Description	Rate
1	Loan Rate (County Rate for HRW Wheat)	\$2.85
2	CCC-Determined Value of the Commodity	\$2.75
3	Graze-Out Rate (Line 3 – Line 4)	\$.10

B Applicable Yield

For Graze-Out, the yields must be determined as follows:

- the payment yield must be the yield in effect for calculating the PLC payment yield with respect to the commodity on the farm according to 7 CFR Part 1412, or
- for a farm for which ARC is elected, the payment yield that would otherwise be in effect for that loan commodity on the farm in the absence of such election as specified in 7 CFR Part 1412, or

5 Payment Rate and Calculations (Continued)

B Applicable Yield (Continued)

- in the case of a farm for which no payment yield is established for the loan commodity on the farm, an appropriate yield as determined by COC and documented in the COC minutes

Note: The option of using 3 similar farms is no longer allowed.

- for triticale, the payment yield will be based on the yield of the predominant class of wheat according to the options in this subparagraph.

C Payment Amount

The Graze-Out payment is computed by multiplying the actual grazed acreage requested for grazing times the applicable yield times the payment rate.

Example: Using the Graze-Out rate from the table in subparagraph 4 A,
45.5 acres grazed x 50 bu/acre x \$.10 Graze-Out rate = \$227.50 Graze-Out payment.

D Requesting eFunds - County Office

Graze-Out payments are controlled by eFunds allocated down to the County level. County Offices must manually calculate the amount needed for the Graze-Out payment using the example in subparagraph C. Funding **must** be requested through the State Office and allocated to the County Office **before** CCC-633 GRAZING can be entered and processed in the eLDP system.

County Offices must compile a list of producers who have an approved CCC-633 GRAZING on file along with the manually calculated Graze-Out payment amount and submit to their State Office using the spreadsheet form in Exhibit 2. This spreadsheet, titled "Graze-Out eFunds Request Form – County" is available on the FSA Intranet at <https://inside.fsa.usda.gov/program-areas/dafp/index>, under "Programs", "MAL, LDP and Graze-Out Information", and "Other Resources".

The Graze-Out eFunds Request Form submitted by the County to the State Office, see Exhibit 2, Page 1, must include the following:

- State and county
- crop grazed
- date of request
- County Name, in alphabetical order
- State and County Code
- producers name

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5 Payment Rate and Calculations (Continued)

D Requesting eFunds - County Office (Continued)

- manually computed Graze-Out payment or eFunds request amount
- total of the request for the County.

Notes: The form on the FSA Intranet is in Excel so the total for the County can be easily computed.

Add additional lines as needed.

E Requesting eFunds – State Office

State Offices will compile the County Office requests and submit the Graze-Out eFunds Request Form, titled “Graze-Out eFunds Request Form – State” available on the FSA Intranet at <https://inside.fsa.usda.gov/program-areas/dafp/index>, under “Programs”, “MAL, LDP and Graze-Out Information”, and “Other Resources” to Kimberly Kempel, PSD, at Kimberly.Kempel@wdc.usda.gov.

The Graze-Out eFunds Request Form submitted by the State, see Exhibit 2, Page 2, must include all of the following:

- State
- crop grazed
- date of request
- County Name, in alphabetical order
- State and County Code
- producers name
- manually computed Graze-Out payment or eFunds request amount
- total of the request for each county
- total of the request for the State.

The National Office will allocate Graze-Out eFunds once a week which will include all requests received from State Offices by COB every Wednesday. The applicable State Offices will be notified when eFunds are available for their County Offices.

Notes: The form on the FSA Intranet is in Excel so the total requested for the County and State can be easily computed.

Add additional lines if needed.

6 Processing and Issuing Graze-Out Payments

A Processing Graze-Out Payments in the eLDP Software

Graze-Out payments are processed through the eLDP software according to 15-PS, paragraph 215. Like LDP's, Graze-Out payments are not automatically restricted by payment limitation, AGI, or producer eligibility records. County Offices are responsible for ensuring that producers are eligible for payment **before** certifying and signing Graze-Out disbursements using the Interim Attribution Process.

B Interim Attribution Process to Check Eligibility and Control Payment Limitation

After the payments has been processed in the eLDP software, County Offices must access the Interim Attribution Process to determine eligibility and record the Graze-Out payment.

The instructions for processing Graze-Out payments using the Interim Attribution Process are the same as those for LDP's and are located in Part 5 of the Interim Attribution Process User Guide, Version 4.0. (Interim Process). County Offices must follow the table in subpart 5A of the Interim Process when processing a Graze-Out payment.

Instructions for the Interim Process are also included in 15-PS, Part 7 beginning in paragraph 400.

When the Interim Process determines that a Graze-Out payment is partially unearned, a manual receivable must be established **before** certifying and signing the payment in NPS according to Part 5B of the Interim Process, if both of the following apply:

- the amount listed on the Nonpayment Report is less than the Graze-Out amount sent to NPS
- County Office has verified the producer ineligible reason listed on the Nonpayment Report is valid and the producer is not eligible for the full Graze-Out Payment.

If the producer is not eligible for a portion of the Graze-Out payment, the County office must manually create a new receivable in NRRS using the code "XXEGRAZECOMM", (where "XX" is the fiscal year and "COMM" is the commodity) for the ineligible amount. See additional instruction is 15-PS, paragraph 412.

Example: "17EGRAZEWHT"

When the payment is certified and signed in NPS, the unearned amount for which the receivable was established will be offset from the payment with the producer receiving only the eligible amount

County Offices must use the common payment reports to ensure that the Graze-Out entries are entered correctly. Common payment reports are described in 9-CM and the procedure and timeframes listed must be followed. It is very important that these reports are reviewed, as required, and errors corrected to record accurate producer payment information

6 Processing and Issuing Graze-Out Payments

B Interim Attribution Process to Check Eligibility and Control Payment Limitation (Continued)

When the Interim Process determines that the producer is ineligible for the entire Graze-Out payment before it has been certified and signed in NPS, County Offices must follow the instructions in subpart 5C of the Interim Process and delete the Graze-Out payment.

The Interim User Guide, Version 4.0 is available on the FSA Intranet at <https://inside.fsa.usda.gov/Assets/USDA-FSA-Intranet/intranetfiles/program-areas/dafp/cflp/commodity-loans/mal-ldp/pdf/Interim%20Process%20Version%204.0%20%20041017.pdf>.

7 CCC-770 GRAZING Checklist

A CCC-770 GRAZING

CCC-770's are management tools to help minimize the number of improper payments and address deficiencies identified by reviews or spot-checks.

The Graze-Out program is a new program that has been available for many years but only recently came into play again with the lower wheat prices. Therefore, many County Office employees have never before processed Graze-Out payments. A CCC-770 GRAZING Checklist has been developed to assist County Office employees with the processing of Graze-Out payments.

All County Office employees working with Graze-Out, at the beginning of each crop year, are required to complete the CCC-770 GRAZING for the first 10 Graze-Out payments processed.

SED's may require new employees or employees processing Graze-Out payments for the first time, to complete more than the required number of CCC-770 GRAZING.

CCC-770 GRAZING is available in a fillable format at <https://inside.fsa.usda.gov/>. CLICK "Employee Forms" at the top of the page and CLICK "Find Current Forms Using Our Form Number Search". For "Form Number", Enter "CCC770Grazing".

Completion of CCC-770 GRAZING is **required** to be completed for any Graze-Out payment that was disbursed, reversed with a receivable established, and is being re-entered. This is required to ensure that **all** producer and program eligibility requirements are met before the payment is reissued.

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7 CCC-770 GRAZING Checklist (Continued)

B Form CCC-770 GRAZING

An example of the form CCC-770 GRAZING and instructions for its completion are in Exhibit 3.

8 Action

A State Office Action

State Offices must ensure that County Offices are aware of and following the contents of this notice.

B County Office Action

For producers requesting Graze-Out payments for eligible commodities, County Offices must take the following action:

- follow 8-LP, Part 11 and accept completed applications from producers
- manually compute and request eFunds for completed and approved applications
- process Graze-Out requests in eLDP software **only** when eFunds has been allocated by the National Office to the County
- follow the procedure in 15-PS to process Graze-Out payments in the eLDP software
- follow the Interim Attribution Process User Guide to determine eligibility and control payment limitation for all 2017 Graze-Out payments.

Note: The Interim Process does not determine if all cropland on the farm has been reported on FSA-578. County Offices must review CARS reports according to 2-CP on fully reported cropland to determine if all cropland on the farm has been reported.

A Completing CCC-633 GRAZING

Complete CCC-633 GRAZING’s according to the following. CCC-633 GRAZING’s must be completed by farm number and crop.

All persons who share in the grazed acreage must be included on one CCC-633 GRAZING.

Item	Instructions
Items 1 through 5 are completed by the FSA County Office.	
1	Enter applicable crop year.
2A and 2B	Enter FSN and the application number assigned by eLDP after eFunds have been received and CCC-633 GRAZING has been recorded in eLDP. Note: County Office use only. FSN needed to determine rate.
3	Enter name and address of the applicable County Office.
4	Enter applicable State code.
5	Enter applicable County code.
Part A, items 6 through 16B are completed by the producer.	
6	Enter producer's name, address, and telephone number. Note: This will be the contact producer if more than 1 producer shares in the grazed acreage.
7	Check the type of commodity grazed.
8	Enter wheat class, as applicable.
9 through 14	Check applicable box in response to each question Note: The contact producer must initial item 13. This application is not complete until producer has initialed.
15	Enter actual or estimated grazing period for the farm. Example: August 18, 2017, through September 15, 2017.
16A	Enter requested acres that have been or will be grazed.
16B	Enter corresponding tract/field number of the acres in item 16A. Note: The tract, field number and acres must be listed in Item 16 for each application or a separate list attached to the CCC-633 GRAZING.
Part B, items 17 through 23 are completed by the FSA County Office.	
17	Enter total acreage requested from item 16A. County Offices must ensure that the tract/field location certified on FSA-578 is the same as the tract/field location requested by the producer in item 16B.
18	Enter yield, as applicable. This is the payment yield determined according to 8-LP subparagraph 1104 B
19	Enter result of item 17 multiplied times item 18.
20	Enter county where the commodity was grazed if different than the FSA administrative County Office.
21	Enter date the request is completed.

A Completing CCC-633 GRAZING (Continued)

Item	Instructions
22	Enter payment rate applicable to the date in item 21.
23	Enter result of item 19 multiplied times item 22.
24	After reading the certification statement, all producers must sign, provide title, last 4 digits of ID number, date, and indicate share of the grazed crop, as applicable.
Item 25 is to be completed by the FSA County Office.	
25	<p>COC or designee must approve or disapprove CCC-633 GRAZING, sign, provide title, and date, as applicable.</p> <p>Note: Do not approve if producer is not in compliance. Provide a copy to the producer, as applicable.</p>

B Example of CCC-633 GRAZING

The following is an example of a completed CCC-633 GRAZING.

This form is available electronically.

CCC-633 GRAZING (06-13-17) NOTE: Complete a separate application for each farm and each commodity. GRAZE-OUT PAYMENT PROGRAM APPLICATION See Page 2 for Privacy Act Statement.	USDA CCC	ITEMS 1 THROUGH 5 ARE COMPLETED BY THE FSA OFFICE				
	1. CROP YEAR 20XX	2. FSN NO. 999	2B. APPLICATION NO. 23			
	3. FSA COUNTY OFFICE NAME AND ADDRESS (Including ZIP Code) Any County Farm Service Agency 999 Any Road City, State 99999					
	4. STATE CODE 99		5. COUNTY CODE 999			
PART A – ELIGIBILITY (ITEMS 6 THROUGH 16B ARE FILLED OUT BY THE PRODUCER)						
6. CONTACT PRODUCER'S NAME AND ADDRESS County Producer 888 Any Road City, ST 99999 TELEPHONE NUMBER (Area Code): xxx-xxx-xxxx			7. TYPE OF COMMODITY (Please check type of crop below) <input checked="" type="checkbox"/> Wheat <input type="checkbox"/> Barley <input type="checkbox"/> Oats <input type="checkbox"/> Triticale 8. CLASS (For Wheat Only) HRW			
Check "YES" or "NO" in the applicable box in Items 9 through 14:						
9. Do you agree to forgo any mechanical harvest on the commodity growing in the tract/field identified in Item 16B?			YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	INITIAL	
10. Do you understand that the acres requested for payment must actually be grazed?			YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>		
11. Do you understand that if you are out of compliance, you may be ineligible for payment?			YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>		
12. Do you understand if you do not report all the acres on the farm before the final reporting date, you will be required to refund the GRAZE-OUT payments?			YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>		
13. Do you understand if you received either a RMA or NAP indemnity payment on the same acres grazed, you must refund the amount received and provide proof of the refund to be eligible for a GRAZE-OUT payment?			YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	CP	
14. Are you or any co-applicant delinquent on any federal non- tax debt? (If "YES", provide details.)			<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO			
15. GRAZING PERIOD (Actual or Estimate) 08-18-20XX to 09-15-20XX		16. REQUESTED GRAZED ACRES				
		A. Requested Acres 100	B. Tract/Field Number 9999/1B			
PART B – PAYMENT INFORMATION AND CALCULATION (ITEMS 17 THROUGH 23 ARE FILLED OUT BY FSA OFFICE)						
17. Total Actual Grazed Acres	18. Yield (EY-ACY)	19. Total Quantity (Item 17 times Item 18)	20. County Where Acres Grazed	21. Request Date	22. Payment Rate per Bushel	23. Payment Amount (Item 19 times Item 22)
100	48 Bu/AC	4,800 Bu	Stark	08-16-20XX	\$.52 / Bu	\$ 2,496.00
PART C – PRODUCER'S CERTIFICATION						
I certify that all information entered on this application is true and correct and understand that: (1) this payment is in lieu of a loan deficiency payment; (2) all eligibility requirements must be met under the marketing assistance loan program before payment can be made except for beneficial interest, which must be maintained through the grazing period; (3) this payment will be ineligible if I have received or requested a RMA or NAP indemnity payment on the same acreage grazed; and (4) to ensure that all program eligibility requirements are met for this payment, my application may be selected for spot check. If my application is selected for spot check, I may be required to provide supporting documentation to determine payment eligibility. Providing a false certification to the government is punishable by imprisonment, fines, and other penalties. All information provided herein is subject to verification by the Farm Service Agency. The provision of criminal and civil fraud statutes that apply to this certification, includes 18 USC 286, 287, 371, 641, 651, 1001, and 1014; USC 714m; and 31 USC 3729.						
24A. Signature of Producer	24B. Title/Relationship of Individual Signing in a Representative Capacity	24C. Producer's Identification Number (Last 4 Digits)	24D. Date (MM-DD-YYYY)	24E. Share		
/s/ Producer	Self	XXXX	08-16-20XX	100	%	
					%	
					%	
FOR FSA OFFICE USE ONLY						
25A. SIGNATURE OF FSA APPROVING OFFICIAL			25C. ACTION			
/s/ Stark Co. CED			<input checked="" type="checkbox"/> APPROVED <input type="checkbox"/> DISAPPROVED			
25B. TITLE			25D. DATE (MM-DD-YYYY)			
CED			08-16-20XX			

B Example of CCC-633 GRAZING

The following is an example of a completed CCC-633 GRAZING.

CCC-633 GRAZING (06-13-17)	Page 2
<p>NOTE: <i>The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 1421, the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), and the Agricultural Act of 2014 (Pub. L. 113-79). The information will be used to determine producer ability to participate in and receive benefits under the Graze-Out Program through documentation of producer election to request a Graze-Out payment in lieu of receiving a loan deficiency payment. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated) and USDA/FSA-14, Applicant/Borrower. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination that the producer is unable to participate in and receive benefits under the Graze-Out Program.</i></p> <p><i>This information collection is exempted from the Paperwork Reduction Act as specified in the Agricultural Act of 2014 (Pub. L. 113-79, Title I, Subtitle F, Administration). RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</i></p>	
<p><i>In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.</i></p>	
<p><i>Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.</i></p>	
<p><i>To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov. USDA is an equal opportunity provider, employer, and lender.</i></p>	

A CCC-770 GRAZING Instructions

CCC-770 GRAZING is a management tool to help minimize the number of improper payments and address deficiencies identified by a review or spot check.

All County Office employees working with Graze-Out Payments, at the beginning of **each** crop year, are required to complete:

- CCC-770 GRAZING for the first 10 Graze-Out applications processed the first year
- CCC-770 GRAZING for the first 5 Graze-Out applications processed in the years thereafter.

The following are FSA employee instructions for completing CCC-770 Grazing.

Item	Instructions
1	Enter name of producer. This should be the name of the individual, joint operation, or entity for which benefits may be requested.
2	Enter date of Graze-Out application.
3	Enter administrative State code.
4	Enter administrative County code.
5	Enter crop year.
6	Enter Graze-Out application number assigned in eLDP.
7	Enter farm number.
8	Enter commodity/class/type.
Graze-Out Request/Application	
9 A - J	Employee answering question: <ul style="list-style-type: none"> • must CHECK (✓) appropriate box to designate “Yes”, “No”, or “N/A” • must enter initials in box where indicated. <p>Note: For CCC-770 GRAZING questions not applicable, CHECK (✓) “N/A” and initial.</p>
Producer/Commodity Eligibility	
10 A - L	Employee answering question: <ul style="list-style-type: none"> • must CHECK (✓) appropriate box to designate “Yes”, “No”, or “N/A” • must enter initials in box where indicated. <p>Note: For CCC-770 GRAZING questions not applicable, CHECK (✓) “N/A” and initial.</p>

A CCC-770 GRAZING Instructions (Continued)

Item	Instructions
	Graze-Out Processing
11 A-E	Employee answering question: <ul style="list-style-type: none"> • must CHECK (✓) appropriate box to designate “Yes”, “No”, or “N/A” • must enter initials in box where indicated. <p>Note: For CCC-770 GRAZING questions not applicable, CHECK (✓) “N/A” and initial.</p>
12	Enter any remarks about any questions included on CCC-770 GRAZING.
	Certification
13 A and B	At the time of completing the LDP request, all preparers must sign and date.
14 A - C	CED or STC designee must CHECK (✓) appropriate box to designate either “Concur” or “Do Not Concur”, and date. <p>Note: This item will only be completed if the applicable CCC-770 LDP is selected for spot check.</p>

B Example of CCC-770 GRAZING

Following is an example of CCC-770 GRAZING.

This form is available electronically.

CCC-770 GRAZING (09-13-17) GRAZE-OUT PAYMENT PROGRAM PROCESSING CHECKLIST	U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation		1. Producer/Applicant Name		2. Date of Application		
	3. State Code		4. County Code				
	5. Crop Year		6. Application Number				
	7. Farm Number		8. Commodity/Class				
	NOTE: Properly completed forms mean completed according to the applicable procedure. This shall include proper signatures, shares, ID numbers, addresses, date stamp, etc.						
9. Graze-Out Request/Application			Handbook or Other Applicable References	YES	NO	N/A	Initials
A. Is there a properly completed and signed CCC-633 Grazing (dated 07-26-17) on file? Explain "NO" answer: (Note: If "NO", Graze-Out payment shall not be processed.)			8-LP, paragraphs 1103 and 1105				
B. Was the CCC-633 Grazing filed on or before March 31 of the calendar year following the year the crop is normally harvested? Explain "NO" answer: (Note: If "NO", Graze-Out payment shall not be processed.)			8-LP, paragraph 1103				
C. Was the CCC-633 Grazing approved by an individual delegated or re-delegated to approve CCC-633 Grazing's, after all required signatures have been obtained AND before processing?			8-LP, paragraphs 2 and 1007				
D. Was the CCC-633 Grazing completed by farm number?			8-LP, paragraph 1103				
E. Was CCC-633 Grazing completed according to instruction, and signed by all applicable and required producers?			8-LP, paragraphs 1103 and 1105				
F. Do individuals signing in a representative capacity have the documentation on file in the county office allowing them to sign for that individual or entity and request a Graze-Out payment?			8-LP, paragraph 1007				
G. Is CCC-633 Grazing date-stamped and was the date of receipt verified according to procedure?			8-LP, subparagraph 1001E				
H. Did the producer answer the questions 9-14 on the CCC-633 Grazing?			8-LP, subparagraph 1105A				
I. For question 13, did the producer initial the box designated for initials			8-LP, subparagraph 1105A				
J. Has a second party reviewer verified and initialed the applicable CCC-633 Grazing to ensure the applicable Graze-Out payment request was properly completed, ready for approval, and processing?			8-LP, paragraph 234				
10. Producer/Commodity Eligibility			Handbook or Other Applicable References	YES	NO	N/A	Initials
A. Has the FSA-578 been properly completed and filed showing applicant has a share in the commodity and the intended or actual use is "Grazing"?			8-LP, paragraphs 1101 and 1103; 2-CP, paragraphs 15 and 16				
B. Has all cropland on the farm been reported on FSA-578? If not, does the applicant understand that all cropland on the farm must be reported by the final crop reporting date in the State or all acreage from that farm is ineligible for Graze-Out Payment?			8-LP, paragraph 1101				
C. Has AD-1026 been filed by applicant and all affiliated persons according to 6-CP?			8-LP, paragraph 1101; 6-CP, paragraphs 17, 302 and 601				

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Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

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B Example of CCC-770 GRAZING (Continued)

CCC-770 GRAZING (09-13-17)		Page 2 of 2			
10. Producer/Commodity Eligibility (Continuation)	Handbook or Other Applicable References	YES	NO	N/A	Initials
D. Has CCC-941 been completed and compliance verified for the applicant and all affiliated persons according to 5-PL?	8-LP, paragraph 1101; 5-PL, paragraphs 3, 291 and 294				
E. Has CCC-902 and CCC-901, if an entity, been completed, and the applicant determined to be actively engaged in farming?	8-LP, paragraph 1101; 5-PL, paragraphs 17, 41 and 44				
F. Does applicant have payment limitation available?	8-LP, paragraph 1101; 5-PL, subparagraph 3, and paragraph 17				
G. Does applicant and all affiliated persons, if applicable, meet the eligibility requirements for controlled substance, delinquent debt, fraud and foreign person?	8-LP, paragraph 1101				
H. Has the applicant requested a MAL, LDP, crop insurance indemnity, or NAP payment on the acreage?	8-LP, paragraph 1102				
I. Does the applicant agree to forgo any other harvesting of the commodity on the acreage? <i>(Explain "NO" answer):</i>	8-LP, paragraph 1102				
J. Will the applicant retain beneficial interest through the date the crop is grazed-out? <i>(Explain "NO" answer):</i>	8-LP, paragraphs 1102				
K. Is payment rate per bushel correct for the request date and county where the farm is administered?	8-LP, paragraph 1104				
L. Is the payment amount on the CCC-633 Grazing calculated correctly?	8-LP, paragraph 1104				
11. Graze-Out Processing	Handbook or Other Applicable References	YES	NO	N/A	Initials
A. Has eFunds been requested through the State Office and allocated to the specific county before processing the CCC-633 Grazing request in the eLDP system?	8-LP, subparagraphs 1103A and 1104C				
B. Has the FSA Financial Services Web Application (FSAFS) been updated to reflect assignments, if applicable?	63-FI, Parts 3 and 4				
C. Has the CCC-633 Grazing been processed in the eLDP software and a screen print of the calculated Graze-Out Payment to be issued completed?	Interim Process User Guide – Version 4.0 Part 5 in the Handbook or Other Applicable Reference column				
D. Prior to certifying and signing the payment in NPS, was the Graze-Out Payment entered into the Interim Process for Loan Deficiency Payments to Check Eligibly and Control Payment Limitation User Guide? Was the producer eligible for the entire Graze-Out payment? If not, was the Graze-Out payment reduced or cancelled prior to certifying and signing the payment in NPS according to the instructions in the User Guide?	Interim Process User Guide-Version 4.0 and 15-PS (Rev. 2), paragraphs 400 - 412				
E. Does the Submitted Payment Report indicate a reduced payment? <i>(Note: If "YES", the producer is not eligible to receive payment or a portion of the payment-See Part 5A, step 4 of the User Guide.)</i>	Interim Process User Guide-Version 4.0 and 15 PS (Rev. 2) paragraphs 405 - 407				
12. Remarks					
13. Certification:					
<p><i>I (we) the undersigned certify the above items have been verified or updated accordingly. I also certify that the applicable Graze-Out documents will be filed in accordance with handbook 32-AS and that the producer will receive the applicable Graze-Out documentation according to policies and procedures found in applicable handbooks.</i></p>					
13A. Signature of Preparer(s)		13B. Date (MM-DD-YYYY)			
14A. I concur/do not concur the above items have been verified or updated accordingly.		<input type="checkbox"/> Concur <input type="checkbox"/> Do Not Concur			
14B. CED Signature / STC Designee signature		14C. Date (MM-DD-YYYY)			