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KANSAS BULLETIN NO. KS300-13-58

SUBJECT: LTP–Processing Special Payments

Purpose. To provide guidance on processing special payments

Expiration Date. September 30, 2014

All special payment requests shall be based upon decisions made following guidance in Title 440-Conservation Programs Manual (CPM), Section 512.69.

NOTE: Special payment may be necessary when a participant has not received payment for a certified and approved contract item after the payment has been correctly processed through Program Contracts System (ProTracts).

Types of Special Payments

The most common types of special payments encountered in conservation program contracts (CPC) include the following:

(i) **Erroneous Underpayment**—This covers situations in which payment has already been issued, but an error is discovered on the payment. This error may have resulted from action by a Natural Resources Conservation Service (NRCS) employee, a Technical Service Provider (TSP), or a participant. A finding of facts shall be provided by the assistant state conservationist for field operations (ASTC-FO) and must document the cause of each erroneous underpayment along with applicable corrective actions. *Erroneous underpayment does not cover situations in which there is no contractual obligation for payment or is out of the scope of the CPC.*

(ii) **Judicial or National Appeals Division (NAD) Directive**—A final judicial decision (in Federal court) or NAD decision in which an NRCS error has been determined may direct the agency to issue a payment in an amount for a purpose that is not authorized in a participant's CPC. A copy of the final order or NAD decision directing the NRCS payment must precede any payment action.

(more)

DIST: A, F, S, C. Nelson, Volkman, Guries, Perry

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(iii) Equitable Relief—This is applicable to program applications or contracts in which equitable relief has been approved in accordance with Title 7 Code of Federal Regulations (CFR), Part 635, and Title 440-CPM, Part 509. All equitable relief payments must be processed with current fiscal year funds. *Only payments that cannot be processed within ProTracts are included in this situation.* A copy of Form FSA-321, “Finality Rule and Equitable Relief,” or a written brief describing the need and authority for the NRCS payment (including review and concurrence by the Office of the General Counsel (OGC)) must accompany any payment request. If an error was committed by an NRCS employee, a management action plan must be included in accordance with Title 440-CPM, Part 509. See bulletin KS300-12-2, Handling Equitable Relief Requests, for more information.

(iv) Other Circumstances Approved by the Deputy Chief for Programs—All other circumstances involving a special payment must be submitted through the state conservationist (STC) for review and approval. All requests must include a narrative description of the situation with a justification for NRCS payment. An approval letter signed by the Deputy Chief must precede any payment action. Other circumstance may include split-payment situations where a portion of a payment was rejected at Treasury, generally due to incorrect banking information.

Processing Payments

To process a special payment request—

- (i) The ASTC-FO shall submit a request to the STC that includes—
- A memo describing the justification, as cited in Title 440, CPM, Section 512.69B, for the specific situation and that includes an explanation of why the payment cannot be processed through normal ProTracts procedures.
 - Information that would appear on a payment application Form NRCS-CPA-1245, Practice Approval and Payment Application indicating the practice and practice location, extent, and amount to be paid, which will certify that authorized improvements are complete; meet all NRCS requirements; are supported by bills, invoices, and receipts (as appropriate).
 - A copy of the screen print from the ProTracts “participant information” screen showing that the participant is currently eligible to receive payment through the applicable program contract.
 - A statement from the ASTC-FO certifying that the payment amount requested is within the applicable program payment limitations (this may be included in the memo).
 - A copy of the signature page of the contract with participants’ signature.

- A copy of the power of attorney or other documents substantiating signature authority if the payment request is signed by a person who did not sign the program contract.
- A copy of Form SF-1199A, "Direct Deposit Sign-Up," for all participants who are to receive payment.
- Any other documentation (for example, an assignment of payment) needed to support the payment request.
- If applicable, OGC concurrence for equitable relief approved by the STC.
- If applicable, plan of corrective action, explaining how errors will be prevented in the future and any personnel actions that have been or will be taken as a result of employee misconduct (this is in the case of the NRCS misaction and misinformation resulting in ER).

(ii) The appropriate program manager will—

- Review and verify that the payment request cannot be processed through ProTracts without an improper payment occurring. Any requests that can be processed in ProTracts will be returned to the area with instructions.
- Verify the adequacy of documentation supporting the payment request, as outlined in Title 440, CPM, Section 512.60H, "Applying for Conservation Program Payments."

(iii) When necessary, the state office Financial Management Staff will be notified to process manual entries into Financial Management Modernization Initiative (FMMI) for the obligation and payment according to instructions in Title 250, Financial Management Handbook, Part 600, Subpart A, Section 600.5, "FMMI Direct Entry."

Contact: Please forward questions through established channels to Xiomara Tryban, Assistant State Conservationist for Programs, at 785-823-4569 or xiomara.tryban@ks.usda.gov.

/(Signed) GAYE L. BENFER ACTING FOR

DANIEL H. MEYERHOFF
Acting State Conservationist