

ACEP-ALE SUBSTITUTE Parcel Preobligation IC Checklist

NEST Agreement Number: _____ NRCS Parcel Contribution Amount: _____

Parcel Decision Maker: _____

EASEMENT INTERNAL CONTROLS REVIEW CERTIFICATION CHECKLIST

Agricultural Conservation Easement Program (ACEP)

Agricultural Land Easements (ALE)

Agricultural Land Easements – Grasslands of Special Environmental Significance (ALE-GSS)

ALE SUBSTITUTE PARCEL PREOBLIGATION

NEST Agreement Number:		FY:		STATE:	
NEST Entity Decision Maker:					
NEST Parcel Number of parcel being substituted /funded:		NEST Parcel Number of parcel(s) being removed:			
NEST Parcel Decision Maker:					
Estimated NRCS Contribution to the parcel purchase price:					
This parcel is a substitute on Attachment (<i>indicate one</i>):	ACEP-ALE Type (<i>indicate one</i>): General ALE ALE-GSS ACEP-ALE Special Designations (<i>indicate all that apply</i>): Project of Special Significance Waiver Approved: Landscape Initiative Area: RCPP (attach RCPP IC coversheet; include Project Number):				

INSTRUCTIONS:

Use this checklist for all substitute parcels selected for funding. This checklist includes both the agreement and parcel-specific information. All substitute parcels require national-level review prior to funding.

1. NRCS employees must complete one Substitute Parcel Preobligation Checklist for each funded substitute parcel. The same NRCS employee cannot complete both the first- and second-level review.
2. Upload each required document on the ALE Substitute Parcel Documents Checklist to the NEST Documents Page, regardless of obligation amount.
3. Complete first- and second-level IC reviews of each required document:
 - a. Documents Checklist: mark each box after document review; first- and second-level reviewers certify and electronically sign certifications on last page.
 - b. National Easement Staging Tool (NEST): Upload all documents listed on the Parcel Documents Checklist to NEST, regardless of obligation amount. Load documents separately in the “Documents” section of NEST using the correct “Document Type” from the drop-down list using a naming convention that makes it obvious what the document is and the agreement or parcel with which the document is associated. The completed checklists must be uploaded to NEST and all appropriate data elements must be completed.
4. Submit agreement or attachment package for Grants and Agreements Division (GAD), review per the GAD Customer Guide. On the same day, submit a NEST maintenance request (MR) and select “GASB Package Submitted” as the MR reason.
5. Once GAD has fully processed the submitted package, it will be transmitted to the IC Team, regardless

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- of amount, for further action. (See National Instruction (NI) 300-302)
6. After receiving notification from the national IC Team of both the GAD approval and national-level IC approval, the State conservationist will obtain signatures from the eligible entity.
 7. After receiving the signatures from the eligible entity, the State conservationist must certify by signing the Certifications page of this checklist. A NRCS employee may not sign as the STC if he or she also signed as first- or second-level reviewer.
 8. After certifying and signing the IC checklist and completing the process as outlined in NI 300-302, the State conservationist may then sign the ALE amendment to fund the substitute parcel on behalf of NRCS.
 9. Once all steps are complete, state must submit package to the appropriate FPAC Business Center group, for processing in the Financial Management Modernization Initiative (FMMI).
 10. The final checklist and post-amendment execution documents (step 7) must be uploaded to NEST and all applicable data elements must be completed.

STATE/ESS FIRST AND SECOND-LEVEL REVIEWERS (must be NRCS employees)			
STEP 1	1st LEVEL REVIEWER	2nd LEVEL REVIEWER	Complete and/or confirm completion of all items below and check the corresponding box prior to signing the checklist
			All items on the <u>ALE Substitute Parcel Documents Checklist</u> are in the official file and are complete, accurate and signed as necessary.
			All data in NEST matches the data/information shown on the documents listed on the <u>ALE Substitute Parcel Documents Checklist</u>
			All Items on the GAD checklist are uploaded as described in the GAD Customer Guide (or other appropriate FPAC business center group).
			Upload all documents on <u>ALE Substitute Parcel Documents Checklist</u> to NEST and check the corresponding box on the <u>ALE Substitute Parcel Documents Checklist</u> . Load documents separately as indicated by drop-down option in the “Documents” section of NEST using the correct Document Type from the drop-down list and using a naming convention that makes it obvious what the document is and with what parcel the document is associated. NOTE: Including the number of the document (as shown on the Documents Checklist) and the parcel number in the comment box on the Documents section of NEST is highly recommended. This will increase national review efficiency and reduce unnecessary follow up.
			ALE Entity Eligibility: Eligible entities meet all the Eligible Entity requirements listed in 440-CPM-528-D-528.32.
			 Holders and Co-holders: All ALE Entity holders and co-holders, as identified on the NRCS-CPA-41 and NRCS-CPA-41A are appropriately entered in NEST.

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	<p>DUNS/SAMS: Confirm all eligible entities on the NRCS-CPA-41 and the ALE-agreement or to be listed as “Grantees” (holders and co-holders) on the conservation easement have a DUNS number and their SAM registration is “Active” and ensure DUNS number is correctly entered in NEST.</p>
	<p>Land Ownership:</p> <ol style="list-style-type: none"> 1. There is documented proof of ownership for the parcel being substituted. 2. All landowners listed on the proof of ownership documents are accurately listed in NEST. 3. The landowner listed on the ALE Agreement Attachment matches a current landowner in NEST.
	<p>Landowner Eligibility – All landowners* of the substitute parcel meet the following requirements:</p> <ol style="list-style-type: none"> 1. In an AGI compliant status for fiscal year of enrollment (e.g. “Compliant – Producer,” “Compliant – Less than 3 years,” “Mismatch Verified,” “Exempt,” etc.). 2. AD-1026 is “Certified” for fiscal year of enrollment 3. Conservation Compliance-Farm/Tract is “In Compliance” for fiscal year of enrollment. <p><i>*If landowner is an entity, all members documented on the CCC-901, CCC-902 or FSA business file must have subsidiary print documenting their eligibility as required by the “ACEP Landowner Eligibility Matrix”.</i></p>
	<p>Land Eligibility:</p> <ol style="list-style-type: none"> 1. The easement area is eligible based on 440-CPM-528-D-528.33 and 528.34. 2. Uploaded documentation specifies the land eligibility category for all acres being enrolled and is consistent with the NRCS-CPA-41 and NEST land eligibility 3. Documentation used to make technical determination of land eligibility (soil maps, etc.) is uploaded to NEST and is labeled to indicate the land eligibility category it supports 4. Any applicable land eligibility waivers are approved and uploaded. 5. Ranking score warrants funding the parcel.
	<p>Access:</p> <p>There is sufficient legal and physical access documented to the entire easement area uploaded in NEST for the substitute parcel. If access is not via a public roadway, documentation of the legal access (e.g., easement, etc.) is also uploaded in NEST.</p>
	<p>Easement Valuation:</p> <ol style="list-style-type: none"> 1. The Estimated Conservation Easement Value and Estimated Federal Contribution on the ALE agreement attachment match the NEST “Application Estimated Cost” page <u>for the substitute parcel selected for funding on attachment A to the ALE agreement.</u> 2. The Estimated Conservation Easement Value on the ALE agreement attachment matches the total <u>ALE Agreement IC checklist NRCS parcel contribution amount.</u>
	<p>Signature Authority: Verify signature authority for NRCS (including delegated authority and any applicable acting designation) and landowners (if applicable) are correctly documented</p>
	<p>Waivers: All applicable waivers are approved and documented in the file (e.g., eligible entity cash contribution waiver, policy, etc.)</p>
	<p>Complete and electronically sign the applicable section on <u>Certifications</u> page.</p>
	<p>Enter review date and electronically sign “Application” section of NEST.</p>

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SUBMISSION FOR GAD REVIEW	
STEP 2	<p>Enter maintenance request (MR) in NEST and select “GASB Package Submitted” from the Reason drop-down list.</p> <p>NOTE: ALL SUBSTITUTE PARCELS SELECTED FOR FUNDING MUST RECEIVE A NATIONAL-LEVEL IC REVIEW. Proceed to step 3. No specific action is needed by State or ESS staff for STEP 3 until contacted by the national Internal Controls Team</p>

NATIONAL-LEVEL REVIEW	
Action	Description
STEP 3	<p>Cursory Review</p> <p>Change the status of the GAD Package Submitted MR in NEST to “Completed”</p> <p>Enter new MR in NEST and select “Pre-Obligation Approval Request” from the Reason drop-down list</p> <p>Confirm:</p> <ol style="list-style-type: none"> 1. Items on the <u>ALE-Substitute Parcel Documents Checklists</u> are present in NEST, complete, accurate and signed as necessary 2. Uploaded checklist includes all required signatures. 3. First- and second-level review-related data are entered on the “Entity Application” page of NEST. <p><i>Note: If the initial review reveals that the package is not complete, the MR status will be set to “FOLLOW-UP NEEDED.” The checklist will be uploaded to the “Documents” section of NEST with a list of identified issues. The State or ESS must address all issues and add a new comment to the MR to change the status back to “REQUESTED.” If there are significant issues with the package, the MR status will be set to “REJECTED/INCOMPLETE’ and the State or ESS must enter a new MR, upload a new checklist and address all identified issues to initiate a new review.</i></p>
	<p>Assignment</p> <p>ASSIGNED: If package is complete, MR status is changed to ASSIGNED. The signed checklist is uploaded to “Documents” section of NEST and the review is assigned to national-level in-depth reviewer.</p>
	<p>In-Depth National Level Review</p> <p>(up to 30 days)</p> <p>National-level IC reviewer will review all documents on the Documents Checklist and change the MR status in NEST as follows:</p> <p>COMPLETED: If package is confirmed complete, MR status is changed to “COMPLETED.” The signed checklist is uploaded to the “Documents” section of NEST. State or ESS will continue to STEP 4.</p> <p>FOLLOW-UP NEEDED: If minor issues are identified that can be readily corrected, the MR status is changed to “FOLLOW-UP NEEDED.” The checklist will be populated with identified issues and uploaded to “Documents” section of NEST. The State or ESS must correct the issues identified on the checklist, then add a new comment to the same MR to change the status back to “REQUESTED.”</p> <p>REJECTED/INCOMPLETE: If issues are identified in the submitted package that are contrary to policy or not rectifiable, the MR status is changed to</p>

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	<p>“REJECTED/INCOMPLETE” and national program managers will be notified. The checklist will be populated with identified issues and uploaded to “Documents” section of NEST.</p> <p><i>Note: To subsequently begin a new review after “REJECTED/INCOMPLETE” review, the State or ESS must enter a new MR, upload a new checklist, and upload any corrected and missing documents to the “Documents” section of NEST.</i></p>
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STEP 4	<p>ONCE BOTH GAD AND IC REVIEWS ARE COMPLETE, STATE WILL BE NOTIFIED BY NATIONAL IC TEAM.</p> <p>STATE CONSERVATIONIST SENDS ALE AMENDMENT TO ELIGIBLE ENTITY FOR SIGNATURE.</p>
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STEP 5	<p>OBTAIN STATE CONSERVATIONIST ELECTRONIC SIGNATURE ON CERTIFICATION PAGE AND PROCEED WITH EXECUTING AGREEMENT</p> <p><i>(Signature Authority: State must ensure STC or properly delegated acting STC signs checklist and amendment following current program policy. Delegation must be uploaded to NEST documents page.)</i></p>
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STEP 6	<p>SUBMIT OBLIGATION/ADJUSTMENT REQUEST FOLLOWING APPLICABLE FPAC BUSINESS CENTER TEAM, CUSTOMER GUIDE</p>
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POSTEXECUTION OF AGREEMENT AMENDMENT BY STATE	
STEP 7	<p>After the ALE amendment is properly executed and funds are obligated, if applicable, upload the following documents to the “Documents” section of NEST for all ALE agreements and funded parcels regardless of agreement amount:</p> <ul style="list-style-type: none">• Fully executed ALE-agreement with all amendments, attachments, and exhibits.• Subsidiary prints dated within 30 days prior to obligation• Updated SAM registration information for all holding and co-holding entities, as applicable• Fully executed IC checklist

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Results of the IC review are documented below, in supplemental documents cited herein, or both. During IC review, IC may provide “Findings,” “Notes,” or both. “Findings” require State action prior to IC approval. “Notes” do not require State action prior to IC approval, and commonly include reminders of non-IC based requirements, recommendations, or best practices for State consideration.

NOTES/FINDINGS:

Empty space for recording notes and findings.

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SUBSTITUTE PARCEL DOCUMENTS CHECKLIST

This ALE Substitute Parcel Documents Checklist is not a comprehensive listing of what should be documented in the physical file, but, rather, lists what documents are normally required for Internal Controls reviews. However, reviewers may need to request additional documentation to clarify any matters that may arise during the review of the documents. States must ensure the most current forms version is utilized, and all forms are completed, signed and dated correctly. States must also verify that all data is correctly entered in NEST

1 st LEVEL REVIEW	2 nd LEVEL REVIEW	DOCUMENTS	DESCRIPTION
		1. All documents listed in step 7 of the ALE Agreement Preobligation Checklist	<ul style="list-style-type: none"> • Fully executed ALE-agreement with all amendments, modifications, attachments and exhibits. • Delegation of authority or template DOA letter • Subsidiary prints dated within 30 days prior to obligation • Updated SAM registration information for all holding and co-holding entities, as applicable • FMMI Funds obligation screen print • Fully executed IC Agreement Preobligation checklist for applicable attachment
<input type="checkbox"/>	<input type="checkbox"/>	2. NRCS-CPA-41A, Parcel Sheet for Entity Application (ensure form is signed)	Completed CPA-41A for the parcel using the October 2016 version or newer.
<input type="checkbox"/>	<input type="checkbox"/>	3. Proof of Ownership	<p>1. Include at least one of the following for the subject parcel:</p> <ul style="list-style-type: none"> a. Current recorded ownership deeds that encompass entire offered area b. Fully executed purchase agreement to purchase the offered area in fee title. <p><i>NOTE: If the title search/commitment has been provided, upload in support of, but not as substitute for, the above evidence of ownership document.</i></p> <p align="center">AND</p> <p>2. Supporting documentation confirming the legal description in the proof of ownership matches the offered easement area (e.g., county tax map and assessment card, plat book, or easement maps with section, township, and range or other unique locators matching ownership documentation legal descriptions)</p>

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<input type="checkbox"/>	<input type="checkbox"/>	4. Written Pending Offer	Ensure the written pending offer is for the purchase of an agricultural land easement from the eligible entity, covers the entire offered area, and has not expired.
		5. Approved Waivers	Any approved policy waivers associated with the parcel or agreement. (e.g., eligible entity cash contribution waiver, etc.)
<input type="checkbox"/>	<input type="checkbox"/>	6. Landowner Entity Documents (applicable for all landowners that are not individuals)	Current CCC-901 or CCC-902 and FSA business file screen print
<input type="checkbox"/>	<input type="checkbox"/>	7. Subsidiary Prints for Year of Substitution	<p>All landowners* listed on proof of ownership document are</p> <ol style="list-style-type: none"> 1. In an AGI compliant status (e.g. “Compliant – Producer,” “Compliant – Less than 3 years,” “Mismatch Verified,” “Exempt,” etc.) for fiscal year of enrollment/selection for funding (or the fiscal year of the memorandum to the ALE agreement if there is a correction made pursuant to section 528.51D) <p><i>NOTE: landowner eligibility is not required for a non-record spouse e.g. listed on title commitment only to convey spousal rights.</i></p> <ol style="list-style-type: none"> 2. AD-1026 “Certified” 3. Conservation Compliance-Farm/Tract – “In Compliance” for fiscal year of enrollment/selection for funding or year of 528.51D memorandum <p><i>*If landowner is an entity, all members documented on the CCC-901/ CCC-902 and FSA business file screen print must have subsidiary print documenting their eligibility as required by the eligibility matrix.</i></p>
<input type="checkbox"/>	<input type="checkbox"/>	8. Land eligibility summary and map	<p>Land eligibility documentation must show the following:</p> <ul style="list-style-type: none"> • Proposed easement boundary • Total proposed easement acres • Land eligibility type for all acres on a map as described in 440-CPM-528-E-528.42A(3)(iv) that shows the acres and location of prime soils, grazing lands, grasslands of special significance, etc.) • Documentation used to make the State’s technical determination as to each land eligibility category for the entire offered easement area (such as, soils maps, narrative description of how the protection will further a state or local policy, etc.) • Documentation matches NRCS-CPA-41 and NEST land eligibility <p><i>NOTE: State or ESS is responsible for ensuring technical determinations meet policy. The documentation of that assessment and determination</i></p>

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			<i>must be available for review. Additional documentation may be requested if the provided information is insufficient for review.</i>
<input type="checkbox"/>	<input type="checkbox"/>	9. Environmental Records Database Search (if available)	Environmental Records Database search which covers the entire offered easement area
<input type="checkbox"/>	<input type="checkbox"/>	10. Landowner Disclosure Worksheet	Landowner Disclosure Worksheet (completed on the most current version of the form) that covers the entire offered easement area and signed by the landowner and an NRCS employee
<input type="checkbox"/>	<input type="checkbox"/>	11. Hazardous Materials Field Inspection Checklist	Hazardous Materials Field Inspection Checklist (completed on the most current version of the form) that covers the entire offered easement area and signed by an NRCS employee
<input type="checkbox"/>	<input type="checkbox"/>	12. Hazardous Materials Landowner Interview	Hazardous Materials Landowner Interview (completed on the most current version of the form) that covers the entire offered easement area and signed by the landowner and an NRCS employee.
<input type="checkbox"/>	<input type="checkbox"/>	13. Ranking	Completed ranking showing that the proposed enrollment ranked high enough for funding in the current fiscal year.
<input type="checkbox"/>	<input type="checkbox"/>	14. Proof of Recordable Access or Existing Access	<p>Proof of sufficient physical and legal access to entire easement area.</p> <ul style="list-style-type: none"> • If access is via a public road, the location and name of the road must be shown on a map of the easement area. • If access is not via a public road the following must be provided: <ul style="list-style-type: none"> ○ Map showing access route between public road and easement area and ownership of lands underlying non-public access routes ○ Documentation confirming access rights along nonpublic access route (i.e., recorded easement or written agreement with adjacent landowner to provide such access rights) prior to closing. • If access is across an existing NRCS easement, provide written confirmation that access is physically feasible and will not negatively impact the purposes of the existing easement. • If access is across other Federal lands, provide map depicting access and documentation showing the State conservationist determination (including physical sufficiency) selecting one of the alternative legal access options (with a copy of all documentation) described in 440-CPM-528-G-528.62.

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CERTIFICATIONS

First-Level Review (Required for all substitute parcels. Must be completed by NRCS employee.)

Name:		Title:	
Phone Number:		Review Date:	Entered in NEST:
<i>By signing below, I certify I have completed the required state first-level review and that the subject ACEP-ALE agreement uses the standard ALE agreement template language.</i>			
Signature:			

Second-Level Review (Required for all substitute parcels. Must be completed by NRCS employee.)

Name:		Title:	
Phone Number:		Review Date:	Entered in NEST:
<i>By signing below, I certify I have completed the required state first-level review and that the subject ACEP-ALE agreement uses the standard ALE agreement template language.</i>			
Signature:			

National-Level cursory IC Review (Required for all substitute parcels.)

Name:		Title:	
Phone Number:		Date Review Started:	
INCOMPLETE	FOLLOW UP NEEDED	COMPLETED	
NHQ IC Review Signature:			

National-Level In-depth IC Review (Required for all substitute parcels.)

Name:		Title:	
Phone Number:		Date Review Started:	
INCOMPLETE	FOLLOW UP NEEDED	COMPLETED	
NHQ IC Review Signature:			

State Conservationist Certification (Required for all substitute parcels)

NOTE: Do not sign until after all required IC reviews and approvals have been completed and the eligible entity has signed the ALE amendment documentation.

By signing below, I certify reviews to all appropriate levels have been completed and the appropriately authorized eligible entity representative has signed the ALE-agreement or amendment.

STC Signature:		Date:	
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