

For: State and County Offices

Environmental Quality Incentives Program (EQIP) Contract EOA Funding Procedure

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

In general, funding for EQIP contracts is year specific, which requires that funds allocated in a FY be obligated during the same FY or lost. When an EQIP contract is approved by NRCS, a specified amount of funds is obligated to the contract according to the agreement between the producers and CCC.

The amount of funds originally obligated to a contract cannot be increased; however, supplemental funds may be used to address modifications required because of errors, omissions, appeals, or practice failures because of natural disaster (EOA's). EOA funding shall not be requested until it is known that all funds initially obligated to the contract will be earned.

B Purpose

This notice provides:

- information regarding funds available for EOA's by contract year
- procedure for processing EOA contract modification funding requests
- applicable fund codes
- a new contract modification funding request form, CCC-915.

Note: CCC-913 and CCC-914:

- are obsolete
- have been replaced by CCC-915.

Disposal Date	Distribution
October 1, 2004	State Offices; State Offices relay to County Offices and NRCS State Offices

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1 Overview (Continued)

C Contact

If there are any questions about this notice, State Offices shall contact Lynne Winemiller, CEPD at 202-720-4053 or by e-mail at Lynne_Winemiller@wdc.usda.gov.

D Consultation

NRCS national headquarters has reviewed and is in agreement with the contents of this notice.

2 Contract EOA's Funded From National EOA Reserves

A National Reserves

EOA's for the following contract years are funded only from specific reserves as follows.

Contract Year	National Reserve	Source of Funding
1997	1997/1998 Reserve	Recaptured LHHS (no year) funds
1998	1997/1998 Reserve	Recaptured LHHS (no year) funds
1999	1999 National Reserve	1999 funds obligated to a national reserve by 09/30/99
2000	2000 National Reserve	2000 funds obligated to a national reserve by 09/30/00
2001	2001 National Reserve	2001 funds obligated to a national reserve by 09/30/01
LHHS	2001 National Reserve	2001 funds obligated to a national reserve by 09/30/01

Note: Contracts originally funded with LHHS (no year) funds shall use EOA funds from the 2001 EQIP EOA reserve established and maintained at the national level.

B Processing

State NRCS Offices are responsible for submitting requests to national headquarters for EOA funding. The following procedures are recommended:

- use CCC-915 for all requests for EOA reserve funding (see Exhibit 1)
- batch process EOA reports
- submit reports on a monthly basis to NRCS national headquarters by FAX to Director, Conservation Operations Division (COD) at 202-720-4265
- ensure CCC-915 contains signature of State Conservationist or designee approving request and date before submission
- send a copy of CCC-915 to State FSA Office.

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2 Contract EOA’s Funded From National EOA Reserves (Continued)

B Processing (Continued)

State FSA Offices are responsible for posting EOA increases/decreases to the automated ledgers. When funding for EOA is received from the National Office on CCC-357, the State FSA Office shall:

- post the increase/decrease to the applicable county in the System 36
- record the corresponding action in eFunds.

C Fund Codes

Use the following table when selecting appropriate fund codes for contract EOA’s.

Contract Year	Original Fund Code	EOA Fund Code
1997	XX1111/1997 or XX9999/1997	XX8501/1997
1998	XX1111/1998 or XX9999/1998	XX8501/1998
1999	XX1111/1999 or XX9999/1999	XX1111/1999 or XX9999/1999
2000	XX1111/2000 or XX9999/2000	XX1111/2000 or XX9999/2000
2001	XX1111/2001 or XX9999/2001	XX1111/2001 or XX9999/2001
LHHS	XX8501/2001, 2002, or 2003	XX8501/2001

3 Contract EOA’s Funded by State Reserves

A State Reserves

EOA’s for the following contract years only shall be funded by State EOA reserve until exhausted.

Contract Year	Contract EOA Funding Source
2002 1 st Allocation EQIP	2002 1 st Allocation EQIP State Reserve
2002 2 nd Allocation EQIP	2002 1 st Allocation EQIP State Reserve

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3 Contract EOA's Funded by State Reserves (Continued)

B Processing

State NRCS Offices are responsible for submitting notification to national headquarters for EOA funding used from State EOA reserves. The following procedures are recommended:

- use CCC-915 for notification (see Exhibit 1)
- batch process EOA reports
- submit reports on a monthly basis to NRCS national headquarters by FAX to Director, COD at 202-720-4265
- ensure CCC-915 contains signature of NRCS State EQIP Program Manager and date before submission
- send a copy of CCC-915 to the State FSA Office.

State FSA Offices are responsible for posting EOA increases/decreases to the automated ledgers. When a funding request is received from NRCS on CCC-915, the State FSA Office shall:

- verify that adequate funds are available in the State EOA reserve
- post the increase to the applicable county in the System 36
- record the corresponding action in eFunds.

Notes: If there are insufficient funds in the State EOA reserve, the State FSA Office shall notify the State NRCS Office and follow the procedure for using current year funds for EOA's.

Prior authorization from the National Office is not necessary when using State EOA reserve.

C Fund Codes

Use the following table when selecting fund code for 2002 contract EOA's funded by State EOA reserve.

Contract Year	Original Fund Code	EOA Fund Code
2002 1 st Allocation EQIP	XX1111/2002 or XX9999/2002	XX8002/2002
2002 2 nd Allocation EQIP	XX7299/2002	XX8002/2002

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4 Contract EOA's Funded by Current Year Funds

A Current Year Funds

EOA's for the following contract years may be funded by current year funds.

Contract Year	Contract EOA Funding Source
2002 1 st Allocation EQIP	FY 2004 EQIP Funds
2002 2 nd Allocation EQIP	FY 2004 EQIP Funds
2002 GSWC	FY 2004 GSWC Funds
2002 Klamath	FY 2004 Klamath Funds
2003 EQIP	FY 2004 EQIP Funds
2003 EQIP GSWC	FY 2004 GSWC Funds
2003 Klamath	FY 2004 Klamath Funds

FY 2004 funds are available to be obligated to contract EOA's according to this paragraph **until COB September 30, 2004, only.**

Note: 2002 1st and 2nd Allocation contract EOA's may use current year funds only after the State EOA reserve has been depleted.

B Processing

State NRCS Offices are responsible for submitting notification to national headquarters for EOA funding used from current year financial assistance. The following procedures are recommended:

- use CCC-915 for notification (see Exhibit 1)
- batch process EOA reports
- submit reports on a monthly basis to NRCS national headquarters by FAX to Director, COD at 202-720-4265
- ensure CCC-915 contains signature of State Conservationist or designee approving request and date before submission
- send a copy of CCC-915 to State FSA Office.

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4 Contract EOA's Funded by Current Year Funds (Continued)

B Processing (Continued)

State FSA Offices are responsible for posting EOA increases/decreases to the automated ledgers. When a funding request is received from NRCS on CCC-915, the State FSA Office shall:

- post the increase/decrease to the applicable county in the System 36
- record the corresponding action in eFunds.

Note: Prior authorization from the National Office is not necessary when using current year EQIP funds.

C Fund Codes

Use the following when selecting a fund code for contract year EOA's that may be funded with current year funds according to this paragraph.

Contract Year	Original Fund Code	EOA Fund Code
2002 1 st Allocation EQIP	XX1111/2002 or XX9999/2002	XX8004/2002
2002 2 nd Allocation EQIP	XX7299/2002	XX8004/2002
2002 GSWC	XX7222/2002	XX8224/2002
2002 Klamath	XX7233/2002	XX8334/2002
2003 EQIP	XX9999/2003	XX8004/2003
2003 GSWC	XX2222/2003	XX8224/2003
2003 Klamath	XX3333/2003	XX8334/2003

Example of CCC-915, Contract Modification Funding Form

This form is available electronically.

CCC-915 (05-14-04)		U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation							
CONTRACT MODIFICATION FUNDING FORM									
State Offices are required to use CCC-915 for requesting and reporting EOA reserve funding. On a monthly basis (first working day), submit this report to the National Office for processing at the following:									
To: Director, COD, NRCS									
Attn: EQIP, Program Manager NRCS @ 202-720-4265 (FAX number)									
1. From: State Name					2. Fax Number (Including Area Code)				
3. Date of Request (MM-DD-YYYY)			4A. Contact Name (State Office)			4B. Telephone Number (Including Area Code)			
5.	6.	7.	8.	9.	10.	11.			
Original Fundcode (xxxxxx)	Fundcode Year (xxxx)	County FIPS Code (xxxxx)	Contract Number	Fund Classifi- cation ^{1/}	EOA Funds Requested	Reason (Contract Modification)			
						a.	b.	c.	d.
					\$	Error	Omission	Appeal	Practice Failure
					\$				
					\$				
					\$				
					\$				
					\$				
					\$				
					\$				
12A. NRCS State Conservationist or Designee					12B. Date (MM-DD-YYYY)				

^{1/} Report one of the following fund Classification Codes:

- A - Requesting funds from the National EQIP EOA reserve for FY 1997, FY 1998, FY 1999, FY 2000, FY 2001 and/or LHHS EQIP contracts.
- B - Reporting the use of the FY 2002 1st Allocation State EOA reserves for FY 2002 1st and/or 2nd allocation contracts.
- C - Reporting the use of current year funds for EOA modifications to FY 2002 and/or future FY contracts.