

Part 613 –Developing Cost Data for Conservation Planning

Subpart A – Introduction

613.0 Purpose

A. The purpose of this handbook is to provide policy guidance to NRCS economists and other supporting NRCS personnel in developing cost data for conservation planning. These cost-related data products are to be used in carrying out NRCS conservation planning activities. Also, it provides policy on updating and maintaining cost data.

B. The instructions contained in this section are to be used in conjunction with national policy as contained in other sections of the general manual (GM) and additional handbooks, as applicable.

613.1 Scope

This handbook addresses the methodology for documenting the costs of conservation practices and activities useful in all conservation planning activities and technical assistance programs. Methodology for documenting the costs of conservation practices and activities for Farm Bill (financial assistance) Programs payment schedules can be found in the Payment Schedule Handbook.

613.2 Cost Data for Conservation Planning Versus Financial Assistance Programs

Cost data are important for making informed resource management and funding decisions. Cost data are reviewed annually and updated when needed by NRCS economists and field planners, and used by land owners to make conservation practice and activity decisions. Cost data used to support financial assistance programs and payment schedules may not be the same cost data developed for conservation planning. Conservation planning cost data is developed locally for site-specific analysis and decisionmaking, while cost data for financial assistance programs is often developed on a broader or even national scale. However, planning cost data may be used to “ground truth” financial assistance program cost data and improve program administration.

613.3 Cost Data Worksheet Format

A. Cost data will be documented in spreadsheet-based worksheets as displayed in figure 613-A1. Each worksheet will contain standard data categories and equations. The worksheet format and calculations presented in this handbook are approved agencywide, and worksheets must meet the requirements outlined in this handbook. The worksheet format and style may not be modified, with the exception of adding rows or columns as needed to adequately document cost.

B. The standard naming convention for workbooks is as follows: StateAbbreviationPracticeCode. The practice name may also be added to the file name if States choose to do so. The fiscal year can also be added. For example, practice code 590, nutrient management, from Montana would be named: MT590, MT590NutrientManagement, or MT590NutrientManagementFY14.

C. Only one file will be developed for each practice or activity. However, each file may have multiple worksheets (tabs) for each practice or activity scenario. The top of each worksheet must also contain the State name and the practice or activity code, name, and type for print identification purposes.

Figure 613-A1: Approved Cost Data Worksheet Format

Cost Data

Typical Implementation Scenario	
<i>Enter Scenario Description, including practice name and code.</i>	
Geographic Area:	
Unit for Cost Estimate:	
Practice Life (Years):	
Discount Rate (%/Year):	<u>Cost/Unit</u>
<u>Materials</u>	<i>Sum of Materials Cost</i>
<i>Enter cost description and data</i>	
<i>Data should include an itemized list of all cost items, units and unit costs.</i>	
<i>A. Enter as many rows and columns, within each cost category, as necessary to document costs.</i>	
<i>B. Cost Data developer can be as creative as necessary, working with technical specialists, to create a worksheet that best meets their needs.</i>	
<i>C. The worksheet should be developed as a "stand alone" tool for planners and clients to input actual data and estimate site-specific practice/activity costs.</i>	
<i>D. Cost data may come from receipts, published cost data or predictive models.</i>	
Data Source: <i>Identify where the data came from (vendor, location, date). May be kept in separate tab. Must be removed before sharing with the public.</i>	
<u>Equipment/Installation</u>	<i>Sum of Equipment/Install Cost</i>
<i>Enter cost description and data</i>	
<u>Labor</u>	<i>Sum of Labor Cost</i>
<i>Enter cost description and data</i>	
<u>Mobilization</u>	<i>Sum of Mobilization Cost</i>
<i>Enter cost description and data</i>	
<u>Operation & Maintenance (Annual)</u>	<i>Sum of O&M Cost</i>
<i>Enter cost description and data</i>	
<u>Acquisition of Technical Knowledge</u>	<i>Sum of Tech Knowledge Cost</i>
<i>Enter cost description and data</i>	
<u>Forgone Income (Annual)</u>	<i>Sum of Forgone Income Cost</i>
<i>Enter cost description and data</i>	
<u>Risk</u>	<i>Sum of Risk Cost</i>
<i>Enter cost description and data</i>	
<u>Administration & Permit Costs</u>	<i><u>Sum of Admin/Permit Cost</u></i>
<i>Enter cost description and data</i>	
Total Cost Estimate:	<i>Sum of all 9-Cost Categories</i>
Commonly associated or facilitating practices: (list practices)	