

**Guidance to States Authorized to Enroll Approved FY 2018 High Priority Projects
Applicable only to AR, CA, GA, MS, MT, NH, NC, TN, WA, and WY**

Note: The guidance in this attachment is applicable only to the above-listed States and only for the projects specifically approved in the FY 2019 interim ACEP FA State allocation letter dated November 6, 2018.

FY 2019 Enrollment of Approved FY 2018 Priority Projects

The above-listed States have received specific authorization and an associated allocation of ACEP FA funds to proceed with the enrollment of the approved FY 2018 high-priority applications identified in the allocation letter dated November 6, 2018. This authorization is subject to the requirements of the allocation letter, this bulletin, applicable policy and regulations, and only if the landowner and for ACEP-ALE, the eligible entity, is interested in proceeding.

The FY 2019 enrollment agreements for the approved FY 2018 priority projects, must be fully executed by all required parties not later than January 18, 2019, or prior to the enactment of a new Farm Bill, whichever occurs first. If these agreements are not fully executed prior to these deadlines, the NRCS (State conservationists) may not execute the FY 2019 enrollment agreement without specific written authorization to proceed from the Easement Programs Division (EPD) director based on a determination of agency authorities in the new Farm Bill or otherwise in place after January 18, 2019. Please be aware, this includes ACEP-ALE agreements that may be in the process of review and approval by Grants and Agreements (GA). Realistically, only the approved FY 2018 priority projects that were nearly executed in FY 2018, having had almost all required items procured, reviewed, and otherwise in place and for which any remaining items can be quickly updated in accordance with the criteria in this bulletin will be successfully completed by the required deadlines. Therefore, in ascertaining whether the landowners and entities of the approved priority projects wish to proceed at this time, States must clearly inform the applicants of these deadlines and stipulations, emphasizing that if a new Farm Bill is enacted prior to the full execution of the enrollment agreement, that the enrollment agreement will not be executed by NRCS, and their application may only be reconsidered under the provisions of the new Farm Bill.

These applications for the approved FY 2018 priority projects do not need to be reranked in FY 2019 if enrolled in accordance with this specific authorization. If enrollment is not completed, future consideration of these applications may require reranking subject to the same requirements applied to any unfunded applications.

To proceed with the FY 2019 enrollment of the approved FY 2018 priority projects, the following actions must occur:

- States must contact affected applicants to confirm that they remain interested in having their application considered and potentially enrolled under the existing Farm Bill. States must clearly inform the applicants that this is not a guarantee of funding and identify the associated constraints.
- If the applicant is interested in proceeding under these conditions, States must verify that all required applicant eligibility documentation is current for FY 2019 and complies with the existing applicable ACEP regulation and policy requirements.

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- This includes, the requirement that all landowners must have an eligible FY 2019 adjusted gross income (AGI) subsidiary status of either “Compliant-Producer,” “Compliant-Producer, less than three years,” or “Mismatch Verified,” or have an AGI-exempt business type or an exemption as an Indian Tribe. The AGI Status of “Filed CCC-941” is not considered compliant status for obligations in FY 2019.
- States must ensure all required due diligence and onsite reviews have been completed and documented.
 - States may use ACEP FA funds allocated in FY 2019 to procure remaining due diligence items or acquisition-related items for these projects.
- For ACEP-WRE, States must use their FY 2019 approved easement compensation values to calculate the offered amount that will be identified on the agreement for the purchase of a conservation easement (NRCS-LTP-31, APCE).
 - **Note:** If an individual appraisal is being used, the appraisal must be approved for use and the State’s approved FY 2019 percentage Geographic Area Rate Cap must be applied.
- For ACEP-WRE, States must complete the “Supplement for the Preliminary Obligation of Restoration Funds.”
- States must conduct all required levels of internal control reviews using the updated FY 2019 enrollment agreements and internal controls preobligation checklists for these projects. EPD will provide these documents directly to the above-listed States. These documents are not to be used for any enrollments other than the approved FY 2018 priority projects.
 - For ACEP-WRE, this includes the updated FY 2019 version of the NRCS-LTP-31, APCE.
 - For ACEP-ALE, this includes the FY 2019 “Cooperative Agreement Statement of Work.”
 - For all projects, this includes the FY 2019 interim IC preobligation checklists.
- States must complete their first- and second-level internal control (IC) reviews, and request national-level IC review as applicable based on the State-specific threshold.
- States will continue to use the same mission support service processes as in FY 2018 until the Farm Production and Conservation (FPAC) Business Center updates business and submission processes. Except as described in this section, EPD submission processes will remain the same as in FY 2018 unless specific updated guidance is distributed.
 - **Note:** For ACEP-ALE, States may submit to GASB with the landowners showing as “Filed” for the purposes of expediting the process; however, the project must not be enrolled until all landowners are compliant.
- FMMI funds reservations and obligations for these projects must use the unique work breakdown structure (WBS) element provided in the November 6, 2018, allocation letter. The shorthand code associated with the unique WBS element for approved projects has already been created.

Easement Support Services States Only

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For the ESS-serviced States only, the ESS Branch is responsible for all administrative actions required to procure the acquisition-related services through the FPAC Business Center for the State-selected enrollments. The use of ACEP FA funds allocated to ESS are subject to the limitations described in the above section.