

**Conservation Program Contract
Cancellation/Termination Request**

DATE: _____

TO: Area Conservationist

County _____ Program: _____ CSP _____ EQIP _____ WHIP

Contract Number _____

Contract Obligation Date __

Original Contract Obligation Amount ____

Decision-maker Name: _____

Address: _____

Address: _____

Request for: _____ Cancellation (Go to Section I)
 _____ Termination (Go to Section II)

I. Contract Cancellation:

Any written requests for cancellation from the participant must include the following in a legible format or return it to the participant with a request for the missing information:

Participant name

Participant address

Contract number

Written assurance that all previously installed practices in the contract will be operated and maintained for the NRCS-designated practice lifespan (if applicable)

Documentation to support the cancellation request

Participant signature (must be the contract decision maker)

Other explanation: _____

Reasons or justifications for cancellation: **(Check all that apply and that are supported with documentation)**

- Hardships:
- Family death
- Family illness
- Bankruptcy
- Divorce
- Other hardship (Explain) _____

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- Natural disasters preventing completion of contract provisions.
 - Destruction of farm or ranch property through fire or theft
 - Eminent Domain
 - Involuntary loss of control of land

If the reason for the cancellation is death, major illness, bankruptcy or divorce, the AC will write a letter directly to the participant canceling the contract without penalty and will cc the ASTC-P the letter and documentation used. The ASTC-P will cancel it in ProTracts. Go to Section IV.

If the reason is anything else go to Section III.

II. Contract Termination:

Reasons or justifications for termination: (Check all that apply)

- Participant voluntarily sells land and the new owner will not or cannot (i.e. ineligible) assume the contract.
- Participant has violated the terms of the contract and has failed to correct and comply within a reasonable time.
- Participant fails to install, operate, or maintain one or more practices or activities required to meet the contract objectives.
- Participant’s actions pose a threat to the health and safety of NRCS employees.

Participant is deemed to have:

- Knowingly misrepresented any fact affecting a program determination;
- Adopted any scheme or device that tends to defeat the program purpose; or
- Made any fraudulent representation.

Go to Section III.

III. Answer the following items related to the contract cancellation or termination:

NOTE: All questions must be answered and all sections must be filled in or the form will be returned. If the question does not apply to this contract write “N/A”.

Have any FA or TA funds (including TSPs) been paid in, or related to, the contract to the Participant? Yes No

If yes, **and**

this is a contract cancellation, has the participant provided a written guarantee that installed conservation practices will be operated and maintained throughout the lifespan of the enhancement or practice?

Yes (Cost recovery may still apply; FA only)

No (Full cost recovery of all obligated funds will be sought)

this is a contract termination, then full cost recovery will apply.

Comments: _____

Good Faith Efforts: Has the Participant made an effort to implement the contract terms and conditions? Yes No

Explain: _____

Estimate of the number of staff hours spent on this contract: _____

Were NRCS "products" provided to the contract holder (i.e. engineering designs, grazing plans, etc.)? Yes No

If yes, detail: _____

Other relevant information related to the contract cancellation/termination:

Attach the following:

Copy of written request from participant (if applicable) and supporting documentation.

Copy of contract **signature pages**: (Forms CCC-1200 or NRCS-CPA-1202, contract Appendix, original CPA-1155, latest CPA-1156, and NRCS-CPA-152, if applicable)

Any other information relevant to this cancellation/termination

Copy of appropriate cancellation or termination **proposed** letter

Go to Section IV.

IV. District Conservationist's Recommendations: Recommendations must conform to the requirements within this bulletin unless sufficient justification is present. Under no circumstances should the DC convey to the Participant his/her recommendations or those of the AC as the STC is the final NRCS authority on cost recovery and liquidated damages. (Check one)

- Contract cancellation with repayment of Financial Assistance funds.
- Contract cancellation without repayment of Financial Assistance funds.
- Contract termination with repayment of Financial Assistance funds and liquidated damages;
- Contract termination without repayment of Financial Assistance funds or liquidated damages (Explanation is required)
- Contract termination with liquidated damages but without repayment of Financial Assistance funds
- Contract termination with repayment of Financial Assistance funds but without liquidated damages.

(Liquidated damages not applicable to 2008 and prior WHIP contracts)

Explanation of Recommendation: _____

Recommended assessments are:

Repayment of Cost Share: Yes No

Liquidated Damages: Yes No
(Terminations only)

District Conservationist signature: _____ Date: _____

V. Area Conservationist:

I concur with the DC's recommendation for cancellation/termination.

I do not concur with the DC's recommendation for cancellation/termination. Instead I recommend the following action:

(In the case of a requested termination that the AC does not concur with, s/he will not forward the request to the ASTC-P. Instead the AC will take the appropriate action to ensure that the contract is brought into compliance prior to initiating further termination action.)

Go to Section VI.

VI. AC Recommendations for Cost Recovery and/or Liquidated Damages:

In accordance with the CPM, Part 512 Policy effective June 16, 2009 and the requirements within this form I recommend that NRCS assess to the contract holder the following:

Repayment of Cost Share: \$ _____

Liquidated Damages: \$ _____

Calculation for Liquidated Damages Amount:

A. Terminations Only-10% of original financial assistance obligation.

Comments:

If the AC concurs with the cancellation/termination request, they will send the following information to the ASTC-P to obtain the STC signature:

Copy of written request from participant (if applicable) and supporting documentation.

Copy of contract **signature pages**: (Forms CCC-1200 or NRCS-CPA-1202, contract Appendix, original CPA-1155, latest CPA-1156 and NRCS-CPA-152, if applicable)

Any other information relevant to this cancellation/termination

Electronic copy of appropriate cancellation or termination proposed letter

AC Signature: _____ **Date:** _____

VII. Assistant State Conservationist for Programs:

I concur with the recommendation for cancellation/termination.

I do not concur with the recommendation for cancellation/termination. I recommend the following action:

I recommend that NRCS assess to the contract holder the following:

Cost Recovery: \$ _____

Liquidated Damages: \$ _____