

Part 531 – Regional Conservation Partnership Program Manual

Subpart H – Third-Party Contracts

531.70 General

- A. This subpart provides policy related to two types of third-party contracts:
 - (1) NRCS-led third-party contracts; and
 - (2) Partner-led third-party contracts.
- B. Third-party contracts are used to establish a contractual relationship between one of the two parties to a Regional Conservation Partnership Program (RCPP) programmatic partnership agreement (PPA) or supplemental agreement (SA). These contracts are established between either the lead or awardee partner, or NRCS and one or more third parties. These third parties include individuals or entities contracted or otherwise engaged by one of the parties to an RCPP PPA or SA to provide an eligible RCPP or contribution-funded deliverable.
- C. Due to the unique nature of third-party contracts, States must contact National Headquarters (NHQ) through the Financial Assistance Programs Division SharePoint for situations not addressed in this subpart.

531.71 NRCS-Led Third-Party Contracts

- A. Third-party contracts are one of three contract types used in the PPA to guide RCPP allocation management. Funds budgeted for third-party contracts are detailed in the PPA deliverables.
- B. This contract type is also referred to as third-party contracts/reserves in the NRCS Programs Portal PPA negotiation module.
- C. NRCS may use third-party contracts or agreements to meet its RCPP responsibilities under the terms of an approved PPA, SA, or producer contract. Allowable uses include, but are not limited to:
 - (1) NRCS due diligence responsibilities associated with U.S.-held or entity-held RCPP-funded easements; and
 - (2) NRCS-provided technical assistance (TA).
- D. Funds budgeted for third-party contracts are reserved for one of two general purposes:
 - (1) NRCS Third-Party Contracts.—NRCS uses third-party awards made through other Federal contracting authorities (e.g., cooperative agreements, on-call contracts) to meet program needs. NRCS's use of third-party contracts must follow all applicable Federal policy and procedures related to Federal procurement and acquisition.
 - (2) NRCS Reserves.—NRCS may also use this contract type to budget funds for other legitimate project purposes.

Example: Five percent of land management funding could be set aside for cost overruns, and 10 percent of TA implementation could be set aside for NRCS management of program contracts or SAs which are planned to remain active at the end of the term of the PPA.

531.72 Partner-Led Third-Party Contracts and Collaborating Partner Contributions

A. Eligible lead and nonlead partners may use third-party contracts or agreements to fulfill their obligations under a PPA or SA when consistent with program authorities and applicable NRCS approvals. If a PPA or SA includes third-party services, they will be documented in the PPA or SA deliverables.

B. In a PPA.—Lead partners accept responsibility for all project-level contributions in an approved PPA, regardless of whether the lead partner will be responsible for day-to-day management or completion of each deliverable. When a nonlead partner will be responsible for the day-to-day management or completion of a deliverable, they will be identified in the contribution deliverable section of the PPA. The lead partner may elect to document the respective roles of lead and contributing partners in other contracting instruments.

Example: A project partner may hire a surveying company or engage another partner to provide a boundary survey to support the RCPP project and the lead partner could earn contribution credit for the work.

C. In an SA.—When an awardee partner hires a third-party provider to support one or more deliverables in an SA, the SA awardee partner assumes responsibility for all deliverables in the SA, including those provided by the third-party. The awardee partner and NRCS negotiate technical requirements and valuation methods for SA deliverables, including all deliverables that an awardee partner will engage a third party to provide.

Note: RCPP-funded financial and technical assistance deliverables use either partner or third-party scenarios to facilitate negotiation of defensible valuation methods. Partner scenarios are to be used for all project partners. NRCS may not consider a partner's administrative expenses as part of the partner's contribution. However, NRCS may consider the administrative expenses of a third-party entity hired by a partner, provided the third party is not hired for the purpose of handling the administration of the PPA or SA on behalf of the partner. See subpart I, section 531.86 of this manual for additional guidance.