



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

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November 10, 2011

**INDIANA BULLETIN NO. 300-12-4**

**SUBJECT:** LTP – Administration of Conservation Program Contracts (CPCs)

**Purpose:** To provide an update for Indiana guidance on NRCS procedures for administering CPCs per Part 512 Subpart F.

**Expiration Date:** Until Further Notice

**Action Required by: September 1, 2012 for Contract Reviews**

**Background:** Contract administration guidance was previously provided under bulletins 300-10-9-2, 300-10-2, 440-10-2 and 300-11-10. This bulletin provides an update to the specific Indiana procedure and documents for administering contracts. These instructions have been created as a tool for field staff to implement the provisions found in [Title 440 Part 512 Subpart F Contract Administration](#). This section of the contracting manual should be referenced for detailed information regarding the procedures described in this guidance.

Indiana NRCS staff must adhere to the instructions and utilize the forms and charts referred to in this bulletin when modifying, reviewing or cancelling/terminating a contract.

Instructions, forms, and charts referred to in this bulletin can be found on the Indiana SharePoint under the Programs tab, in the [Program Contracting](#) folder. The procedures and documents have not changed except as described below.

**Modifications 512.50**

These procedures and forms have not changed. The procedures and documents posted to the Indiana SharePoint should continue to be used.

**CSP NOTE:** Per 512.50(B) Due to the unique nature of the Conservation Security Program (CSP 2002) contract administration, [Title 440, Conservation Programs Manual \(CPM\), Part 518, Subpart K, “Contract Administration,”](#) will contain the primary guidance on CSP 2002 contract modifications. Once the Conservation Stewardship Program (CSP 2008) CPM Part 508 is released as final, Subpart K will be the guidance for this program for all modifications.

**Contract Reviews 512.55**

The designated conservationist must review contract implementation with the participant annually and document the findings in Protracts and in the case file. The document [“Indiana Contract Reviews”](#) contains instructions for completing contract reviews and procedures to follow for contracts that are off-schedule. The document [“Indiana Contract Corrective Action Plan”](#) may no longer be used in lieu of NRCS-CPA-153. The Indiana Contract Corrective

Action Plan may continue to be used as a supplement to the NRCS-CPA-153. Per 440 CPM 512.55 B (3) Amendment 82, form NRCS-CPA-153 is the official document to use for documenting a potential contract violation. Area Conservationists are hereby delegated the authority to sign the original NRCS-CPA-153 after participant has signed. The NRCS-CPA-153 is available in Protracts.

**CSP NOTE:** For CSP, annual reviews will be completed according to policy in [440, CPM Part 512, Section 512.55](#) early enough in the fiscal year to allow for completion of any necessary corrective actions prior to issuance of the fiscal year payment. If the participant is not following the schedule or other contract provisions are not met, the NRCS-CPA-153 will be completed simultaneously with the NRCS-CPA-13. See [440-CPM, Part 512, Section 512.61](#) for guidance related to annual practice reminder letters.

District Conservationists should prioritize the completion of contract reviews for contracts that are not on schedule in addition to working with the participant to take corrective actions to ensure these contract remains in compliance.

District Conservationists must take **immediate** action (modify the contract) for contracts that expire in the current calendar year and have remaining items to be completed. Per 512.45 A, C, and D, there must be 12 months at the end of the contract with no practices scheduled. With proper contract administration, contracts will not expire with open obligations.

**Designated Conservationists must complete a contract review for all active contracts prior to September 1, 2012.**

**Area Conservationists must notify the State Conservationist in writing that all field offices have completed all contract reviews by September 1, 2012.**

#### **Cancelling and Terminating Contracts 512.57**

There is one significant change to the Cancellation/Termination procedure for Indiana.

- 1) The State Office programs staff will request case files be sent to the state office for contracts being cancelled or terminated in which the action results in an adverse decision (appealable) to the participant. This includes cases where cost recovery and/or liquidated damages are being sought. The case file review is a necessary effort to ensure that the agency position can be adequately maintained once the decision is made. This will also allow the agency respond rapidly if the decision is appealed.

For more information contact Teresah P. Caire, Assistant State Conservationist – Farm Bill Programs, at 317-290-3200, ext. 3 or Adam Heichelbech, Indiana EQIP/WHIP Specialist at 317-290-3200, ext. 257.

/s/

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