

For: State and County Offices

Making CRP Annual Rental Payments in FY 2013

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

FY 2013 funds have been made available to issue CRP annual payments. Kansas City will run the batch payment process Monday night, October 1, 2012, for CRP annual rental, Transition Incentive Program (TIP), and Emergency Forestry Conservation Reserve Program (EFCRP) payments due in October 2012. Beginning in November 2012, the batch payment process will be executed the first week of each month to process EFCRP annual rental payments.

Annual rental payments that are successfully processed by the Kansas City batch payment process will be present in NPS Tuesday, October 2, 2012, for certifying and signing by County Offices. Payments that were not included in the batch payment process because of being “blocked” must be accessed by the County Office and unblocked if a payment is eligible to be issued. County Offices can access the payment reports in the Conservation Payments System to identify the reason for failed payments. Once the issue causing the payment failure is corrected, if applicable, the County Office can issue the payment using the “Make NPS Payment” option.

TIP payments entered into the Common Payment System according 2-CRP by COB September 28, 2012, will be present in NPS on October 2, 2012, for certifying and signing unless an eligibility issue was not resolved prior to October 1, 2012.

B Purpose

This notice provides State and County Offices with the following:

- policies to ensure that all due CRP annual rental payments are issued in a timely manner
- overview of the annual rental payment process for FY 2013
- instructions for identifying and processing failed payments
- notification of available supporting material
- the Finality Rule does **not** apply to CRP annual payments.

Disposal Date	Distribution
January 1, 2013	State Offices; State Offices relay to County Offices

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2 Overview of CRP Payment Processing

A CRP Payment Process

October 2012 annual CRP rental payments will be initiated as a web-based batch process from Kansas City.

The batch process initiated by Kansas City will send payment information to NPS for payments that have been successfully processed. County Offices must review CRP annual rental payments, including TIP in NPS, and perform the normal certifying and signing process for payments **before** releasing to Treasury and being sent to the producers. The batch payment process will automatically run each month to process EFCRP annual rental payments. County Offices must process CRP rental payments through the Conservation Payments System for contracts not paid during the batch process.

B Conservation Payments User Guide

The following 2 updated conservation payments user guides are available on the CEPD State and County Office Information Center web site at <http://fsaintranet.sc.egov.usda.gov/ffas/dafp/cepdsto.htm>:

- Conservation Payments Software State User Guide
- Conservation Payments Software County User Guide.

The user guides:

- include instructions for payment reports, making and canceling payments, and blocking and unblocking payments
- will be used to process individual payments.

C CRP Signup Incentive Payments (SIP's), Practice Incentive Payments (PIP's) and TIP's

CRP SIP and PIP payments **will continue to** be issued through the Conservation Payments System. By accessing the Conservation Payments System, County Offices will have the option of choosing to make SIP or PIP payments for CRP contracts. The CRP payment limitation applies to SIP, PIP, and TIP payments. TIP payments must be recorded in the web-based TIP payment process according to 2-CRP, Exhibit 61.

D Transaction Statements

Transaction statements will be mailed by Kansas City to the CRP participants receiving payments processed through the Conservation Payments System. Only payments that are processed successfully by NPS will receive a transaction statement. Producers will **not** be notified if the payment was blocked by the County Office or was not included in a batch process because of producer ineligibility. County Offices will **not** receive copies of transaction statements.

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2 Overview of CRP Payment Processing (Continued)

E Prior Year Payment Corrections

System 36 functionality will still be available for maintaining prior year payments previously issued through System 36, unless the payments have been canceled.

Example: If a portion of a producer's payment for 2008 and prior years was issued from System 36, the remaining portion of the payment will be issued from System 36 special payments.

Any prior year payment being made in its entirety will be issued from the web-based Conservation Payments System. Payments issued from System 36 special payments do not interact with the Conservation Payments System and will not be available on the Conservation Payment System reports. Payments issued from System 36 special payments go to AS/400 and then through the message function to NPS.

F Payment Cancellations/Modifications

CRP payment cancellations issued through the web-based Conservation Payments System will be performed in the Conservation Payments System.

TIP payments recorded in the web-based TIP payment process will be modified according 2-CRP, Exhibit 61.

3 Making FY 2013 CRP Annual Rental Payments

A Identifying and Processing Failed Payments

County Offices shall run "NPS Payments with the exceptions" report located under the "Payment Reports" option in the Conservation Payments System to identify failed payments that were not processed through the batch payment process. Once the issues that caused the payment failure have been corrected, if applicable, the County Office can issue the payment using the "Make NPS Payment" option.

The screenshot displays the USDA Farm Service Agency Conservation Payments web interface. At the top, it shows the USDA logo and 'United States Department of Agriculture Farm Service Agency'. The main navigation bar includes 'Payments Home', 'About Payments', 'Help', 'Contact Us', 'Exit Payments', and 'Logout of eAuth'. The left sidebar, titled 'Payments Menu', lists various options: 'Welcome 063945', 'Payments', 'Make NPS Payment', 'Cancel NPS Payment', 'View Contract Payment Summary', 'Block Payment', 'Unblock Payment', 'Reports', 'Prepayment Process', 'Payment Reports', 'Reduction', and 'Record Reduction'. A red arrow points to 'Payment Reports'. The main content area is titled 'Payment Report' and contains the following fields: 'Program Name' (CRP), 'Payment Year' (2012), 'State' (Mississippi - 28), 'County' (Select County), 'Contract Number' (empty), 'Range From' (empty) 'To' (empty), 'Payment Type' (Annual), 'Payment' (Prepayment with exceptions), and 'Report Type' (Prepayment with exceptions). A dropdown menu for 'Report Type' is open, showing options: 'Prepayment with exceptions', 'Prepayment without exceptions', 'NPS Payments with exceptions', 'NPS Payments without exceptions', and 'NPS Partial Payments with exceptions'. A red arrow points to 'NPS Payments with exceptions'. At the bottom, there are links for 'ConservationPayments Home', 'FSA Internet', 'FSA Intranet', 'USDA.gov', 'Site Map', 'Policies and Links', 'FOIA', 'Accessibility', 'Privacy', 'Non-Discrimination', 'Information Quality', 'FirstGov', and 'White House'.

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B Payment Reports

To capture nonpayment information and to run an NPS Payments with exceptions report, from the Conservation Payment Home Page, under “Reports”, CLICK “Payment Reports”. On the Payment Report Screen, create payment reports according to the following.

IF field is...	THEN...
Program Name	use drop-down menu to select “EFCRP”, “SAFE”, or “CRP”.
Payment Year	use drop-down menu to select the year the payment is earned. Example: CRP payment is earned October 1, 2011, through September 30, 2012. CRP payment is issued in October 2012. The payment year is 2012.
State and County	use drop-down menus to select applicable State and county.
Contract Number	enter contract number (optional).
Contract Number Range From/To	enter contract number range (optional).
Payment Type	use drop-down menu to select “Annual” or “Lump sum”. Note: Lump sum will only be available if EFCRP is selected as the program name.
Payment	use drop-down menu to select “NPS Payments with exceptions report” for a list of payments that have failed.
Report Type	use drop-down menu to select “Summary or Details” report.

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B Payment Reports (Continued)

CLICK “Search” to generate a Nonpayment Report.

Notes: If “Contract Number” fields are left blank and users click “Search”, a list of contracts will be displayed.

The screenshot shows the 'Payment Report' form within the 'Payments Home' system. The form includes a navigation menu on the left with options like 'Payments Menu', 'Reports', and 'Reduction'. The main form area contains several fields: 'Program Name' (CRP), 'Payment Year' (2012), 'State' (Mississippi - 28), 'County' (Select County), 'Contract Number' (empty), 'Contract Number Range From' and 'To' (empty), 'Payment Type' (Annual), 'Payment' (NPS Payments with exceptions), and 'Report Type' (Details). A red arrow points to the 'Search' button at the bottom of the form.

Examples: If users want to see an NPS Payments with exceptions report for SAFE contracts with the numbers 10001-10009, CLICK “SAFE” for “Program Name”, and in the “Contract Number Range From/To” fields, ENTER “10001” and “10009” respectively, and CLICK “Search”.

If users want to see only 1 contract for NPS Payments with exceptions report, enter the contract number in the “Contract Number” field, and CLICK “Search”.

C Eligibility

For FY 2013, the Conservation Payments System will read 2012 determinations and certification information to determine producer eligibility for the CRP annual rental payments. The rules in effect at contract approval determine which determinations and certification information apply to the contract. The applicable determinations and certification information **must** be updated for 2012 for a producer to receive the CRP annual rental payment.

Note: Under no circumstances shall the subsidiary eligibility certification or determination information be changed to remove a producer listed on the exception report unless the required documentation is on file to support the system change.

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C Eligibility (Continued)

The following determinations and certification information in the web-based subsidiary eligibility system apply to all CRP contracts:

- Conservation Compliance
- Controlled Substance
- Fraud-including FCIC Fraud
- Federal Crop Insurance
- AD-1026.

The following determinations and certification information in the web-based Subsidiary Eligibility System apply to CRP contracts approved before October 1, 2008. The determination and certification information does **not** apply to CRP contracts approved on or after October 1, 2008, and will **not** apply to the extension period approved for 2009 extensions:

- Actively Engaged - 2002 Farm Bill
- Cash Rent Tenant (Cropland Factor)
- Permitted Entity - 2002 Farm Bill
- Person Eligibility - 2002 Farm Bill.

See 2-CRP, paragraph 131 for additional information on how AGI is applied for CRP.

4 Haying/Grazing and Unauthorized Use Reductions

A Payment reductions

CRP annual rental payments which had payment reductions entered into the Conservation Payments System according to Notice CRP-720 will have the reduced payment amount processed to NPS for signing and certifying. Counties must verify these payments are correct in NPS before certifying and signing the payment.

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5 Action

A State Office Action

State Offices shall ensure that County Offices follow instructions in this notice.

B County Office Action

County Offices shall:

- certify and sign CRP payments in NPS
- follow the provisions of this notice to issue additional payments.

C Contact

For questions about this notice:

- County Offices shall contact the State Office
- State Offices shall contact Kimberly Wright, CEPD at 202-720-1659.