

HFRP PREPAYMENT/CLOSING

NEST Number:
Decisionmaker:

Total NRCS Agreement Amount:

EASEMENT INTERNAL CONTROLS REVIEW CERTIFICATION CHECKLIST

Healthy Forests Reserve Program (HFRP) – Prepayment/Closing

NEST Number:		FY:	State:
Decisionmaker:			
Total NRCS Agreement Amount:			
Type:	<input type="checkbox"/> Permanent Easement <input type="checkbox"/> 30-year Easement <input type="checkbox"/> Easement with a maximum duration allowed by State law <input type="checkbox"/> 30-year contract		
Group Project/Special Initiative:			
Associated with an RCPP			
RCPP Project Number:			
RCPP Project Name:			

INSTRUCTIONS: Beginning at step 1A, complete State-level reviews utilizing the “Documents Checklist.” After completion of State-level reviews, reviewers must electronically sign the appropriate block on the “Certifications” page. A national-level review is required if total easement obligation is over the threshold of \$250,000, is over a State-specific threshold set by National Easement Program Division (EPD) through a written determination, or the easement transaction is selected for review by the National Headquarters (NHQ) Internal Controls (IC) Review Team. Follow the national-level review protocol for instructions on how to submit a package for national-level review in National Easement Staging Tool (NEST). Prior to signing the deed or payment document, State Conservationists (STCs) must sign in the appropriate block of the “Certifications” page.

REVIEWS

STATE FIRST-LEVEL REVIEWER					
	Action			Description	
STEP 1		A. Complete Documents Checklist			Items on the “Documents Checklist” are complete, accurate, and signed as necessary.
		B. Compare Documents to NEST			Review the documents in “Documents Checklist” and compare the information to NEST to ensure all data matches.
		C. Complete 1 st Level Certification Box on Last Page.			
		D. Enter Review Date in NEST			Reviewer must enter the date the review was completed and e-sign.
STATE SECOND LEVEL REVIEWER					
	Y	N	NA	Action	Description
STEP 2				A. Landownership Verification	Landowners as listed on schedule A of the title commitment are accurate in: NEST FMMI Draft conservation easement deed

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			B. Easement Value Verification	Easement value is correct and appropriate adjustments have been completed. Easement value is calculated correctly based on the final surveyed acres and approved compensation value is reflected in the draft easement deed. Sufficient funds are available as demonstrated by FMMI screen print.
			C. Signature Authority Verification	Signature authorities for NRCS and landowners (if applicable) are documented.
			D. Land Eligibility Verification	Land eligibility is met and adequately documented in the file. There is sufficient access to the easement per program guidelines.
			E. Waivers	All applicable waivers are approved and documented in the file.
			F. DUNS/SAM	If the landowner is an entity that uses an EIN, confirm their DUNS number and that their SAM registration is "Active."
			G. Obligation Verification	Obligating document will be current at the time of closing.
			H. Approvals	There is a preliminary title opinion (PTO) from OGC and required actions not typically completed at closing have been completed. Any required NHQ reviews have been completed (if applicable).
			I. Complete 2 nd Level Certification Box on Last Page	
			J. Enter Review Date in NEST	Reviewer must enter the date the review was completed and e-sign.

	DOES THIS TRANSACTION MEET THE \$250,000 THRESHOLD OR STATE-SPECIFIC THRESHOLD AS DETERMINED BY NHQ FOR NATIONAL REVIEW?
	HAS THIS TRANSACTION BEEN SELECTED FOR REVIEW BY NHQ?
IF NO TO BOTH, SKIP TO STEP 6. IF YES TO EITHER, CONTINUE TO STEP 3.	

SUBMISSION FOR NATIONAL-LEVEL REVIEW		
	Action	Description
STEP 3	A. Load the Checklist Documents into NEST	State office loads all of the documents listed in the "Documents Checklist" into "Documents" section of NEST. Load documents separately as indicated by the drop down options in the "Documents" section of NEST. Upload the prepayment/closing checklist with State 1 st and 2 nd level signatures.
	B. Enter Maintenance Request	Enter a maintenance request (MR) in NEST and select "Prepayment/Closing Approval Request" from the "Reason" drop-down list.

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NATIONAL-LEVEL CURSORY REVIEW		
	Action	Description
STEP 4	A. Verify Checklist Documents	Items on the “Documents Checklist” below are present in NEST and signed as necessary. 1 st and 2 nd level reviews are entered in NEST.
	B. National Review – Cursory Review of Uploaded Documents	<p>ASSIGNED: If package is complete, MR status is changed to “Assigned” and a comment is added to the “Administrative Comments” section of the MR indicating the cursory review found the package to be complete. The review is assigned to an in-depth national-level reviewer.</p> <p>FOLLOWUP NEEDED: If missing documents are identified, the MR status may be changed to “Followup needed.” The checklist will be populated with identified issues. States will need to correct issues and upload corrected documents to the “Documents” page, if applicable.</p> <p style="padding-left: 40px;">State uploaded missing/corrective documents Date: _____ Date cursory review resumed: _____</p> <p>REJECTED: If several documents are missing or incomplete, the package is “Rejected.” The review checklist is loaded to the “Documents” page in NEST. States will need to enter a new maintenance request and upload corrected documents to the “Documents” page in NEST.</p>
NATIONAL-LEVEL IN-DEPTH REVIEW		
STEP 5	Action	Description
	National Review – IN-DEPTH (up to 30 DAYS)	<p>Once the national cursory review is approved and assigned, an in-depth review begins.</p> <p>APPROVED: If prepayment/closing package is approved, MR status is changed to “Completed.” The review checklist is added to the Documents page in NEST.</p> <p>FOLLOWUP NEEDED: If an issue is identified, and can be readily corrected, the MR status is changed to “Followup needed.” The checklist will be populated with identified issues. States will need to correct identified issues and upload corrected document to the “Documents” page, if applicable.</p> <p style="padding-left: 40px;">State uploaded missing/corrective documents. Date: _____ Date cursory review resumed: _____</p> <p>REJECTED: If issues are identified in the submitted package, that are contrary to policy or are not rectifiable, the MR status is changed to “Rejected.” Comments are added to the MR identifying the issues and the checklist is loaded to the “Documents” page in NEST.</p>
STEP 6	OBTAIN STATE CONSERVATIONIST CERTIFICATION ON THE LAST PAGE OF THIS CHECKLIST	

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POSTCLOSING AND PAYMENT		
	Load the Documents into NEST Postclosing/payment	Postclosing/payment, State office loads the following documents into the "Documents" page in NEST for all closed conservation easements regardless of threshold: Executed and recorded easement deed with all exhibits Final title insurance policy Closing instructions Closing protection letter from closing agent Closing statement or final HUD Final title opinion from OGC Completed/signed IC checklist ALTA closing protection letter or equivalent

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DOCUMENTS CHECKLIST			DOCUMENTS	DESCRIPTION
State 1 st Reviewer	NHQ Cursory	NA	<i>This "Documents Checklist" is not a comprehensive listing of what should be documented in the physical file, and only lists what documents are required for internal control reviews.</i>	
			1. NRCS-CPA-1200 (RCPP transactions)/AD-1153 Conservation Program Application	Ensure form is completed and signed.
			2. Proof of Ownership	Recorded deed or Tribal status report from Bureau of Indian Affairs (BIA) (for 30-year contracts). Ensure entire area to be placed in easement is covered.
			3. Proof of Recordable Access/Existing Access	Access to the offered parcel following program guidance: Public access Access will be recorded or is recorded NOTE: Access must be insurable.
			4. Landowner Entity Documents (if Applicable)	CCC-901 OR CCC-902 (RCPP only) Entity documents including, but not limited to articles of incorporation, trust docs, personal representative deed, etc. Certificate/proof of good standing for entities
			5. Signature Authority	For landowner/entities or individual landowners as necessary (e.g., articles of incorporation, meeting minutes signed by either the authorized member or all members, power of attorney, corporate resolution, etc.)
			6. NRCS Signature Authority	If someone other than the STC has signed agreements, extension, modifications, etc., then State must provide the delegation authority document.
			7. Legal Boundary Survey	Provide recordable legal boundary survey with ingress/egress identified. If there is not public access identified on survey, then States must have a recorded (or recordable if it will be recorded with the warranty easement deed) ingress/egress document.

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			<p>8. Land Eligibility Maps and/or Supporting Documentation</p>	<p>Land eligibility maps, supporting documents, or both must include the following:</p> <ul style="list-style-type: none"> Easement boundary Total acres Ingress/egress to all parcels All land eligibility components (e.g., T&E habitat type, adjacent land, other land uses within the easement, etc.) Documents used to make land eligibility determination (if applicable) Preliminary certificate of inspection and possession Environmental records search – summary pages Hazardous materials checklist <p>NOTE: Technical determinations are the State's responsibility. NHQ IC reviewers will not be reassessing or confirming the land eligibility determination. However, if insufficient documentation is provided, or if IC reviewers have questions about particular documents, they may follow up with State staff for clarification.</p>
			<p>9. Easement Value Map and/or Supporting Documents</p>	<p>Select basis for final easement value and provide the appropriate documents. Easement compensation should be the lowest of the fair market value (FMV) as determined by USPAP appraisal offer by the landowner:</p> <p>FMV</p> <p>USPAP Appraisal.—Provide summary section of appraisal, map of offered boundaries from final approved appraisal and the approved technical appraisal review.</p> <p>Landowner offer</p> <p>Provide written and signed landowner offer documentation.</p>
			<p>10. Evidence of DUNS and Current SAM Registration</p>	<p>If the landowner is an entity that uses an EIN, confirm their DUNS number and that their SAM registration is "Active."</p>
			<p>11. FMMI Screen Print</p>	<p>Showing funds obligation. Print from FMMI as needed.</p>
			<p>12. Executed Obligating Document and Modifications</p>	<p>Executed obligating document and any extension or modifications to the easement obligation (30-year contract or agreement to purchase).</p> <p>Ensure agreements and extensions have not expired.</p> <p>Verify agreement will be current at the time of closing.</p>
			<p>13. Title Commitment</p>	<p>Title commitment used for the OGC preliminary title opinion. Do not include records of encumbrances, they will be requested as needed.</p>

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			14. Certificate of Use and Consent (NRCS-LTP-23)	Certificate must be completed, signed and dated. Ensure acceptable exceptions clearly documented.
			15. Preliminary Title Opinion (PTO)	PTO from OGC and cover letter from State to OGC requesting PTO.
			16. Draft Easement Deed (NRCS-CPA-260, NRCS-LTP-40 (AECLU))	Provide draft easement deed/30-year contract. Include landowner names, easement number, acres, easement value, and all exhibits and documents approved by OGC. Do not obtain landowner or NRCS signatures.
			17. Draft Closing Instructions	Include name of closing agent, amount, and landowner names.
			18. ALTA closing protection letter or equivalent.	Ensure full easement amount is listed.

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CERTIFICATIONS

By signing the appropriate reviewer section below, you are certifying that you have completed a thorough review of the submitted documentation and have completed any and all of the recommended followup actions as noted.

State First-Level Review (Required for all easement acquisition and 30-year contract acquisition packages)

Name:		Title:	
Phone Number:		Review Date:	
Review Date Entered in NEST?		Electronic Signature:	

State Second-Level Review (Required for all easement acquisition and 30-year contract acquisition packages)

Name:		Title:	
Phone Number:		Review Date:	
Review Date Entered in NEST?		Electronic Signature:	

Expedited Review Requested:

State Conservationist request of expedited review

STC Signature:	Date:
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Regional Conservationist

Approved Denied	RC Signature:	Date:
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National-Level cursory Review (Required only when the easement acquisition or 30-year contract is over the threshold or selected at random)

Name:		Title:	
Phone Number:		Date Review Started:	
Date package marked:	Rejected:	Followup Needed:	Complete:
NHQ IC Review Electronic Signature:			

National-Level In-Depth Review (Required only when the easement acquisition or 30-year contract is over the threshold or selected at random)

Name:		Title:	
Phone Number:		Date Review Started:	
Date package marked:	Rejected:	Followup Needed:	Complete:
NHQ IC Review Electronic Signature:			
NHQ IC Review Electronic Signature:			

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State Conservationist Certification (Required for all easement acquisition and 30-year contract acquisition packages)

Name:	Date:
I certify that all appropriate levels of review have been completed as required.	

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