



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

November 22, 2011

INDIANA BULLETIN NO. 300-12-5

SUBJECT: LTP – Fiscal Year (FY) 2012 Conservation Security Program (CSP 2002) Annual Payments

Purpose: To provide Indiana employees information and instructions for processing FY2012 CSP annual payments as directed by the [National Bulletin 300-12-9](#).

Expiration Date: September 30, 2012

ACTION REQUIRED BY: December 16, 2011 and February 3, 2012

Background: Public Law 107-171, Section 1238 c (2), requires the Secretary to make Conservation Security Program (CSP 2002) contract payments as soon as practicable after October 1. Annual payments have been on hold pending allocation of funds to the states.

Explanation: National has released annual CSP 2002 allocation to process the CSP FY12 annual payments. The obligation process has been activated to initiate the FY12 annual payments and funds are in ProTracts. Each contract will need to have the annual funds promoted (by designated Area Staff (AC/APS/RMS) and obligation accepted in Fund Manager for final obligation in Protracts. New internal controls in ProTracts will ensure required separation of duties in this process. The Annual Obligation/Payment [step-by-step process](#) is provided on the Indiana SharePoint.

All payment requests for participants wanting to be paid in the 2011 calendar year must have the promotion and payment processed by **December 16, 2012**. **All contracts must be promoted and paid by February 3, 2012**. A [payment notification template letter](#) to personalize with local Service Center letterhead and contact information is available on Indiana SharePoint.

Contract participants will be able to receive their FY 2012 annual payment only if no corrective actions were necessary from the current contract review and/or the required [10% CSP 2002 compliance QA](#) review. The payment is processed after reviews and modifications are completed on the contract. Prior notification in [Indiana Bulletin 300-12-3](#) previously provided this list to allow the field more time to complete these reviews and submit the [Security worksheets](#) as directed in the previous guidance. **District Conservationist should note on the NRCS-CPA-1245 comment section that the review is completed, if applicable.**

The annual payment of the established conservation system is to include the stewardship payment, the existing practice payment, and the established enhancement activities that have previously been applied and are a recurring part of the conservation system. Because the participant agrees to maintain at least the benchmark level of treatment, decreases in extent of a benchmark enhancement constitute a potential contract violation. An increase in obligation constitutes a contract improvement which is no longer offered for the program and should not be occurring.

CSP modification buttons will be active during the annual payment process to allow changes in participant information that are critical to processing annual payments. The “obligate” button will not be active for contracts that are in a modification mode. If a modification has been initiated prior to annual obligation being promoted, it must be cancelled so the promote and obligation buttons will become active. Once the contract is obligated, the modification button will become active and the modification can be re-entered and submitted for approval. To facilitate this process, print the 1156 prior to cancellation of the modification so the CINs will show changes that need to be re-entered.

If you have any questions concerning this Indiana Bulletin, please contact, Teresah P. Caire, Assistant State Conservationist-Farm Bill Programs or MaryJo Woodruff, CSP Specialist both at 317- 290-3200, ext 3.

/s/

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State Conservationist