



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

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April 30, 2008

**INDIANA BULLETIN NO. IN440-8-4**

**SUBJECT:** PGM – Conservation Security Program (CSP) Contract Expiration Corrections

**Purpose:** To provide the field with corrective actions needed on CSP contracts that have incorrect contract expiration dates or activities scheduled beyond the contract expiration date in response to National Bulletin 300-8-22.

**Expiration Date:** September 30, 2009

**Action Required By: September 5, 2008**

**Background:** The 2002 Farm Bill authorized Tier I CSP contracts to have a duration of 5 years. Tier II and Tier III CSP contracts are authorized for a period of not less than 5 years nor more than 10 years. The CSP Amendment to the Interim Final Rule published at 7 CFR Part 1469 further established that “Contracts expire on September 30 in the last year of the contract.” A recent query of ProTracts identified more than 1,500 CSP contracts that have either improperly scheduled expiration dates or contract items scheduled for payment after contract expiration. The attachments reflect the Indiana contract list needing action.

**Explanation:** Immediate action is needed to modify CSP contracts that should expire on September 30, 2008 (Attachment 1). Modifications of other CSP contracts that exceed the specified maximum contract length or have contract items improperly scheduled for payment after contract expiration will be completed in conjunction with the next CSP payment (Attachment 2). This will prevent the need for CSP participants to make multiple trips to the field office to sign modifications and payment applications. Modification will have to be made prior to printing out the 1245 for payment certification so the new date appears on the 1245. The NRCS-CPA-1156 will also have to be printed for all participants’ signatures for the contract length modification.

There are two lists provided with this bulletin. Attachment 1 contains all the contracts that must be modified and approved prior to the suspension of modification activities in ProTracts; hence the September 5<sup>th</sup> deadline. Attachment 2 contains all the contracts that will be modified and approved prior to annual certification of payments. The spreadsheets will be utilized for tracking the progress of the required modifications.

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All contract modifications must follow the guidance contained in the Conservation Programs Manual, Title 440, Part 512, Subpart F, Contract Administration, Section 512.50 which references CPM 518 Part K for CSP contracts. To facilitate this corrective action on 2004 contracts the following process will be followed:

1. The Area Program Specialist (APS) will modify all expiration dates in ProTracts. The 5 year contracts expiring in 2009 will be modified to expire September 30, 2008. The 10 year contracts expiring in 2014 will be modified to expire September 30, 2013. Documentation in ProTracts for the reason for the modification will read "corrective action to address National Bulletin 300-8-22". APS will notify the State Office via email that modification is ready for approval.
2. State Office will approve modification and notify APS to advise the field staff to print out NRCS-CPA-1156s for required signatures. No additional contract payments will be issued without verification of signatures for the modification. These signatures can be obtained on the forms at the time of payment certifications for FY09 payments. The contracts that are modified to expire 9/30/2008 (Attachment 1) do not have future payments; therefore, the signed signature page needs to be scanned and emailed to the APS prior to September 5, 2008 for verification.

Business rules recently deployed within ProTracts will prevent new or modified CSP contracts from being approved with expiration dates beyond the appropriate tier limit or contract items from being scheduled beyond contract expiration. CSP-08-01 contracts will fall under this new automatic ProTracts feature; however, APS's should watch these dates during second level review to ensure the software is accurate.

**Contact:** For further information, contact MaryJo Woodruff, Programs Staff at (317)290-3200, ext. 311 or Jim Dunaway, Acting Assistant State Conservationist of Programs at ext. 334.

/s/

JANE E. HARDISTY  
State Conservationist

Attachments