
June 30, 2004

WEST VIRGINIA BULLETIN NO: WV300-4-13

SUBJECT: Progress Review and Revision, or Modification of Active EQIP Contracts

Purpose: To request that status reviews be completed on all active EQIP contracts, and that contracts be revised or terminated as appropriate.

Expiration Date: December 31, 2004

**Action Required by: July 28, 2004 (Field Offices)
July 30, 2004 (Area Offices)**

The Office of Inspector General (OIG) audit survey of the Environmental Quality Incentives Program (EQIP) found that, in many cases, Farm Service Agency's System 36 still shows contract funds as obligated for past years. These obligations have not been rescheduled to current and future years. To correct this problem the Natural Resources Conservation Service (NRCS) will need to take action. It is recognized that field office staffs are very busy, but it is essential that this issue be addressed in a timely manner.

By July 28, 2004, NRCS field staffs will review the progress on all active EQIP contracts that have cost share or incentive payments yet to be paid. Following the guidance outlined in the EQIP Manual, Section 515.113, NRCS field staffs will conduct status reviews on all active EQIP contracts, fiscal years 1997-2003, if the schedule of operations is not being followed or if all required contract provisions are not being met. Every effort must be made to conduct these reviews concurrent with ongoing activities in order to minimize added workload.

By July 28, 2004, as applicable, the designated conservationist will:

- **Terminate the contract according to the EQIP Manual, Section 515.115. Notify FSA, in writing, of the termination, effective date, and whether refunds and/or liquidated damages are required. (Refer to the CCC-1200 Appendix for each terminated contract for contract requirements, since there have been changes in some**

years.) If several contracts are terminated, this information may be communicated by one notice including a list or table.

- Reschedule practices by making pen and ink changes and initialing the changes, according to the EQIP Manual, Section 515.112. Initial and date the changes in block 12 on the original contract. If applicable, extend the contract expiration date by making a pen and ink change on the CCC-1200 and initial and date the change.

Provide FSA and the participant(s) with copies of the revised practice schedule and/or CCC-1200.

- Provide a list of active EQIP contracts to the appropriate Assistant State Conservationist – Field Operations (ASTC-FO). This list will identify the contract number, the participant, and whether the contract is in compliance, has been modified, or is terminated.

By July 30, 2004 the ASTC-FO will certify to the State Conservationist that all active EQIP contracts have been reviewed and all required contract modifications or terminations have been completed.

A spreadsheet is attached for use in recording the status of each active EQIP contract. This spreadsheet can be e-mailed to the ASTC-FO to document completion of contract reviews.

http://www.wv.nrcs.usda.gov/programs/eqip/files/Active_EQIP_Contracts.xls

If you have questions, please contact Jim Piper at 284-7543.

/s/ Stephen G. Carpenter, Acting For

LILLIAN V. WOODS
State Conservationist

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