

For: ME, NH, NY, and VT State and County Offices

Implementing Supplemental SIP Funding for Northeast Ice Storm Damage

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A

Background

On May 1, 1998, the President signed an emergency supplemental appropriations bill into law. Included in the bill was the authority for \$9.7 million for SIP producers to use in repairing damages incurred on forest land in the States of Maine, Vermont, New Hampshire, and New York as a result of the January 1998 ice storms. The supplemental funding will be administered through SIP consistent with existing SIP regulations.

B

Purpose

This notice provides:

- instructions on implementing SIP supplemental appropriations, known as Ice Storm SIP Funds
- State and County Offices with administration methods for Ice Storm SIP Funds. This notice supplements policy in 1-SIP and shall be used only for the implementation of Ice Storm SIP Funds in Maine, New Hampshire, New York, and Vermont. Unless specifically provided for in this notice, Ice Storm SIP Funds shall be administered according to 1-SIP.

<p>Disposal Date</p> <p>October 1, 2001</p>	<p>Distribution</p> <p>Above State Offices; State Offices relay to applicable County Offices, State Forestry Offices, and NRCS State Offices; FS, 5; CSREES, 5</p>
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Notice SIP-23

2 Eligibility Requirements for Ice Storm SIP Funds

A

Eligible Land

For land to be considered eligible to receive Ice Storm SIP Funds, it must meet both of the following conditions:

- be located in 1 of the following:
 - **Maine** counties of Androscoggin, Aroostook (southern district only), Cumberland, Franklin, Hancock, Kennebec, Knox, Lincoln, Oxford, Penobscot, Piscataquis, Sagadahoc, Somerset, Waldo, Washington, and York
 - **New Hampshire** counties of Belknap, Carroll, Cheshire, Coos, Grafton, Hillsborough, Merrimack, Strafford, and Sullivan
 - **New York** counties of Clinton, Essex, Franklin, Jefferson, Lewis, and St. Lawrence
 - **Vermont** counties of Addison, Bennington, Caledonia, Chittenden, Essex, Franklin, Grand Isle, Lamoille, Orange, Orleans, Rutland, Washington, Windham, and Windsor
- have sustained damage from the January 1998 severe ice storms

Note: Land with ownership of up to 5,000 acres may be eligible without obtaining a waiver. State Foresters have granted waivers for ownership of greater than 1,000 acres, but no more than 5,000 acres, **for applications under Ice Storm SIP Funds.**

B

Eligible Landowners

All landowner eligibility requirements in 1-SIP, paragraphs 97 through 99 shall be met before contract approval.

Note: Eligible landowners are limited to \$10,000 for each FY payment limitation for all (regular and Ice Storm) SIP payments.

Continued on the next page

Notice SIP-23

2 Eligibility Requirements for Ice Storm SIP Funds (Continued)

C

Eligible Practices All practices receiving cost-shares under the Ice Storm SIP Funds must be used to repair damages on forest land, which were incurred as a result of the severe ice storms.

For contracts established with Ice Storm SIP Funds, the following practices are eligible. The technical practice codes in the following table are **in addition to** the practices listed as eligible for SIP in DM-9500. The following practices may be used on land determined to be eligible according to subparagraph A.

SIP Practice	Technical Practice Code	Description	Extents Needed
1	51	Revision of Landowner Forest Stewardship Plan Note: The 25 percent cap for SIP1 still applies.	AC
3	44	Clearing of forest access roads	AC
3	45	Designation of storm-damaged trees for removal	AC
3	46	Fire hazard reduction	AC
5	47	Construction of forest access corridors	AC
5	48	Clearing of debris from ditches and culverts	AC
6	49	Clearing of debris from streams	AC
9	50	Clearing of forest recreation trails	AC

Notes: Additional guidance on practices available under Ice Storm SIP Funds will be distributed by FS.

The same SIP practice may be needed on the same acreage if the SIP practices are repeated because of a failure of a prior SIP practice through no fault of the producer.

Continued on the next page

Notice SIP-23

2 Eligibility Requirements for Ice Storm SIP Funds (Continued)

D

Starting a Practice Before Approval

Because of the nature of the damage inflicted from the severe ice storms, landowners have requested to be approved to begin practice implementation. Landowners shall be notified that starting a practice before receiving an approval letter from the County FSA Office is **at the landowner's own risk**.

Landowners shall be advised that an approved conservation practice may be started after AD-245 application is submitted to the Service Forester or local County FSA Office. Landowners should be informed that they may be ineligible to receive payments if the contract is not approved, practice does not meet specifications, or if requested practice is not included in the approved stewardship plan or plan revision.

3 CRES Software Modifications for Implementing Ice Storm SIP Funds

A

New SIP Fund Code

The Ice Storm SIP supplemental funding must be accounted for separately from regular SIP appropriated funds through a separate ledger. Therefore, a new fund code, **20, SIP Ice Storm**, has been established to provide a separate ledger.

Note: Regular SIP appropriated fund code is 00.

B

Software Availability

The CRES software will be modified and included in a future release to provide the following:

- fund code 20
- additional technical practices listed in subparagraph 2 C
- capability to process multiple fund codes for SIP.

Note: The system currently has the capability to process multiple fund codes for ACP only.

To ensure timely implementation of the Ice Storm SIP funds, State and County Offices shall administer FSA's SIP functions manually according to this notice until modified software has been received.

The National FSA Office will notify State and County Offices when modified software is released.

Notice SIP-23

4 Contracts

A Approving Contracts

Applications for Ice Storm SIP Funds may be approved as contracts by the Service Forester when the following conditions are met:

- SIP-357 for Ice Storm SIP Funds has been received in the State Office
- this notice has been received by the County Office and the Service Forester
- the FS memo containing Ice Storm SIP Fund practice descriptions has been received by the County Office and the Service Forester
- landowner has been made aware that starting a practice before Service Forester approval is at the landowner's own risk.

Note: County Offices shall mail an approval, deferral, or disapproval letter to the landowner, as applicable, according to 1-SIP, Exhibit 8, as soon as possible after Service Forester determination.

B Accepting Manual Applications

Since contracts may be approved before supporting software being available in the field, manual applications may be accepted.

Service Foresters shall:

- maintain a manual record of approved practices including technical components, extent (number of acres or units), and anticipated cost
 - clearly identify AD-245 application as a request for Ice Storm SIP Funds using the "20" fund code.
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Notice SIP-23

4 Contracts (Continued)

B Accepting Manual Applications (Continued)

County Offices shall:

- process the following manually until updated software has been released:
 - AD-245's
 - AD-862's, according to DM 9500-1
 - ACP-259's, ACP-301's, and ACP-305's, according to paragraph 6
- not enter any manual applications in the system until updated software and fund code 20 have been released.

Important: **Do not** enter the Ice Storm SIP applications in the system as fund code 00.

County Offices may create a temporary numbering system for AD-245's and AD-862's if it would be helpful for tracking purposes.

5 Payments

A Contract Payments

No payments earned under Ice Storm SIP Fund contracts may be issued before software being made available in the field.

Note: Because funds were received under an emergency appropriation, Ice Storm SIP Fund Contract Payments are **not** subject to setoff or assignments. However, they are subject to Prompt Payment Provisions.

The amount of SIP (regular and Ice Storm) payments to any 1 landowner shall not exceed \$10,000 in any FY.

Note: Maximum payment limitations provisions in 1-SIP, Part 8, Section 1 apply.

Notice SIP-23

6 County Manual Processing

A

Manual ACP-301's

Record each manual AD-862 on a manual ACP-301 Record of AD-862's report.

Include on the report:

- program code SIP and fund code 20 in the report heading
- the following columns:
 - farm number
 - practice number
 - date AD-862 referred
 - date AD-862 was returned
 - approval date (AD-245)
 - C/S amount approved.

Note: There is no special form for this report.

Columns for additional information, such as the participant's name, may be added to help identify each AD-862, if needed.

Update the manual ACP-301 as each AD-245 and AD-862 progresses through the referral and approval or disapproval processes.

B

Manual Ledgers

Use ACP-259 to process manual ledgers for SIP, fund code 20.

Note: ACP-259 will be provided to State Offices in Forms Release No. 93.

Record transactions to ACP-259 according to subparagraph D.

Continued on the next page

6 County Manual Processing (Continued)

C
Example of
ACP-259

This is an example of ACP-259 with transactions recorded.

REPRODUCE LOCALLY. Include form number and date on reproductions.
ACP-259 (06-05-98)

U.S. DEPARTMENT OF AGRICULTURE
Farm Service Agency

COUNTY ALLOCATION CONTROL LEDGER

1. DATE	2. DESCRIPTION OF TRANSACTION	3. ALLOCATION AND CHANGES (Plus or Minus)	4. AMOUNT APPROVED (Minus)	5. COST-SHARE ASSISTANCE		6. AMOUNT EARNED (Minus)	7. BALANCE AVAILABLE FOR COMMITMENT	8. CHECK NO.
				PERFORMED	AMOUNT APPROVED (Plus)			
1	7-7 Allocation	520,000					520,000	
2	7-13 C/S Approved C. W. Cook	2255	6,500				513,500	
3	7-13 C/S Approved Ivan Hoffman	1151	10,000				503,500	
4	7-13 C/S Approved Floyd M. Ball	1988	9,500				494,000	
5	7-13 C/S Approved Dorsey Miller	200	7,260				486,740	
6	7-13 C/S Approved J. J. Pyles	1300	9,780				476,960	
7	7-13 C/S Approved M. Ann Clary	698	2,800				474,160	
8	7-13 C/S Approved Arnold Thomas	750	9,110				465,050	
9	7-22 C/S Approved Carl Kaszak	1000	3,500				461,550	
10	7-22 C/S Approved Jack Williams	500	5,750				455,800	
11	7-22 C/S Approved Ben Rhentiler	660	10,000				445,800	
12	7-22 C/S Approved Harold Treese	1325	8,780				437,020	
13	7-29 245 Canceled	200	-7,260				444,280	
14	7-30 245 Canceled	750	-9,110				453,390	
15	8-3 Month End Balance		520,000				453,390	
16	8-10 C/S Approved J. Hoffman-Miller	899	9,940				443,450	
17	8-10 C/S Approved George Deavers	701	3,060				440,390	
18	8-10 C/S Increased	1000	4,000				436,390	
19	8-10 C/S Approved O. John Sharron	441	7,230				429,160	
20	8-10 Carry Forward		90,840				429,160	

A. COUNTY: Cumberland
B. FISCAL YEAR: 1998
C. LEDGER DESCRIPTION: 20 - SIP Ice Storm
D. PAGE: 1 OF 2

Continued on the next page

6 County Manual Processing (Continued)

C
Example of
ACP-259
(Continued)

REPRODUCE LOCALLY. Include form number and date on reproductions.
ACP-259
 (08-05-88)

U.S. DEPARTMENT OF AGRICULTURE
 Farm Service Agency

COUNTY ALLOCATION CONTROL LEDGER

1. DATE	2. DESCRIPTION OF TRANSACTION	3. ALLOCATION AND CHANGES (Plus or Minus)	COST-SHARE ASSISTANCE		B. FISCAL YEAR	C. LEDGER DESCRIPTION	D. PAGE
			4. AMOUNT APPROVED (Minus)	5. AMOUNT APPROVED (Plus)			
					1998	20 - SIP Ice Storm	2 OF 2
1	8-10 Brought Forward	520,000	90,840				
2	8-21 245 Reinstated	200	7,260				
3	8-26 C/S Approved Leon Howard	1203	5,500				
4	8-26 C/S Approved George Crumb	575	8,930				
5	8-26 C/S Approved Charles Ives	800	7,900				
6	8-28 Allocation	-150,000					
7	9-1 Month End Balance	370,000	120,430				
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							

Continued on the next page

Notice SIP-23

6 County Manual Processing (Continued)

D

**Recording
Entries on
ACP-259**

Record entries on ACP-259 according to this table.

Important: Record **all** entries in whole dollars only.

Block, Column, or Line Item Entry	Description or Action
County	Enter the county name. A separate ledger must be kept for each county administered by the County Office.
Fiscal Year	ENTER "1998".
Ledger Description	ENTER "20 - SIP Ice Storm".
Page	Number each page of the ledger sequentially.
Date	Enter the date of each transaction in column 1.
Allocation	<p>Enter an allocation increase as the first line item entry after notification of allocation has been received from the State Office. ENTER "Allocation" in column 2, and post the amount of the allocation to columns 3 and 7.</p> <p>Post subsequent allocation changes as follows:</p> <ul style="list-style-type: none"> • ENTER "Allocation" in column 2 • post the amount of the allocation change to column 3, using a minus entry for allocation decreases • add increases to and subtract decreases from column 7.

Continued on the next page

Notice SIP-23

6 County Manual Processing (Continued)

D
Recording
Entries on
ACP-259
(Continued)

Block, Column, or Line Item Entry	Description or Action
C/S Approved	<p>Enter each AD-245 approved as a separate line item entry as follows:</p> <ul style="list-style-type: none"> • enter the following in column 2: <ul style="list-style-type: none"> • "C/S Approved" • participant's name • farm number <p>Notes: If there are multiple participants, enter the name of the participant that signed AD-245, page 1.</p> <p style="padding-left: 40px;">Additional information may be included to help identify AD-245.</p> <ul style="list-style-type: none"> • post the C/S amount approved for the practice from AD-245, page 2, item F in column 4 • subtract the amount in column 4 from column 7.
245 Canceled	<p>Post any AD-245's that are canceled after approval as follows:</p> <ul style="list-style-type: none"> • enter "245 Canceled" and the farm number for AD-245 in column 2 • post the original C/S amount approved as a minus entry in column 4 • add the entry in column 4 to column 7.

Continued on the next page

Notice SIP-23

6 County Manual Processing (Continued)

D
Recording
Entries on
ACP-259
(Continued)

Block, Column, or Line Item Entry	Description or Action
Month-End Balance	<p>On the first workday of each month, enter:</p> <ul style="list-style-type: none"> • "Month-End Balance" in column 2 • cumulative totals of columns 3 and 4 by adding plus entries to and subtracting minus entries from the previous cumulative total for the column <p style="padding-left: 40px;">Note: There will be no previous cumulative total for columns 3 and 4 for the first month-end balance calculated.</p> <ul style="list-style-type: none"> • the preceding balance as the total for column 7. <p>Verify the entry in column 7 by subtracting the amount in column 4 from the amount in column 3. If the result does not equal the entry in column 7, the ledger is not balanced. Correct the error.</p> <p>Important: The ledger must be in balance because the month-end totals are used for ACP-305 in subparagraph E.</p>
C/S Increased	<p>If the C/S amount approved for a previously approved AD-245 is increased:</p> <ul style="list-style-type: none"> • enter "C/S Increased" and the farm number in column 2 • post the amount of increase from AD-245, page 2, item F, in column 4 • subtract the amount in column 4 from column 7.
Carry Forward	<p>On the last line item, enter:</p> <ul style="list-style-type: none"> • "Carry Forward" in column 2 • cumulative column totals according to the instructions for "Month-End Balance".

Continued on the next page

Notice SIP-23

6 County Manual Processing (Continued)

D
Recording
Entries on
ACP-259
(Continued)

Block, Column, or Line Item Entry	Description or Action
Brought Forward	Enter the following as the first line-item entry on each page of ACP-259 after page 1: <ul style="list-style-type: none">• "Brought Forward" in column 2• the carry forward totals from the previous page for columns 3, 4, and 7.
245 Reinstated	Post any previously approved AD-245's that were canceled then reinstated as follows: <ul style="list-style-type: none">• enter "245 Reinstated" and the farm number for AD-245 in column 2• post the total C/S amount approved in column 4• subtract the entry in column 4 from column 7.

E
Manual
ACP-305's

On the **first workday of each month**, prepare and submit to the State Office a manual ACP-305 for SIP, fund code 20.

Include the following on the report:

- program code SIP and fund code 20
- the date of the report, which will be the last day of the previous month
- allocation from the latest month-end balance on ACP-259, column 3
- total amount approved from the latest month-end balance on ACP-259, column 4
- balance available from the latest month-end balance on ACP-259, column 7.

Continued on the next page

Notice SIP-23

6 County Manual Processing (Continued)

E

Manual ACP-305's

There is no special form for this report.

Only some of the columns provided on the automated ACP-305 are required on the manual report. County Offices shall provide additional columns of information only if requested to do so by the State Office.

Negative reports are required.

7 State Manual Processing

A

Manual Ledgers

Until updated State ledger software is released, State Offices shall revert to the method of processing State ledgers before automated ledgers were available, or some other form of manual or PC ledger processing.

Note: The New Hampshire State Office is experienced in processing “manual” State ledgers and has agreed to assist Maine, New York, and Vermont with establishing temporary ledgers. To request assistance from the New Hampshire State Office, contact either of the following:

- Mary Nichols at 603-225-1435
 - Linda Grames at 603-224-7641.
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Notice SIP-23

7 State manual Processing (Continued)

B

Manual ACP-305's

By the fifth workday of each month, prepare and submit to CEPD a manual ACP-305 for SIP, fund code 20.

Provide cumulative totals of all county data received according to subparagraph 6 E plus any funds in C/S reserve at the State Office.

Note: Do not provide individual county data.

Additional data normally provided on the automated ACP-305 may be provided, but is not required.

FAX the manual ACP-305 to Lynne Patten, CEPD, PEAB at 202-720-4619.

Provide a copy of the report to the State Forester.

Ensure that allocations reported by counties match individual county allocations on the State ledger. If they do not, ensure that the error is corrected before the next month's report cycle.

Negative reports are required.

Notice SIP-23

8 Action

A

State Office Action

State Offices shall:

- immediately provide a copy of this notice to County Offices and FS State Offices or applicable State Forestry Offices
 - ensure that County Offices understand the urgency of SIP supplemental funding
 - when allocation is received, immediately allocate to applicable County Offices
 - establish and maintain manual ledger in the State Office until software is received
-

B

County Office Action

County Offices shall:

- provide a copy of this notice to Service Foresters
 - establish and maintain manual ledger
 - immediately inform Service Forester when available payment software is received in the County Office
 - once funds are received from State Office, notify landowners with eligible land of availability of Ice Storm SIP Funds as soon as possible
 - send approval, deferral, or disapproval letters as applicable for manual applications.
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