

## 531.204M RCPP Financial Management for 2018 Farm Bill Projects

The FPAC Business Center’s Budget Division, in collaboration with Projects Branch, initiated an allocations approach for 2018 Farm Bill RCPP projects. Following execution of a programmatic partnership agreement (PPA), the Budget Division issues allocations for:

- 1) the entirety of a project’s financial assistance (FA) funding;
- 2) the entirety of a project’s partner-use technical assistance (TA) funding (if it exists in the PPA); and
- 3) an initial allocation of NRCS-use TA funding. NRCS-use TA is typically allocated annually based on the agreed-upon amounts in a PPA.

2018 Farm Bill allocations are made using a unique approach. Each individual project’s allocation includes up to three WBS codes. There is one for:

- 1) FA;
- 2) Partner-use TA; and
- 3) NRCS-use TA.

The table below provides examples of these codes and a key to the elements within them.

WBS Code Type	Example WBS Code	Key for Code Elements
FA WBS code	NR.SI.RCP8.05.1234.22XX <b>F</b>	➤ <b>“F”</b> = All FA, regardless of contract type
Partner-use TA WBS code	NR.SI.RCP <b>8</b> .05.1234.22XX <b>T</b>	➤ <b>“8”</b> combined with <b>“T”</b> = partner-use TA code, (e.g., TSP work for 900-series practices also known as “NRCS Use in Producer Contracts”)
NRCS-use TA WBS code	NR.SI.RCP <b>N</b> .05.1234.22.XX <b>T</b>	➤ <b>“N”</b> combined with <b>“T”</b> = NRCS-use TA code
	(Other code elements) NR.SI.RCPN. <b>05</b> . <b>1234</b> . <b>22</b> XX <b>T</b>	<ul style="list-style-type: none"> <li>➤ <b>“05”</b> = 2-digit code identifying the State receiving the allocation</li> <li>➤ <b>“1234”</b> = project number</li> <li>➤ <b>“22”</b> = fund year</li> </ul>

States are responsible for managing RCPP project funding. It is important to know that funds control is not imposed at the project level. For example, if a State has \$300,000 of FA funding available for project 1256 and \$10.2 million in FA funding available for all RCPP projects in the State, it is possible for the State to charge beyond the \$300,000 level available for 1256. This is because the \$300,000 for 1256 ultimately sits in the same bucket as the other \$9.9 million of FA.

**States must be careful to only spend what is available within individual project WBS codes. While only using project-level WBS codes is critical for RCPP transactions, doing so will not constrain States from overspending a project’s budget as there is no funds control at the project code level.**

This concept is illustrated in the graphic below. It is critical that States only charge NRCS time and FA and TA obligations to WBS codes with embedded project numbers, such as those highlighted above. The “0000” codes described in the graphic must not be used.

WBS Codes Guidance Graphic

0000 in WBS code-- 

Project # in WBS code-- 

**0000 codes**

These are “big bucket” WBS codes that for budgeting and allocation purposes exist in FMMI but **SHOULD NOT BE USED BY STATES**. Any given State’s 0000 codes will contain all 2018 Farm Bill RCPP funding for the State’s projects (whether that is one project or 20). Charging or obligating to a 0000 code will result in mismanagement of RCPP funds. A State’s 0000 codes look like NR.SI.RCP8.05.0000.19XXT and NR.SI.RCP8.05.0000.19XXF.

