

ACEP-ALE PREPAYMENT/CLOSING

NEST Number:

Decisionmaker/Entity:

Total NRCS Contribution:

EASEMENT INTERNAL CONTROLS REVIEW CERTIFICATION CHECKLIST

Agricultural Conservation Easement Program (ACEP) – Agricultural Land Easements and Agricultural Land Easements –
Grasslands of Special Environmental Significance (ALE and ALE-GSS)

PREPAYMENT/CLOSING

NEST Number:		Program: ALE		FY of Enrollment:	
State:		Attachment:		ACEP type:	<input type="checkbox"/> ALE
Parcel number:		Is this a Substitute Parcel:			<input type="checkbox"/> ALE-GSS
<input type="checkbox"/> RCPP <input type="checkbox"/> Special Significance					
Total Federal Obligation Amount on Attachment:					
Group Project/Special Initiative:					
NEST Landowner Decisionmaker:					
NEST Cooperative Entity Decisionmaker:					
RCPP Project Number:					
RCPP Project Name:					

INSTRUCTIONS: For easement transactions with noncertified entities only, beginning at step 1A, complete State-level reviews utilizing the agreement “Documents Checklists.” After completion of the State-level reviews, reviewers must electronically sign the appropriate certification block on the “Certifications” page. A national-level review is required if the total easement obligation is over the threshold of \$250,000, is over a different State-specific threshold set by National Headquarters (NHQ) through a written determination, or the easement transaction is selected for review by the National Internal Controls (IC) Team. Follow the national-level review protocol for instructions on how to submit a prepayment/closing package for national-level review in National Easement Staging Tool (NEST). Prior to signing the SF-270, the State Conservationist (STC) must sign in the appropriate block on the “Certifications” page. Verify that all certifications have been documented on this checklist and in National Easements Staging Tool (NEST) prior to providing to National Accounts Payment Services Team (NAPST) staff for acknowledgement and payment in Financial Management Modernization Initiative (FMMI). NAPST will acknowledge reviews when the easement is submitted for payment, either as an advance or reimbursement.

REVIEWS

STATE FIRST-LEVEL REVIEWER		
	Action	Description
STEP 1	<input type="checkbox"/> A. Complete “Documents Checklist”	Items on the “Documents Checklist” section of this checklist are complete, accurate, and signed as necessary.
	<input type="checkbox"/> B. Compare Documents to NEST	Review the documents in “Documents Checklist,” and compare the information to NEST to ensure all data matches.
	<input type="checkbox"/> C. Complete 1 st Level Certification Box on “Certifications” Page	
	<input type="checkbox"/> D. Enter Review Date in NEST.	Reviewers must enter the date the review was completed and e-sign.

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				STATE SECOND-LEVEL REVIEWER	
STEP 2	YES	NO	NA	Action	Description
					A. Land Ownership Verification
				B. Easement Value Verification	<input type="checkbox"/> Contribution calculations are correct, consistent, and any applicable AGI reductions have been made (verify the CPA-230, "Confirmation of Matching Funds"; summary section of the appraisal; the technical appraisal review; subsidiary prints; and the approved draft conservation easement deed). <input type="checkbox"/> Easement cost and contribution values are reflected accurately on the approved draft conservation easement deed. <input type="checkbox"/> Sufficient funds are available as demonstrated by the FMMI screen print.
				C. Land Eligibility Verification	<input type="checkbox"/> Land eligibility is met and any applicable waivers are documented in the file. <input type="checkbox"/> Final acres match the draft conservation easement deed. <input type="checkbox"/> There is sufficient access to the easement per program guidelines.
				D. Mineral Rights	Have mineral rights been fully evaluated and determination documented? <input type="checkbox"/> Yes <input type="checkbox"/> No
				D. NRCS Signature Authority Verification	Ensure NRCS signatures on the executed obligating documents are supported, if other than STC signed.
				E. Cooperative Entity Eligibility Verification	Per 7 CFR §§ 1468.2 (b)(1) (i)-(iv) and 7 CFR §§ 1468.2 (b)(2) (i)-(ii), cooperative entities have— <input type="checkbox"/> A commitment to long-term conservation of agricultural lands. <input type="checkbox"/> A capability to acquire, manage, and enforce easements. <input type="checkbox"/> Sufficient number of staff dedicated to monitoring and easement stewardship. <input type="checkbox"/> The availability of funds for this transaction. <input type="checkbox"/> Records established in the USDA customer records system
				F. Landowner Eligibility Verification	<input type="checkbox"/> All landowners listed on the title commitment are AGI and HEL/WC compliant. <input type="checkbox"/> If applicable, all members listed on the CCC-901 or CCC-902 are AGI and, if required, HEL/WC eligible following the eligibility matrix.

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<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	G. Waivers	All applicable waivers are approved and documented in the file (e.g., entity cash contribution, impervious surface, policy, etc.)
<input type="checkbox"/>	<input type="checkbox"/>		H. DUNS/SAM	Confirm that all cooperating entities listed as grantees have a DUNS number and SAM registration that is current.
<input type="checkbox"/>	<input type="checkbox"/>		I. Obligating Document	<input type="checkbox"/> Obligating document is still valid and will not expire prior to closing. <input type="checkbox"/> Closing will occur within closing deadline as established in the agreement attachment. <input type="checkbox"/> If there have been any changes, such as extensions, landowner changes, or an increase in the Federal contribution, they have been documented with the appropriate mechanism.
<input type="checkbox"/>	<input type="checkbox"/>		J. Approvals	<input type="checkbox"/> There is an approved technical appraisal review. <input type="checkbox"/> Deed review approval, as required by policy (Section 528.61). <ul style="list-style-type: none"> <input type="checkbox"/> State Approved – Minimum deed terms have been attached as an addendum to the entities’ deed. <input type="checkbox"/> State/National Approved – Entity uses a template deed that incorporates the minimum deed terms. <ul style="list-style-type: none"> <input type="checkbox"/> Provide DRT screen-print of national-level approval of the template <input type="checkbox"/> National Approved – Entity uses its own tailored deed language for each transaction that incorporates the minimum deed terms into the body of the deed. <ul style="list-style-type: none"> <input type="checkbox"/> Provide DRT screen-print of national-level approval of the template <input type="checkbox"/> National appraiser’s review for total easement amount of \$1 million or more.
<input type="checkbox"/>	<input type="checkbox"/>		K. Complete 2 nd Level Certification Box on “Certifications” Page	
<input type="checkbox"/>	<input type="checkbox"/>		L. Enter Review Date in NEST	Reviewers must enter the date the review was completed and e-sign.

<input type="checkbox"/>	DOES THIS TRANSACTION MEET THE \$250,000 THRESHOLD, OR STATE-SPECIFIC THRESHOLD AS DETERMINED IN WRITING BY NHQ, FOR NATIONAL REVIEW?
<input type="checkbox"/>	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	<input type="checkbox"/> A. Load the Checklist Documents into NEST	<input type="checkbox"/> 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 list. <input type="checkbox"/> Upload the prepayment/closing checklist with State 1 st and 2 nd level signatures.

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		NOTE: Enter the parcel number at the beginning of the "Name" field in NEST for each document loaded. For documents specific to the agreement and applicable to all parcels enter "Agreement" at the beginning of the "Name" field in NEST.
<input type="checkbox"/>	B. Enter Maintenance Request	Enter a maintenance request (MR) in NEST and select "Pre-Payment/Closing Approval Request" from the "Reason" drop-down list.

NATIONAL-LEVEL CURSORY REVIEW		
	Action	Description
STEP 4	A. Verify "Documents Checklist"	<input type="checkbox"/> Items on the "Documents Checklist" are present in NEST, complete, accurate, and signed as necessary. <input type="checkbox"/> 1 st and 2 nd level reviews are entered in NEST.
	B. National Review – Cursory Review of Uploaded Documents	<input type="checkbox"/> 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. <input type="checkbox"/> 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 identified issues and upload documents to the "Documents" page, if applicable. <ul style="list-style-type: none"> <input type="checkbox"/> State uploaded missing corrective documents: _____ <input type="checkbox"/> Date cursory review resumed: _____ <input type="checkbox"/> 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.

NATIONAL-LEVEL IN-DEPTH REVIEW		
	Action	Description
STEP 5	A. National Review – IN-DEPTH (Up to 30 DAYS)	Once the national cursory review is approved and assigned, the in-depth review begins. <ul style="list-style-type: none"> <input type="checkbox"/> APPROVED: If prepayment/closing package is approved, MR status is changed to "Completed." The review checklist is added to the "Documents" page in NEST. <input type="checkbox"/> FOLLOWUP NEEDED: If an issue is identified, and can readily be 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. <ul style="list-style-type: none"> <input type="checkbox"/> State uploaded missing/corrective documents: _____ <input type="checkbox"/> Date in-depth review resumed: _____ <input type="checkbox"/> 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. National program managers will be notified.

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STEP 6	OBTAIN STATE CONSERVATIONIST CERTIFICATION ON THE LAST PAGE OF THIS CHECKLIST
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STEP 7	OBTAIN NAPST ACKNOWLEDGEMENT ON THE LAST PAGE OF THIS CHECKLIST WHEN SUBMITTING FOR PAYMENT (ADVANCE OR REIMBURSEMENT)
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POSTCLOSING AND PAYMENT		
STEP 8	Load the "Documents" into NEST Postclosing/payment	Postclosing/payment, State office loads the following documents into "Documents" page in NEST for all closed conservation easements regardless of threshold: <ul style="list-style-type: none"> <input type="checkbox"/> Executed and recorded easement deed with all exhibits <input type="checkbox"/> Final title insurance policy <input type="checkbox"/> Subsidiary report printed within 30 days prior to reimbursement/advance payment <input type="checkbox"/> Closing instructions <input type="checkbox"/> Closing statement or HUD <input type="checkbox"/> Completed/signed checklist <input type="checkbox"/> Closing protection letter or equivalent <input type="checkbox"/> ALTA closing protection letter or equivalent

NOTES:

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DOCUMENTS CHECKLIST				
State Level 1	NHQ Cursory	NA	DOCUMENTS	DESCRIPTION
			<i>This "Documents Checklist" is not a comprehensive listing of what should be documented in the physical file and only lists the documents required for internal control reviews.</i>	
			1. NRCS-CPA-041 and applicable NRCS-CPA-041a	<input type="checkbox"/> All eligible entities, as identified on the NRCS-CPA-041, are appropriately entered into NEST. <input type="checkbox"/> Parcel/landowner application must include the NRCS-CPA-41A. <input type="checkbox"/> Pending offer must meet the requirements found in 528.33D.
			2. Landowner Eligibility	<input type="checkbox"/> CCC-901 or CCC-902 (if applicable). <input type="checkbox"/> Subsidiary print for all landowners listed on schedule A of the title commitment. If landowner is an entity, then all members documented on the CCC-901 or CCC-902 must have a subsidiary print. <input type="checkbox"/> Verify AGI eligibility for all landowners and members for year of enrollment. <input type="checkbox"/> Verify HEL/WC eligibility for year of enrollment and current year. Link to eligibility matrix http://directives.sc.egov.usda.gov/OpenNonWebContent.aspx?content=36968.wba Subsidiary reports should be printed within 30 days of this review and must include year of enrollment and current year.
			3. Entity Eligibility	<input type="checkbox"/> All entity eligibility requirements found at 7 CFR Sections 1468.2 (b)(1) (i)-(iv) and 7 CFR Sections 1468.2 (b)(2) (i)-(ii) are met. <input type="checkbox"/> Proof that all cooperative entities listed as grantees are in the Service Center Information Management System (SCIMS).
			4. NRCS Signature Authority	If someone other than the STC has signed any agreements, extensions, or modifications, State must provide the delegation of authority document.
			5. Legal Boundary Survey or Legal Property Description	As required by policy, select how the easement boundaries are conveyed: <input type="checkbox"/> Legal boundary survey that conforms to State law. <input type="checkbox"/> Legal property description that conforms to State law.

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			<p>6. Land Eligibility</p>	<p>ELIGIBILITY CRITERIA (check at least one)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Prime, unique or other productive soils <input type="checkbox"/> Historical or archeological resources <input type="checkbox"/> Grazing uses and related conservation values <input type="checkbox"/> Grasslands of special environmental significance <input type="checkbox"/> Furthers a State or local policy
			<p>7. Land Eligibility Maps and/or Supporting Documentation</p>	<p>The following must be documented on maps and/or supporting documentation:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Ingress/egress to offered acres <input type="checkbox"/> Total offered easement boundary and acres of land eligibility criteria selected (i.e., soils, historic or archeological resources) <input type="checkbox"/> Documents used to make land eligibility determination (e.g., State or local policy, etc.) <input type="checkbox"/> Preliminary certificate of inspection and possession <input type="checkbox"/> Environmental records search <input type="checkbox"/> Environmental field inspection checklist <input type="checkbox"/> Environmental landowner interview <input type="checkbox"/> Landowner disclosure worksheet <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 POC for clarification.</p>
			<p>8. Easement Valuation Documentation/Approval</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Appraisal (summary section only, do not load entire document) <input type="checkbox"/> Appraisal map (map offered boundaries from final approved appraisal) <input type="checkbox"/> Technical appraisal review <input type="checkbox"/> National appraiser's review (if applicable) <p>CPA-230, "Confirmation of Matching Funds" (provide for national-level review only if paying through an advance payment)</p>
			<p>9. Approved Waivers</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Impervious surface waiver <input type="checkbox"/> Policy waivers (i.e., <50% Agricultural Soils waiver, contribution waiver, etc.)

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			10. Evidence of DUNS and current SAM registration	Confirm that all cooperating entities listed as grantees have a DUNS number and SAM registration that is current.
			11. FMMI screen print	Funds commitment screen print should document sufficient funds in the agreement.
			12. Executed Cooperative Agreement, Modifications, and Amendments	Provide executed (fully signed) cooperative agreement and any modifications, amendments or letters (related to changes, including but not limited to extending the period of performance, increase to the Federal contribution, changes in landowners, substitutions, etc.)
			13. Grants and Agreements Delegation of Authority for NRCS Signatory	Provide document from Acquisition Division to STC (if total agreement attachment obligation is over \$100,000).
			14. Certificate of Use and Consent (NRCS-LTP-23)	Certificate must be complete, signed, and dated. Ensure acceptable exceptions are clearly documented why they are acceptable.
			15. Title Commitment	Provide current title commitment. Do not include underlying documents to encumbrances of record. They will be requested as needed. NOTE: If land ownership changes, State should provide adequate documentations showing chain of title from enrollment to point of acquisition.
			16. Approved Draft Easement Deed and All Exhibits	Provide unsigned conservation easement deed and all exhibits as approved by State or realty specialist as required by policy. <input type="checkbox"/> Exhibit A: Legal Boundary Description <input type="checkbox"/> Easement Survey Map (if applicable) <input type="checkbox"/> Exhibit B: Ingress/egress Legal Description
			17. Baseline Documentation Report	Baseline documentation report as provided by the eligible entity.
			18. ALE Plans	As required by policy, plan must include information specific to the type of land enrolled.
			19. Deed Approval	Document approval of conservation easement deed package: <input type="checkbox"/> State Approved – Minimum deed terms have been attached as an addendum to the entities’ deed <input type="checkbox"/> Documentation of State review and approval. <input type="checkbox"/> State/National Approved – Entity uses a template deed that incorporates the minimum deed terms. <input type="checkbox"/> DRT screen print of national-level approval of the template

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				<input type="checkbox"/> National Approved – Entity uses its own tailored deed language for each transaction which incorporates the minimum deed terms into the body of the deed. <input type="checkbox"/> DRT screen print of national-level approval of the template
			20. Will This Payment be an Advance Payment?	<input type="checkbox"/> Yes, complete items 21 & 22. <input type="checkbox"/> No, mark items 21 & 22 as NA.
			21. Letter From Closing Agent	Letter from closing agent to cooperating entity on closing agent requirements.
			22. Draft Closing Letter	Include landowner names, purchase price, ALE (ALE-GSS) contribution amount, and instructions.
			23. 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. NAPST signature acknowledges that reviews to the appropriate level have been completed at the time of payment.

State First-Level Review (Required for all easement acquisition packages)

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

State Second-Level Review (Required for all easement acquisition packages)

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

Expedited Review Requested:

State Conservationist request of expedited review

STC Signature:	Date:
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Regional Conservationist

<input type="checkbox"/> Approved <input type="checkbox"/> Denied	RC Signature:	Date:
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National-Level Cursory Review (Required only when the easement acquisition meets the threshold requirements or selected at random)

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

National-Level In-Depth Review (Required only when the easement acquisition 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 Signature:					
NHQ IC Review Signature:					

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State Conservationist Certification (Required for all easement acquisition packages)

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

NAPST Acknowledgement (Required for all easement acquisition packages)

Name:	Title:
Phone Number:	Date:
Signature of NAPST acknowledging completion of reviews to the appropriate level:	