

Part 512 – Conservation Program Contracting
 Subpart A – General Information

KS512.3 NRCS Responsibilities

A. Contracting Permissions

(2) The state conservationist delegates contracting responsibilities by setting appropriate permissions in Program Contracts System (ProTracts). Permissions are as follows:

Typical ProTracts Permission Assignment	Typical Activities in ProTracts include— *
State Office Roles	
State Conservationist	Sign contracts, access ProTracts to generate reports, and monitor programs.
State Program Manager	Control permissions, establish sub-accounts, allocate program funds to counties through ProTracts, manage applications and contracts, cancel or terminate contracts, access ProTracts to generate reports and monitor programs; manage ranking criteria and develop, edit, copy, or delete ranking tools from the Application Evaluation and Ranking Tool (AERT).
State Coordinator	Add and manage applications, develop and manage contracts, certify practices, calculate payments, upload cost lists, manage permissions; manage ranking criteria and develop, edit, copy, or delete ranking tools from AERT.
Contract Specialist	This role is typically assigned to state office administrative and financial management personnel. This role can be established for state level or second level reviewers. Grant access to view funds, manage applications, view cost lists, and manage contracts. The permission does not allow for the approval of applications, contracts, and payments. It serves as a read only access to ProTracts.
Field Office Roles	
Field Office	Add applications, develop and manage contracts, certify practices, calculate payments; evaluate and rank applications in AERT.

Part 512 – Conservation Program Contracting
Subpart A – General Information

KS512.3 NRCS Responsibilities (continued)

A. Contracting Permissions (continued)

(2) The state conservationist delegates contracting responsibilities by setting appropriate permissions in ProTracts. Permissions are as follows:

Typical ProTracts Permission Assignment	Typical Activities in ProTracts include— *
Designated Conservationist (District Conservationist)	Add applications, develop and manage contracts, certify practices and calculate payments, approve payment requests; evaluate and rank applications in AERT.
Program Specialist	View cost lists, manage applications, and contracts; evaluate and rank applications; certify practices and calculate payments.
Area Zone Manager (Assistant State Conservationists for Field Operations [ASTCs-FO])	Generate reports, monitor program activities, sign contracts, approve modifications, reallocate funds, cancel or terminate contracts.
Affiliate Field User	This role mirrors the approvals granted at the field office role designation. If affiliate field user roles are being granted within the state, verify the field office roles are appropriate for the affiliate and program. Add applications, develop and manage contracts, certify practices, calculate payments; evaluate and rank applications in AERT.

B. Separation of Duties for Certification and Approval

(1) The district conservationist or designee is authorized to approve payments. The ASTC-FO or designee is authorized to commit funds. At no time will the person that commits the funds be the same person who authorizes the payment.

(4) The following documents will be faxed to the state office Financial Management (FNM) Staff within two business days of the obligation being entered in ProTracts.

- Form NRCS-CPA-1202
- Authorized signature documentation
- Form SF-1199A or Form NRCS-FNM-60

Form KS-FNM-5, Kansas FNM FAX Transmittal, will be used to facilitate all FNM functions (obligations, modifications, and payments).

KS512.23 Submitting Applications

C. Starting Practices Included in the CPC

(1) Waivers to start a practice prior to contract approval will be granted by the state conservationist. District conservationists will follow the format in Kansas Exhibit KS512.91 E., Waiver to Start Practice Prior to Contract Approval, to forward a waiver request, through established channels.

KS512.24 Processing Applications

- (1) If land is physically located in more than one county, the county that contains the majority of the acreage will be considered the location county.
- (4) See Kansas Exhibit KS512.91 A., Program Eligibility Certification Letter.
- (7) See Kansas Exhibit KS512.91 C., Ineligibility Determination for Conservation Program Contract Letter. This letter can be printed from Program Contracts System (ProTracts).

KS512.43 Components and Assembly of Contract File

A. Filing of Contract Documents

(1) Program contract filing . . .

(i) Completed/Expired, Cancelled, or Terminated Program Contracts after final payment

- Completed/Expired Contracts \$25,000 and over
- Send contract and payment documents (Form CCC-1200, Form CCC-1200 Appendix, Form NRCS-CPA-1202, NRCS-CPA-1202 Appendix, Form CCC-1245, and/or Form NRCS-CPA-1245) to the state office Programs Staff two years after contract expiration or the lifespan of the practices has expired, whichever is longer, for transfer to Federal Archives and Records Center (FARC).
- Remaining documents (e.g., job sheets, ranking forms) may be transferred to the producer's case file or destroyed three years after the contract has expired.
- Completed/Expired Contracts under \$25,000
- Documents (e.g., job sheets, ranking forms) may be transferred to the producer's case file or destroyed three years after the contract has expired or the lifespan of the practices has expired, whichever is longer.
- Cancelled or Terminated Contracts
- Documents (e.g., job sheets, ranking forms) may be transferred to the producer's case file or destroyed three years after the contract was cancelled or terminated.

(ii) Original signed copies of all Cancelled, Deferred, Disapproved, or Ineligible applications

- Cancelled, Disapproved, or Ineligible applications
- Destroy one year after determination is made or after the next funding period, whichever is longer.
- Deferred applications
- File with producer's case file for next application period.
 - Deferred applications will be tracked in Program Contracts System (ProTracts).

KS512.43 Components and Assembly of Contract File (continued)

(iii) Records relating to policy, procedure, and implementation of the conservation program

- Ranking reports and funding decisions
- Assistant state conservationists for field operations (ASTCs-FO), as contracting officers, will retain documents three years beyond the expiration date of all contracts signed that fiscal year.
- Cost lists/payment schedules, ranking criteria, eligible practices, allocation guidance, and other documents providing policy, procedure, and implementation of the conservation program
- State office will retain documents three years beyond the expiration date of all contracts signed that fiscal year.
 - Data will be available on the state Natural Resources Conservation Service (NRCS) Web site or by manual reference, if needed.

B. Assembling the Contract Folder

(1) Active contract documents will be filed in a six-part folder following Conservation Programs Manual (CPM), Part 512, Section 512.93. This folder will be filed with the producer's case file or in a separate location by program. If filed in a separate location, that location will be noted in the case file.

KS512.45 Contract Period and Limitations

C. Program Practice Requirements

(1) Assistant state conservationists for field operations (ASTCs-FO) are designated to grant waivers to the requirement to commence a financially-assisted practice in the first 12 months.

KS512.54 Transfer of Land

D. Entire Contract Assumption

(iii) The appropriate Form CCC-1200 (Appendix) or Form NRCS-CPA-1202 (Appendix) will be signed by the transferee.

KS512.55 Contract Reviews

D. Annual Administrative Review of Certifications

(1) The assistant state conservationists for field operations (ASTCs-FO) are designated to handle verification actions for Limited Resource Farmer or Rancher or Beginning Farmer or Rancher upon receipt of the list of participants to be spot-checked from the state office.

KS512.57 Canceling and Terminating Contracts

A. Cancellation Versus Termination

The district conservationist will complete Kansas Exhibit KS512.91 O, Cancellation Versus Termination, and submit it to the appropriate assistant state conservationist for field operations (ASTC-FO) with relevant documentation. The ASTC-FO will review and forward with their recommendation to the state conservationist.

B. Canceling a Contract

Refer to Kansas Exhibit KS512.110(A), flowchart “Process for Conservation Program Contract Cancellations (Request by Participant[s]).”

C. Termination for Cause

Refer to Kansas Exhibit KS512.110(B), flowchart “Process for Conservation Program Contract Terminations (Initiated by Natural Resources Conservation Service [NRCS]).”

KS512.58 Recovery of Costs and Liquidated Damages

E. Participant Notification, Follow-up, and Other Considerations

(1) The Natural Resources Conservation Service (NRCS) must provide a program participant with appropriate notification, follow-up, or other considerations when an adverse action is necessary (see 7 Code of Federal Regulations 614.6.).

(i) Refer to Kansas Exhibits: KS512.91(P), Cancellation without Recovery of Costs; KS512.91(Q), Cancellation with Recovery of Costs; and KS512.91(R), Termination with Recovery of Costs.

KS512.91 Sample Letter

A. Program Eligibility Certification Letter

(PUT ON OFFICIAL LETTERHEAD)

<Date>

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

<Participant Name>

<Address>

<City><State><Zip>

Dear <Participant Name>:

This letter is to advise you that you need to establish or update your <individual or business> records at the local U.S. Department of Agriculture (USDA) Service Center. Your application for a conservation program contract through the (<insert Program>) requires compliance with the Highly Erodible Land Conservation (HELIC), Wetlands Conservation (WC), and Adjusted Gross Income (AGI) provisions of the Food Security Act of 1985, as amended. We must confirm your interest as an agricultural producer with control of the property for the requested contract period. We must also confirm that you are complying with these requirements before your <Program> application can be processed.

Our review indicates that one or more of the following conditions exists relative to your certifications:

[] You have not filed or updated Form AD-1026 (HELIC/WC Certification) for the current year with the Farm Service Agency (FSA).

[] You have not filed Form CCC-526 (Average Gross Income [AGI] Certification) for the current year with FSA.

[] You have not filed Form CCC-501A (Member's Information) with the Natural Resources Conservation Service (NRCS) to document information about each member of your business or joint operation. This form also requires you to present evidence of signature authority so that you may perform business functions for the entity or operation you represent.

[] Current Service Center records show you as ineligible to participate in USDA programs based on previously filed certifications.

(Participant Name)

Page 2

You must file or update the requested certifications at the local USDA Service Center within 30 days of receipt of this letter for NRCS to consider your application during the current ranking period. Failure to complete this action within 30 days will result in your application being canceled. Canceling the application does not exclude you from future program participation. You may reapply when you have satisfied all certification requirements. Cancellation of the application for failure to file any of the required documents is not an appealable issue as these filings are required by regulation. You may request a review of appealability if you feel that your application was incorrectly cancelled for reasons other than those listed above. Your request for an appealability review must be in writing no later than 30 days from the date that you receive notice of cancellation to the address below.

Patricia A. Leslie, Assistant Director
National Appeals Division
Western Regional Office
755 Parfet Street Suite 494
Lakewood, Colorado 80215-5506

If you have any questions or concerns, please contact this office at **<telephone number and address>**.

Sincerely,

<DC NAME>

District Conservationist

cc:

<CED, FSA>

KS512.91 Sample Letter

C. Ineligibility Determination for Conservation Program Contract Letter

(PUT ON OFFICIAL LETTERHEAD)

<Date>

CERTIFIED-RETURN RECEIPT REQUESTED

<Participant Name>

<Address>

<City><State><Zip>

Application No. <XXXXX>

Dear <Participant Name>:

This is to advise you that your application for financial assistance through the <Program Name> has been determined ineligible.

We have determined that your application and the associated practices are not eligible <insert reason(s) for ineligibility determination>.

You may contact this office by calling <telephone number> to determine whether any adjustments can be made to your application to make it compatible with the objectives of the <Program Name> EQIP. Your adjusted application may be considered for funding during the next ranking period.

This is a final Natural Resources Conservation Service (NRCS) program decision. As such, you are provided with the following appeal and mediation rights. If you disagree with this program decision, you may request **one** of the following within 30 calendar days of the receipt of this letter:

1. An informal hearing with the NRCS state conservationist. A written request outlining the basis for your appeal, and a copy of this letter, must be sent to the following:

Natural Resources Conservation Service
Attn: State Conservationist
760 South Broadway
Salina, Kansas 67401-4604

<Participant Name>

Page 2

Mediation is a process in which a trained, impartial third party, helps look at the issues, identifies and considers options, and determines if a solution can be developed with all parties. Mediation is private, confidential, and informal. The mediator has no decision-making authority and cannot decide what is right or make the involved parties take any action. If mediation is successful, the mediator will help us reach an agreement and document that solution in writing. Participants in mediation may be required to pay fees established by the mediation service. If you have questions regarding mediation, call the Kansas Ag Mediation Service at (800) 321-3276.

If you choose mediation, you must send a written request, and a copy of this letter, to the following address:

Natural Resources Conservation Service
Attn: State Conservationist
760 South Broadway
Salina, Kansas 67401-4604

2. Appeal to the Farm Service Agency (FSA) county committee (COC) at the address below.

Farm Service Agency
<Address>
<City>, Kansas <Zip Code>

The FSA COC will advise you of the scheduled date for the appeal hearing.

3. Appeal to the National Appeals Division (NAD). A written request, including the basis for your appeal, must be sent to the following:

National Appeals Division
Western Regional Office
755 Parfet, Suite 494
Lakewood, Colorado 80215-5506
Telephone: 1-800-541-0483
FAX: 303-236-2857

<Participant Name>

Page 3

The NAD hearing procedure allows that the burden of proof is on the appellant to prove the agency decision is wrong. Appellants are expected to provide evidence to support their position.

Your written request must be received no later than 30 days from the date that you received this notification and clearly explain the reasons you disagree with the decision in order for it to be considered.

In the event that you pursue an appeal with the state conservationist, FSA COC, or NAD, I will provide them a copy of your administrative record. The administrative record contains all the materials and information maintained by the NRCS relating to your appeal, as well as the NRCS program decision reached in your case.

Thank you for your interest in this program. We look forward to assisting you in the future.

Sincerely,

<DC NAME>

District Conservationist

cc:

<CED, FSA>

<ASTC-FO>

Part 515 - Environmental Quality Incentives Program
Subpart J – Exhibits

KS512.91 Sample Letter

E. Waiver to Start Practice Prior to Contract Approval

<PUT ON OFFICIAL LETTERHEAD>

<Date>

Participant requesting waiver:

County:

Application ID No.: <required>

Practices and specific location <tract, legal, and field number> requesting to be started prior to contract approval:

Meritorious reason (Please describe):

Starting the practice prior to receiving written notice of contract approval is at the applicant's own risk. The granting of this waiver only allows the applicant to start a practice prior to contract approval. The waiver in no way implies contract approval. The applicant will be ineligible to receive payment for the practice if the contract is not approved, the practice does not meet the Natural Resources Conservation Service standards and specifications, the requested practice is not included in the approved conservation plan, or if the practice was started prior to waiver approval.

This waiver will expire **September 30, 20< >**.

This district conservationist will provide a copy to the participant when it has been approved by the state conservationist.

Signed by: _____
Participant Date

Concurred by: _____
District Conservationist Date

Concurred by: _____
Assistant State Conservationist for Field Operations Date

Approved by: _____
State Conservationist Date

Part 512 – Conservation Program Contracting
Subpart J – Exhibits

KS512.91 Sample Letter

O. Cancellation Versus Termination

(PUT ON OFFICIAL LETTERHEAD)

SUBJECT: LTP – Farm Bill Program Contract
Cancellation/Termination

DATE: <____>

TO: Name, Assistant State Conservationist, NRCS,
City, Kansas

FILE CODE: 300-19-5

County _____ Program: ____ CSP ____ EQIP ____ WHIP
Contract Number _____
Decision-maker Name: _____
Address: _____
Address: _____

Request for: ____ Cancellation ____ Termination

Contract Cancellation: (Fill out appropriate sections below)

- Has participant provided a written request to cancel contract? ____ Yes ____ No
 - Are there additional participants who have received a portion of the financial assistance payments? ____ Yes ____ No
If yes, have they been informed of the proposed action? ____ Yes ____ No
Are they supportive of this action? ____ Yes ____ No
- Other explanation: _____

- Reasons or justifications for cancellation: (Check all that apply)
 - Natural disasters preventing completion of contract provisions.
 - Documented hardships:
 - Death
 - Major illness
 - Bankruptcy
 - Destruction of farm or ranch property through fire or theft
 - Other hardshipExplain) _____

 - In the public interest and beyond the producers control
(Explain) _____

 - Other: _____

Name

Page 2

Contract Termination:

- Reasons or justifications for termination: (Check all that apply)
 - Participant or land becomes ineligible.
 - Participant transfers ownership or loses control of land under contract.
If a partial termination of Conservation Security Program (CSP) contract, list the termination acres _____.
 - 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 Natural Resources Conservation Service (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.

- Attempts by NRCS to contact the participant have been unsuccessful: (Explain attempts)

Answer the following items related to the contract cancellation/termination:

1. Have any funds been earned in the contract? ____ Yes ____ No
 - If yes, will each of the existing enhancements or practices likely remain in place and functioning as intended throughout the lifespan of the enhancement or practice?
____ Yes ____ No ____ Unknown
Comments: _____

440 – Conservation Programs Manual

Part 512 – Conservation Program Contracting
Subpart J – Exhibits

Name

Page 3

- If yes, list the applied/paid practice/enhancement code, acres, and dollars.

Code	Acres	Dollars		Code	Acres	Dollars

2. (County) Conservation District (CD) is aware of this request for cancellation. CD has the following concerns related to this cancellation: _____

3. Good Faith Efforts: Participant has made an effort to implement the contract terms and conditions. ___ Yes ___ No

If yes, explain: _____

4. Other relevant information related to the contract cancellation/termination.

5. Attach the following:

- Copy of written request from participant (if applicable).
- Copy of contract **signature pages**: (Forms NRCS-CPA-1200, NRCS-CPA-1202, Appendix, NRCS-CPA-1155, NRCS-CPA-1156, and NRCS-CPA-152, if applicable)
- Power of Attorney (POA) or signature authority if entity
- Copy of Fund Manager Report for this contract
- Screen shot of Program Contracts System (ProTracts) participant information for this contract
- Any other information relevant to this cancellation/termination

Part 512 – Conservation Program Contracting
Subpart J – Exhibits

Name

Page 4

District Conservationist's Recommendations: (Check one)

- Contract cancellation without repayment of funds
- Contract cancellation with all or some repayment of funds and liquidated damages
- Contract termination without repayment of funds
- Contract termination with all or some repayment of funds and liquidated damages
(Liquidated damages not applicable to Wildlife Habitat Incentives Program [WHIP] contracts)

(DC NAME)

District Conservationist

Assistant State Conservationist for Field Operations (ASTC-FO):

- I concur with this recommendation
- I do not concur with this recommendation and recommend the following action:

ASTC-FO Signature: _____ Date: _____

Approved by: _____ Date: _____
State Conservationist

KS512.91 Sample Letter

P. Cancellation Without Recovery of Costs

(PUT ON OFFICIAL LETTERHEAD)

<Date>

CERTIFIED-RETURN RECEIPT REQUESTED

<Participant Name>

<Address>

<City>, Kansas <Zip Code>

Dear <Participant Name>:

I received your request for cancellation of <Program Name> contract <Number>. You requested cancellation because of <Reason>.

Participants of terminated or cancelled contracts are subject to refund of all payments received plus interest, and liquidated damages (refund of technical services and administrative costs), in accordance with the 7 Code of Federal Regulations, <Insert Appropriate Paragraph Reference> Conservation Programs Manual, Conservation Program Contracting, Part 512, Subpart F; <Form CCC-1200 or Form NRCS CPA-1202>; and <Form CCC-1200 Appendix or Form NRCS CPA-1202 Appendix> signed by you on <Date>. Participants also forfeit the right to receive any future payments under the contract(s).

Total funds obligated to this contract were \$<Amount>. No payments have been made. Liquidated damages calculate to \$<Amount>. However, due to your <Reason>, no recovery of costs will be charged.

This contract is considered cancelled.

Please contact <Name>, District Conservationist, Natural Resources Conservation Service (NRCS), <City>, Kansas, if you have any questions.

Sincerely,

<STC NAME>

State Conservationist

cc:

<ASTC for Programs>

<ASTC-FO>

<DC>

KS512.91 Sample Letter

Q. Cancellation With Recovery of Costs

(PUT ON OFFICIAL LETTERHEAD)

<Date>

CERTIFIED-RETURN RECEIPT REQUESTED

<Participant Name>

<Address>

<City>, Kansas <Zip Code>

Dear <Participant Name>:

I received your request for cancellation of <Program Name> contract <Number>. You requested cancellation of this contract due to <Reason>.

Participants of terminated or cancelled contracts are subject to refund of all payments received plus interest, and liquidated damages (refund of technical services and administrative costs), in accordance with the 7 Code of Federal Regulations (CFR) <Insert Appropriate Paragraph Reference> ; Conservation Programs Manual, Conservation Program Contracting, Part 512, Subpart F; <Form CCC-1200 or Form NRCS-CPA-1202>, and <Form CCC-1200 Appendix or NRCS-CPA-1202 Appendix> signed by you on <Date>. Participants also forfeit the right to receive any future payments under the contract(s).

Total funds obligated to this contract were \$<Amount>. Payments have been made in the amount of \$<Amount>. Liquidated damages calculate to \$<Amount>.

Total recovery of cost will be due by you to the Natural Resources Conservation Service (NRCS) in the amount of \$<Amount>.

The payment should be delivered to <Name>, District Conservationist (DC), NRCS, <City>, Kansas. Checks will be made payable to the NRCS. Payment must be made within 30 calendar days of the receipt of this letter. If not, the collection will be turned over to the U.S. Department of Agriculture (USDA), National Finance Center (NFC) and interest charges will accrue on the repayment amount of the cost recovery.

The cancellation of your <Program Name> contract, as well as the right of NRCS to recover costs is not appealable for the following reasons:

- Contract cancellation was completed at the written request of a contract participant; and
- The right of NRCS to recover costs is a matter of program regulation.

<Participant Name>

Page 2

If you feel that the amount of this cost recovery has been assessed incorrectly, or that NRCS did not consider all the facts as to why you were unable to comply with the contract terms and conditions, you may provide a written request for reconsideration of a waiver or reduction of the refund of payments made. If you choose to request a reconsideration of waiver or reduction, the request should be sent to me at the following address within 14 calendar days of the receipt of this letter. The request should contain all relevant documentation to substantiate your request.

<STC Name>, State Conservationist
Natural Resources Conservation Service
760 South Broadway
Salina, Kansas 67401-4604

The 30 calendar-day requirement for payment will be stopped during the waiver determination process.

The amount of cost recovery is appealable. If you want to appeal the decision without consideration of a waiver, you have 30 days from the date you received this notification to request any one of the following mediation and appeal rights:

- An informal hearing with me, at the address below:

<STC Name>, State Conservationist
Natural Resources Conservation Service
760 South Broadway
Salina, Kansas 67401-4604

I will hold a hearing no later than 30 days from the date the request is received and issue a written final decision no later than 30 days from the close of the hearing.

- Appeal to the Farm Service Agency (FSA) County Committee (COC), at the address below:

Farm Service Agency
<Address>
<City>, Kansas <Zip Code>

The FSA COC will advise you of the scheduled date for the appeal hearing. If the FSA COC finds merit in your appeal, they must, by regulation (7 CFR 780.11) request review by the NRCS state conservationist.

- Mediation:

You should make your request for mediation to:

440 – Conservation Programs Manual

Part 512 – Conservation Program Contracting
Subpart J – Exhibits

<Participant Name>

Page 3

<STC Name>, State Conservationist
Natural Resources Conservation Service
760 South Broadway
Salina, Kansas 67401-4604

Mediation is a process in which a trained, impartial third party, helps look at the issues, identifies and considers options, and determines if a solution can be developed with all parties. Mediation is private, confidential, and informal. The mediator has no decision-making authority and can not decide what is right or make the involved parties take any action. If mediation is successful, the mediator will help us reach an agreement and document that solution in writing. Participants in mediation may be required to pay fees established by the mediation service. If you have questions regarding mediation, contact the Kansas Agricultural Mediation Service at (800) 321-3276.

- Appeal to the National Appeals Division (NAD) at the following address:

National Appeals Division
Western Regional Office
755 Parfet Street Suite 494
Lakewood, Colorado 80215-5506
Phone: 1-800-541-0483
(303) 236-2862
TTY: 1-800-497-0253 FAX: (303) 236-2820

Any request for mediation or appeal must be made in writing and include a copy of this notice along with your specific reasons why you feel this decision is in error. You must also furnish a copy of your request to this office.

Please contact <Name>, DC, NRCS, <City>, Kansas, if you have any questions.

Sincerely,

<STC NAME>
State Conservationist

cc:
<ASTC for Programs>
<ASTC-FO>
<DC>
<Budget Officer>
<Secretary, Administrative Staff>

KS512.91 Sample Letter

R. Termination With Recovery of Costs

(PUT ON OFFICIAL LETTERHEAD)

<Date>

CERTIFIED-RETURN RECEIPT REQUESTED

<Participant Name>

<Address>

<City>, <State> <Zip Code>

Dear <Participant Name>:

I received a request for termination of <Program Name> contract <Number> of which you are a participant. Termination was requested by <Name>, District Conservationist (DC), Natural Resources Conservation Service (NRCS), <City>, Kansas, due to <Reason for Termination>.

Participants of terminated or cancelled contracts are subject to refund of all payments received plus interest, and liquidated damages (refund of technical services and administrative costs), in accordance with the 7 Code of Federal Regulations (CFR), <Insert Appropriate Paragraph Reference>; Conservation Programs Manual, Conservation Program Contracting, Part 512, Subpart F; <Form CCC-1200 or Form NRCS CPA-1202>; and <Form CCC-1200 Appendix or Form NRCS CPA-1202 Appendix> signed by you on <Date>. Participants also forfeit the right to receive any future payments under the contract(s).

Total funds obligated to this contract were \$<Amount>. Payments have been made totaling \$<Amount>. Interest on those payments is \$<Amount>. Liquidated damages total \$<Amount>.

Total recovery of cost will be due by you to the NRCS in the amount of \$<Amount>.

The payment should be delivered to <Name>, DC, NRCS, <City>, Kansas. Checks will be made payable to NRCS. Payment must be made within 30 calendar days of the receipt of this letter. If not, the collection will be turned over to the U.S. Department of Agriculture (USDA), National Finance Center (NFC) and interest charges will accrue on the repayment amount of the cost recovery.

If you feel that the amount of this cost recovery has been assessed incorrectly, or that NRCS did not consider all the facts as to why you were unable to comply with the contract terms and conditions, you may provide a written request for reconsideration of a waiver or reduction of the

<Participant Name>

Page 2

refund of payments made. If you choose to request a reconsideration of waiver or reduction, the request should be sent to me at the following address within 14 calendar days of the receipt of this letter. The request should contain all relevant documentation to substantiate your request.

<STC Name>, State Conservationist
Natural Resources Conservation Service
760 South Broadway
Salina, Kansas 67401-4604

The 30 calendar-day requirement for payment will be stopped during the waiver determination process.

The amount of cost recovery is appealable. If you want to appeal the decision without consideration of a waiver, you have 30 days from the date you received this notification to request any one of the following mediation and appeal rights:

- An informal hearing with me, at the address below:

<STC Name>, State Conservationist
Natural Resources Conservation Service
760 South Broadway
Salina, Kansas 67401-4604

I will hold a hearing no later than 30 days from the date the request is received and issue a written final decision no later than 30 days from the close of the hearing.

- Appeal to the Farm Service Agency (FSA) County Committee (COC), at the address below:

Farm Service Agency
<Address>
<City>, Kansas <Zip Code>

The FSA COC will advise you of the scheduled date for the appeal hearing. If the FSA COC finds merit in your appeal, they must, by regulation (7 CFR 780.11) request review by the NRCS state conservationist.

- Mediation:

You should make your request for mediation to:

<STC Name>, State Conservationist
Natural Resources Conservation Service
760 South Broadway
Salina, Kansas 67401-4604

<Participant Name>

Page 3

Mediation is a process in which a trained, impartial third party, helps look at the issues, identifies and considers options, and determines if a solution can be developed with all parties. Mediation is private, confidential, and informal. The mediator has no decision-making authority and can not decide what is right or make the involved parties take any action. If mediation is successful, the mediator will help us reach an agreement and document that solution in writing. Participants in mediation may be required to pay fees established by the mediation service. If you have questions regarding mediation, contact the Kansas Agricultural Mediation Service at (800) 321-3276.

- Appeal to the National Appeals Division (NAD) at the following address:

National Appeals Division
Western Regional Office
755 Parfet Street Suite 494
Lakewood, Colorado 80215-5506
Phone: 1-800-541-0483
(303) 236-2862
TTY: 1-800-497-0253
FAX: (303) 236-2820

Any request for mediation or appeal must be made in writing and include a copy of this notice along with your specific reasons why you feel this decision is in error. You must also furnish a copy of your request to this office.

Please contact <Name>, DC, NRCS, <City>, Kansas, if you have any questions.

Sincerely,

<STC NAME>

State Conservationist

cc:

<ASTC for Programs>

<ASTC-FO>

<DC>

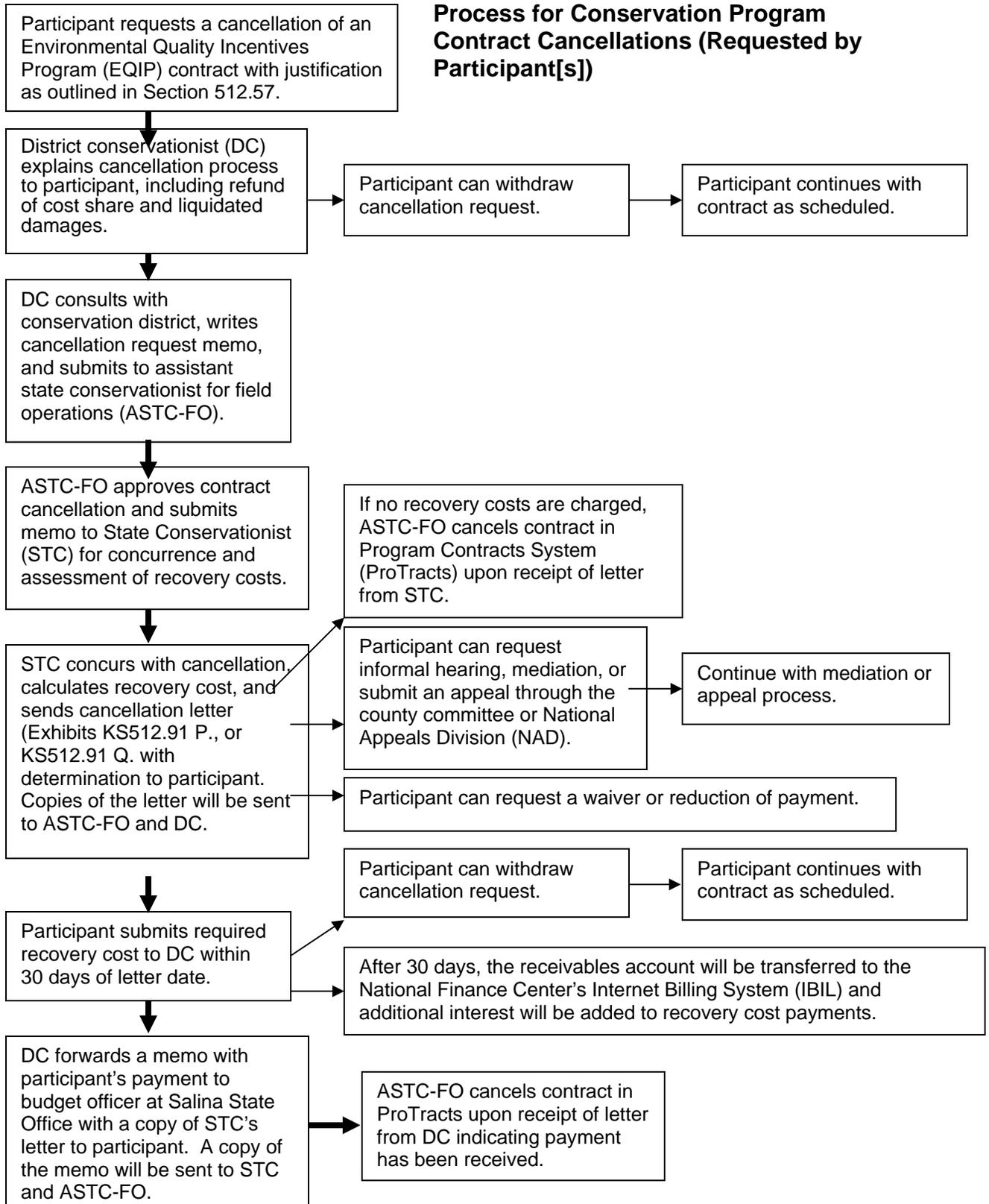
<Budget Officer>

<Secretary, Administrative Staff>

Part 512 – Conservation Program Contracting
Subpart J – Exhibits

KS512.110 A.

Process for Conservation Program Contract Cancellations (Requested by Participant[s])



Part 512 – Conservation Program Contracting
 Subpart J – Exhibits

KS512.110 B.

Process for Conservation Program Contract Terminations (Initiated by Natural Resources Conservation Service [NRCS])

