



**National Bulletin:** 300-23-32

**Date:** May 24, 2023

**Subject:** LTP – Announcing an Update to the National Instruction 300-300 Instruction and Guidance for State Implementation of Easement Internal Controls Prior to Obligation, Payment, and Closing

**Purpose.** This national bulletin announces an update to National Instruction (NI) 300-300, “Instruction and Guidance for State Implementation of Easement Internal Controls Prior to Obligation, Payment, and Closing,” dated October 2020.

**Expiration Date.** September 30, 2024.

**Background.** The Easement Programs Division (EPD) published an update to NI 300-300 on May 24, 2023. It provides updated policy and processes for the implementation of the national level internal control (IC) reviews as part of agency IC processes, including review requirements, review timing and planning guidance, business tool and system requirements, and additional quality assurance and review processes.

**Explanation.** The updated guidance provided in NI 300-300 and the associated exhibits applies to enrollment, fund obligation, and payment for the following programs: Agricultural Conservation Easement Program (ACEP), Emergency Watershed Protection Program – Floodplain Easements (EWPP-FPE), Healthy Forests Reserve Program (HFRP), and easements enrolled through a Regional Conservation Partnership Program (RCPP) agreement.

The update primarily adds a new “Cursory Review” review type to the policy as the main type of review by volume. The cursory review is designed to help expedite easement obligations and closings while enhancing the overall control environment and addressing an ongoing concern related to the “No Review” review type introduced as part of IC 2.0. This relatively small change in NI 300-300 is being introduced mid-fiscal year to be responsive to concerns raised by states and others regarding the timelines for fiscal year 2023 and to pave the way for a more comprehensive update for national-level internal controls in the future.

The update includes the following changes:

- The new cursory national-level IC review will conduct a presence/absence check of the required documents contained in the official systems of record.
- Submissions for both preobligation and prepayment/closing will be randomly assigned to the IC team; approximately 75 percent of total submission will be selected for a cursory-level IC review.
- The remaining 25 percent of submissions will be distributed over the other levels.
- The updates also provide clarification regarding the requirements for certified entity reviews, the system tools used for various programs, and minor grammatical and formatting updates.

States are reminded that all IC reviews must be submitted via the Program Activity Management Solution (PAMS) and that NI 300-300 requires that no fund obligation, payment, or closing occurs for an easement or 30-year contract prior to the completion of the IC process.

An overview of these mid-fiscal year changes, primarily adding a new “Cursory Review” review type to help streamline easement obligations and closings, was presented at the EPD net conference on May 23, 2023.

**Contact.** Direct questions regarding this bulletin to Chad Wentz, Supervisory Natural Resource Specialist, by email at [chad.wentz@usda.gov](mailto:chad.wentz@usda.gov) with a copy to [NRCS.InternalControls@usda.gov](mailto:NRCS.InternalControls@usda.gov).

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