

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Stewardship Incentive Program
1-SIP (Revision 2)

Amendment 9

Approved by: Deputy Administrator, Farm Programs



Amendment Transmittal

A
Reasons for
Amendment

This handbook has been amended to update references to ASCS and DASCO.

Paragraphs 3 and 11 have been amended to remove references to ACP.

Paragraph 55 has been amended to remove references to SIP-245 with AD-245.

Paragraph 58 has been amended to update recording ledger adjustments.

Paragraph 110 has been amended to update obtaining a waiver.

Exhibit 46 has been amended to update the technical practice codes.

Page Control Chart		
TC	Text	Exhibit
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Part 1 General Information**1 Overview**

A**Handbook
Purpose**

--This handbook contains SIP procedures for State and County FSA Offices to-- follow to provide the following administrative services to FS:

- developing State and county programs
- tracking FS program funds allocated to States and counties
- accepting and processing applications for SIP C/S
- managing AD-862's, progress reports, and ledger reports
- arranging for FS payments to be disbursed.

This handbook also contains SIP procedures for State Foresters, Service Foresters, and PRM's to follow when:

- determining landowner eligibility
- making needed and practicable determinations on practice requests
- approving applications for SIP C/S
- certifying practice completion
- computing total practice C/S payment
- managing payment limitation
- resolving reviews
- handling refunds, claims, overdisbursements, and violations
- managing compliance checks.

--The Director, Cooperative Forestry and DAFP have agreed to use the-- provisions in this handbook to implement SIP. Program operations in every State and county must follow the processes outlined in this handbook.

Continued on the next page

1 Overview (Continued)

B

Background

--Because SIP is an FS program, FSA’s role is limited to the general support-- functions listed in subparagraph A. Most program authority and general management responsibility has been delegated by FS to State Foresters. In all States, State Foresters may delegate some of their responsibility to Service Foresters.

This handbook outlines:

- *--procedures that FSA shall follow to support SIP--*
 - the directives and procedures that State Foresters and Service Foresters shall follow when establishing local program provisions and making policy determinations for individual applications.
-

C

In This Part

The following sections are included in this part.

Section	Title
1	General Provisions
2	Administration and Responsibilities

3 Authority, Program Objectives, and Access to Information (Continued)

C

SIP Funds

SIP funds are intended to be used in addition to those funds that have been traditionally provided for forestry under * * * other Federal C/S programs.

Note: Landowners will determine which program or programs they want to request.

D

**Information
Access**

Authorized representatives of the Secretary of Agriculture, including FS, Cooperative Forestry and Fiscal and Public Safety, and State Foresters shall have *--access to all SIP records maintained by State and County FSA Offices.--*

4 Miscellaneous Information

A

SIP Availability

Landowners who own land:

- in more than 1 State or county where the land has been reconstituted as 1 farm to be administered by 1 County Office shall request cost-sharing in the County Office that administers the farm records
- in more than 1 State or county and the land has not been reconstituted as 1 farm shall request cost-sharing in the County Office that administers the farm records for the specific land that the request is for
- *--that has never had any FSA history must request cost-sharing at the County Office where the land is located.

Note: Participating County FSA Offices shall accept SIP applications--* regardless of whether an allocation has been provided. See subparagraph 53 A.

B

LTA's and Pooling Agreements

LTA's and pooling agreements are **not** authorized under SIP.

C

AD-1026 Requirement

AD-1026 is not required for SIP practice eligibility.

D

Internal Review

*--FSA shall **not** conduct County FSA Office internal reviews for SIP.--*

Continued on the next page

***--55 FSA Allocation Control for SIP**

**A
Sequential
Ledger Entry
Report**

All ledger entries shall be recorded on ledger screens and AD-245. See--*
1-CONSV.

- Use the automated ledger to maintain the allocation.
 - Enter numbers on the ledger in whole dollars.
 - See 1-CONSV for:
 - maintaining and printing ledger reports
 - examples of Sequential Ledger Entry Reports.
 - *--Accumulate manual AD-245's and allocations when the automated system is inoperable and load the manual AD-245's in the system when it is back in--* operation.
-

--56 FSA County Allocation Control Ledger--

**A
Print and
Maintain
Ledgers**

The system will maintain FY allocation control ledgers from the entries made in the County Conservation System.

- Print the Sequential Ledger Entry Report according to 1-CONSV on the last workday of the month.
 - Keep the ledger report in a file.
 - Dispose of the previous month's report and replace it with the current month's report on the last workday of each month.
 - The ledger generated at the end of FY, according to 1-CONSV must be kept in a permanent file according to 25-AS.
 - Print the Sequential Ledger Entry Report at the end of each application batching period as instructed in subparagraph 163 D.
 - See 1-CONSV for closing out FY activity and rollover procedure.
-

--57 Recording Allocations by FSA--

A

Method

Record allocations to the automated ledger according to 1-CONSV.

***--58 FSA Recording of Ledger Adjustments**

A

**Required State
FSA Office
Approval**

County FSA Offices are **required** to contact State FSA Offices for approval to make ledger adjustments **before** adjustments are made. See 1-CONSV.

Ledger adjustments for SIP should occur only rarely. If an adjustment is needed, the State FSA Office shall contact CEPD before authorizing the County FSA --* Office to make the adjustment.

Section 2 Land and Practice Eligibility

109 Land and Practice Eligibility Under SIP

A

Introduction

This section includes:

- general land and practice eligibility requirements
 - LFSP requirements
 - prior approval rule requirements.
-

110 Land Eligibility

A
Maximum
Eligible Land
Ownership

C/S agreements are limited to eligible ownerships of no more than 1,000 acres of NIPF.

Exception: A written waiver must be approved by the State Forester, with concurrence from the Regional Forester * * * providing for ownership of up to 5,000 acres of NIPF land. All waivers remain in effect until the ownership of the land or the amount of land owned changes for an applicant.

Note: See Exhibit 2 for the definition of NIPF as it pertains to SIP.

B
Handling
Waivers by State
Forestry
Agencies

Service Foresters who receive requests for waivers must assess the unique environmental, economic, and social benefits to be achieved by implementing the practice and submit this information to the State Forester.

State Foresters will provide a written copy of approval waivers to the Service *--Forester, the landowner, and FSA.--*

Continued on the next page

111 Practice Eligibility (Continued)

C

**LFSP
Responsibility**

Service Foresters are responsible for ensuring that LFSP is amended to include the SIP practice project outline.

FSA shall indicate on AD-245 whether the applicant already has LFSP.

D

**Prior Approval
Policy**

Landowners should be warned that if they start implementing practices before AD-245, page 1 application is approved, they will not be eligible for C/S.

Applications for C/S received by FSA for practices that have already been partially or fully implemented are not eligible for C/S.

The purchase of material or trees shall not be considered the start of the practice.

* * *

E

**Eligibility for
Individual
Practices**

National-level eligibility policy for the 9 individual SIP practices has been established by FS and outlined in the individual practice descriptions in Exhibit 14.

112-144 (Reserved)

Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)

**Forms
(Continued)**

Number	Title	Display Reference	Reference
SF-1199A	Direct Deposit Sign-Up Form		147, 166, 264, 401, 428
SIP-36	SIP Assignment of Payment	Ex. 18	5, 150, 346
SIP-211	SIP Power of Attorney	Ex. 17	150
SIP-211-1	SIP Power of Attorney for Husband and Wife	Ex. 17.5	150
SIP-357	SIP State Program Allocation		52, 53, Ex. 4
SIP-502	Stewardship Incentive Program Payment Limitation Review	Ex. 16	Text
SIP-1099-G	Report of Producer SIP Payments		408

 Continued on the next page

Reports, Forms, Abbreviations, and Delegations of Authority (Continued)

Abbreviations This table lists all abbreviations used in this handbook.

Approved Abbreviation	Term	Reference
ACH	automated clearinghouse	400-402
BIA	Bureau of Indian Affairs	98
BMP	best management practice	Ex. 14, 45, 46
BUD	Budget Division	52
C/S	cost-share	Text, Ex. 2, 14, 22
CCC	Commodity Credit Corporation	401
CCRG	County Conservation Review Group	32
CED	County Executive Director, FSA	Text, Ex. 22
CEPD	Conservation and Environmental Protection Division	52, 58
COC	County Committee, FSA	32, 163
CRES	Conservation Reporting and Evaluation System	5, 19
CSREES	Cooperative, State, Research, Education, and Extension Service	19
DAFP	Deputy Administrator, Farm Programs	1, 6
DCB	Disbursements Control Branch	402, 403
DCIA	Debt Collection Improvement Act of 1996	401
DD	District Director	56, 537
DM	departmental manual	5, 19, 163, 164, 526
EFT	electronic funds transfer	163, 398, 401

Continued on the next page

Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)

**Abbreviations
(Continued)**

Approved Abbreviation	Term	Reference
FIP	Forestry Incentives Program	3, 110, Ex. 2
FS	Forest Service	Text, Ex. 4, 14, 22
FSA	Farm Service Agency	Text
FSP	Forest Stewardship Program	Text
FTS	Federal Telecommunications System	402
FWS	Fish and Wildlife Service, Department of Interior	Ex. 14
FY	fiscal year	Text
ID	identification	Text, Ex. 8, 16
IRS	Internal Revenue Service	333, 357, 399, 406, 408
KCMO	Kansas City Management Office	Text
LFSP	Landowner Forest Stewardship Plan	19, 99, 109, 111, 147, Ex. 2, 14
LTA	long-term agreement	4
MICR	magnetic ink character recognition	404
N/A	not applicable	Ex. 22
NIPF	nonindustrial private forest land	97, 98, 110, 111, 151, Ex. 2, 4, 14, 22
NRCS	Natural Resources Conservation Service	19, 36
NTE	not-to-exceed (payment rate)	Text

 Continued on the next page

Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)

Abbreviations
(Continued)

Approved Abbreviation	Term	Reference
OIG	Office of the Inspector General	504
PRM	Professional Resource Manager	Text, Ex. 2, 14
SCFOD	State and County Financial Operations Division	402, 403
SCRG	State Conservation Review Group	32
SED	State Executive Director, FSA	52, 147, 537
SIP	Stewardship Incentive Program	Text and Exhibits
SSCC	State Stewardship Coordinating Committee	18, 19, 35, 507, 508
STC	State Committee, FSA	32
U.S.	United States	Ex. 8, 9, 10, 26
USDA	United States Department of Agriculture	36, 59 Ex. 14

Redelegations
of Authority

This table lists redelegations of authority in this handbook.

Redelegation	Reference
CED's may redelegate all or part of their responsibilities listed in subparagraph 19 E.	19

SIP Practice Components and Potential Technical Practice Codes

SIP Practice	Practice Component	Potential Technical Practice Codes
SIP1	Landowner Forest Stewardship Plan Development	
	A new forest stewardship plan	30
	Revision of a current land management plan	*--51--*
SIP2	Reforestation and Afforestation	
	Plant material purchase and installation	01, 02, 03, 04, 05, 06, 07, 08, 09, 10, 652
	Site preparation	01, 02, 03, 04, 05, 06, 07, 08, 09, 10, 652, 41
	Prescribed burning	338
	Control of competition and other undesirable species	33
	Tree shelters	36
	*--Mulching	41
	Animal repellent	32
	Nutrient management	42
	Fencing	40, 382--*

Continued on the next page

SIP Practice Components and Potential Technical Practice Codes (Continued)

SIP Practice	Practice Component	Potential Technical Practice Codes
SIP3	Forest Improvement	
	*--Release of planted woodlands	35, 666
	Prescribed burning	338
	Control of competition or other undesirable species	33
	Conservation tree renovation	660
	Nutrient management	42
	Animal repellent	32
	Fencing	40, 382--*
	Tree shelters	36
	Firebreak	394
	--Mulching--	41
SIP4	Agroforestry Establishment, Maintenance, and Renovation	
	Plant material purchase and installation	37, 380, 392, 422, 34
	Site preparation	37, 380, 392, 422, 34, 41
	Control of competition or other undesirable species	33, 41
	Tree shelters	36
	Irrigation	441
	*--Mulching	41
	Animal repellent	32
	Nutrient management	42
	Fencing	40, 382
	Conservation tree renovation--*	37
	Noncommercial thinning	37

Continued on the next page

SIP Practice Components and Potential Technical Practice Codes (Continued)

SIP Practice	Practice Component	Potential Technical Practice Codes
SIP5	Soil and Water Protection and Improvement	
	Plant material purchase and installation	408
	Site preparation	408
	The design and layout of forest roads, stream crossings, drainage systems, and streamside management areas, including culverts, gabions, and riprap.	408
	Water diversions	408
	*--Nutrient management	42
	Mulching	41
	Fencing	40, 382--*
	Control of competition or other undesirable species	33
	Tree shelters	36
	Animal repellent	32
	BMP's for stream crossings and cross drainage on roads and trails	408
	--Erosion control structures	20, 587--

Continued on the next page

SIP Practice Components and Potential Technical Practice Codes (Continued)

SIP Practice	Practice Component	Potential Technical Practice Codes
SIP6	Riparian and Wetland Protection and Improvement	
	Plant material purchase and installation	29, 43
	Site preparation	29, 43
	*--Forest wetland restoration	31
	Streambank stabilization, culverts, gabions, and riprap	43
	Nutrient management	42
	Mulching	41
	Fencing	40, 382--*
	Control of competition or other undesirable species	33
	Tree shelters	36
	Animal repellent	32
SIP7	Fisheries Habitat Enhancement	
	The construction and placement of habitat improvement and stocking structures, including culverts, gabions, and riprap.	395
	The modification of habitat for threatened and endangered aquatic species	25
	Placement of instream woody debris	25, 395
	Existing food supply enhancement	25, 395
	The provision of spawning areas	25, 395
	Fencing	*--40, 382--*

Continued on the next page

SIP Practice Components and Potential Technical Practice Codes, Continued

SIP Practice	Practice Component	Potential Technical Practice Codes
SIP8	Wildlife Habitat Enhancement	
	Plant material purchase and installation	27, 644, 645
	Site preparation	27, 644, 645
	Animal repellent	32
	Creation of forest openings	39
	*--Control of competition or other undesirable species	33
	Noncommercial thinning	25, 35, 644, 645--*
	Wildlife water facilities	648
	Wildlife corridors	27, 644, 645
	Artificial cavities, nest boxes, roost poles, or platforms	38
	Creation of snags	25, 644, 645
	Tree shelters	36
	--Mulching--	41
	Spring development	574
	Development of a green tree reservoir	644
	Culverts, gabions, and riprap	644
	Prescribed burning	338
	*--Nutrient management	42
	Fencing	40, 382--*
	Establishment of threatened and endangered species of flora	27
Modification of habitat for threatened and endangered species of flora and fauna	25	

Continued on the next page

SIP Practice Components and Potential Technical Practice Codes (Continued)

SIP Practice	Practice Component	Potential Technical Practice Codes
SIP9	Forest Recreation Enhancement	
	Establishment of paths and trails	568
	*--Recreation area improvement	562
	Plant material purchase and installation	562, 28
	Site preparation	562, 28
	Release of planted woodlands	35
	Mulching--*	41
	Fencing	40
	Creation of forest openings	562