



Natural Resources Conservation Service
6013 Lakeside Blvd.
Indianapolis, Indiana 46278

October 5, 2007

SUBJECT: FNM – Fiscal Year 2008 Budget Guidance

File Code: 250-0

TO: All Indiana NRCS Employees

This communication is to provide you with guidance on program activities for Fiscal Year 2008 during the next few weeks until the new Farm Bill is decided and while the government is under a continuing resolution.

MANDATORY PROGRAMS:

- The funding for the following mandatory programs has been received by our agency:
Environmental Quality Incentives Program (**EQIP**)
Conservation Security Program (**CSP**)

To the extent possible employees should accelerate and focus on implementation of EQIP, both prior year contracts and assisting with new contracts.

- We have **no** funding, at this time, to charge any time or expense to the Conservation Reserve Program (**CRP**). This program will remain inactive in WebTCAS and you are instructed to **cease all work** on this program until funding is received.

FSA employees have received guidance from their Deputy Administrator for Farm Programs that their county offices **shall not authorize**: payment of CRP cost-share; signing incentive payments (SIP); and practice incentive payments (PIP). Due to NRCS technical assistance not being available, FSA County Offices shall continue to accept CRP offers for continuous signup, including the Conservation Reserve Enhancement Program (CREP) and Farmable Wetlands Pilot Program (FWP). However, technical assistance for those offers will **not** be performed until funds are made available.

- We do not have funding, at this time, for the following mandatory programs:
Farm and Ranch Lands Protection Program (**FRPP**)
Ground and Surface Water Conservation Program (**GSWC**)
Grassland Reserves Program (**GRP**)
Wetlands Reserve Programs (**WRP**)
Wildlife Habitat Incentives Program (**WHIP**)

Headquarters is working with OMB to obtain funding to carryout our Technical Assistance (TA) for prior year workload for these programs. Employees are to continue providing customer assistance for prior year contracts and to give general assistance related to these programs, but you are **NOT** to accept applications. Your time should be recorded in Web-TCAS to the appropriate program for accountability purposes. However, the charges will be obligated against our CTA Program account if an apportionment is not received prior to the end of the pay period.

DISCRETIONARY PROGRAMS:

- The Continuing Resolution (CR) for our discretionary funds (CTA, Soils, and RC&D) is effective through November 16, 2007. You should continue to use the US-CTA-GLC Program Activity Code in Web-TCAS to record your time for the Grazing Lands Initiative.
- For the Watershed and Flood Prevention Operations Program (WF-03 and WF-08), states with active contracts and project agreements that were funded for specific projects in years prior to FY 2008, will receive an allocation using agency recoveries and other un-obligated funds. **Indiana was not one of these states, so we currently have no funding in WF-08 or authorization to work on or charge TA to any WF-08 activities.**

We are limited to a percentage of our FY-07 allocations on spending. Therefore, we have been directed to limit our spending to essential/critical obligations and expenditures needed to carry out mission critical tasks only.

We appreciate your cooperation and attention to these details. We will keep you informed of any changes to these procedures as they occur.

/s/

JANE E. HARDISTY
State Conservationist

cc: Leadership Team, NRCS, Indiana