

For: FSA Offices

**Terminating Environmental Quality Incentives Program (EQIP) Accounting Functions and  
Providing EQIP Financial Documents to NRCS**

Approved by: Deputy Administrator, Management



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**1 Overview**

**A Background**

EQIP administrative services migrated to NRCS effective October 1, 2004. KCFO provided NRCS with an electronic file of all EQIP assignments, joint payments, and direct deposit elections that were recorded by FSA. KCFO also notified NRCS of the outstanding EQIP claims and receivables in the debt data warehouse.

EQIP did **not** roll over in FY 2005 E-Funds Control because FSA will not be issuing any payments. Any ledger adjustments will be completed only through the Conservation application according to CEPD directions.

**B Purpose**

This notice advises State and County Offices of the:

- documentation that must be provided to NRCS to support the EQIP migration to NRCS
- accounting functions that will still be supported in the County Office.

**C Contact**

State Offices with questions about this notice should contact Debbie Simmons by:

- e-mail at [Debbie\\_Simmons@wdc.usda.gov](mailto:Debbie_Simmons@wdc.usda.gov)
- telephone at 703-305-1309.

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<b>Disposal Date</b>  April 1, 2005	<b>Distribution</b>  FSA Offices; State Offices relay to County Offices and NRCS State Offices
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## Notice FI-2663

### 2 Financial Documentation to Provide to NRCS

#### A Documentation Required for Assignments

CCC-36 to support the assignment election must be provided to NRCS. By November 29, 2004, provide to the local NRCS office that now maintains the producer's official EQIP file:

- the original CCC-36 if no other programs are included on CCC-36
- a copy of CCC-36 if any other program is included on CCC-36.

#### B Documentation Required for Joint Payment Elections

CCC-37 to support a joint payment election must be provided to NRCS. By November 29, 2004, provide to the local NRCS Office that now maintains the producer's official EQIP file:

- the original CCC-37 if no other programs are included on CCC-37.
- a copy of CCC-37 if any other program is included on CCC-37.

#### C Documentation Required for Direct Deposit Elections

Do **not** provide NRCS SF-1199A or SF-3881 to document direct deposit elections, or FFAS-12 to document the waiver of EFT requirement. NRCS at the National level has determined that NRCS will require an original form for their records.

**Note:** SF-1199A's and SF-3881's are not program specific, but are agency specific. If a producer requests a copy of SF-1199A or SF-3881 on file so that the producer may supply the same banking information to NRCS for the NRCS forms, make a copy for the producer.

#### D Documentation Required for Claims or Receivables

Provide the official file for any EQIP claim or receivable maintained according to 58-FI to the local NRCS Office that now maintains the producer's official EQIP file by November 29, 2004.

**Note:** KCFO will be contacting each County Office that has an EQIP claim or receivable in the debt data warehouse to assist the County Office in terminating the claim or receivable. If the County Office has an EQIP claim or receivable, and has not been contacted by KCFO by December 15, 2004, contact Debbie Simmons at 703-305-1309.

## Notice FI-2663

### 3 EQIP Accounting Functions in State and County Offices

#### A Accounting Functions That Remain in State and County Offices

For EQIP payments and EQIP Educational Assistance payments that were issued by State or County Offices before migration, the issuing office will continue to:

- set the accounting flag for any check reported as lost, stolen, or destroyed, according to 1-FI, Part 7.
- process substitute checks according to 1-FI, paragraph 251, if:
  - notified by KCFO that the ACH rejected, and the correct banking information cannot be obtained.
  - an expired check is returned for replacement
  - the payment recipient requests replacement of a check reported as lost, stolen, or destroyed, and KCFO acknowledges that the check has **not** been negotiated.

**Note:** These accounting functions do **not** affect the data supplied to NRCS, and therefore, NRCS does not require notification of these actions.

#### B Accounting Functions Not Supported for EQIP

The following accounting functions shall **not** be used for any EQIP activity after September 30, 2004:

- check disbursement for previously undisbursed payment
- payment cancellation
- collections by cash, receivables, or claims
- refund of a previously recorded collection.

Refer a producer seeking any of these activities to the local NRCS Office that now maintains the producer's official EQIP file.