

For: State and County Offices

Using EQIP FY 2003 Fund Codes

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

FY 2003 fund codes were issued in County Release No. 501, release date December 20, 2002.

2-CONSV, subparagraph 93 C provides that even though a contract has multiple fund codes associated to it, during initial contract approval funding can be provided from only one fund code.

Policy has been changed to allow funding from more than one fund code on the same contract.

2-CONSV provides that the primary fund code identifies the priority area being addressed. As a result of the 2002 Farm Bill, priority areas are no longer authorized for EQIP.

For FY 2003, different EQIP fund codes have been established for use as primary or supplemental fund codes.

B Purpose

This notice informs State and County Offices of the following:

- contracts can now be funded from more than one fund code on the same contract
- new definition of primary fund code
- FY 2003 EQIP primary and supplemental fund codes
- process for entering funding amount approved
- preparing CCC-1245's when contract is funded from more than one fund code.

Disposal Date	Distribution
October 1, 2003	State Offices; State Offices relay to County Offices and NRCS State Offices

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1 Overview (Continued)

C Related Directives

A forthcoming amendment to 2-CONSV will incorporate changes described in this notice.

D Contact

State Offices should direct questions to Sharon Rafter, CEPD at 202-690-1612.

E Agreement

NRCS National Office has reviewed and is in agreement with this notice.

2 Primary and Multiple Fund Codes

A Revised Definition of Primary Fund Code

The definition of primary fund code is revised to mean the first fund code used when CCC-1200 is created.

B Contract Funding From More Than One Fund Code

EQIP policy now allows contracts to be funded from more than one fund code on the same contract. One fund code is the primary fund code, and any others are supplemental fund codes.

Example: One contract may be funded from both basic EQIP and Ground and Surface Water Conservation funds. Basic EQIP would be the primary fund code, and Ground and Surface Water Conservation the supplemental fund code.

C Prepare Separate CCC-1245's

If a contract is funded from more than one fund code, a separate CCC-1245 **must** be prepared for each fund code.

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3 FY 2003 Fund Codes

A Primary Fund Codes

Primary fund codes shall be the first fund code used when CCC-1200 is created. If a contract will be funded 100 percent by only one fund code, use a primary fund code. Following are FY 2003 primary fund codes:

- XX9999/2003 Basic EQIP
- XX2222/2003 Ground and Surface Water Conservation
- XX3333/2003 Klamath Basin (CA and OR only)
- XX7001/2003 LHHS No-Year Funds.

B Supplemental Fund Codes

Supplemental fund codes can only be used as the second or later fund code on a CCC-1200. Following are FY 2003 supplemental fund codes:

- XX8222/2003 Ground and Surface Water Conservation
- XX8333/2003 Klamath Basin (CA and OR only)
- XX8501/2003 LHHS No-Year Funds.

C Entering Funding Amount Approved

During initial contract approval, if a contract has multiple fund codes, enter the amount to be funded from the primary code then the supplemental fund code(s).

Note: The total obligation approved for the contract will be the sum of the amount to be funded from all fund codes on the contract.

4 Action

A State Office Action

State Offices shall ensure that all County Offices and NRCS State Offices are informed of the contents of this notice.

B County Office Action

County Offices shall:

- ensure that local NRCS offices are informed of the contents of this notice
- follow provisions of this notice to create CCC-1200's and CCC-1245's and to issue payments.