



Natural Resources Conservation Service
6200 Jefferson NE
Albuquerque, New Mexico 87109
Phone: (505) 761-4400 Fax: (505) 761-4462
Web site: www.nm.nrcs.usda.gov

December 22, 2011

NEW MEXICO BULLETIN NO. 300-11-2

SUBJECT: LTP – FARM BILL PROGRAMS – PAYMENT LEDGER DATA COLLECTION
AND PRODUCER PROVIDED LABOR AND EQUIPMENT RATES

TO: All Offices

Purpose. To 1) emphasize importance of payment ledger data collection, 2) restate guidance on producer provided labor and equipment costs for uses in completing payment ledgers, and 3) provide sample form for producer records collection.

Expiration Date. September 30, 2011.

Payment ledger data is the basis for NM payment scenarios, and therefore ledgers remain mandatory. Please submit 2011 payment ledger data quarterly. Data should be compiled in the current ledger format (attached) with a single ledger ultimately including all of the data for this fiscal year.

In order to allow the state office to compile data, due dates are as follows: 1st, 2nd and 3rd quarters - : 1/15, 3/15, and 6/15 respectively; 4th quarter data is due BEFORE the end of the quarter, on 8/15, as national policy stipulates that ledgers be posted on 9/1/2010. Data received after the final (8/15) due data may not be included in preparation of next year's scenarios.

Please remember that the purpose of payment ledgers is to help inform future payment scenarios, and exercise appropriate judgment in completing summaries for your office. **If producer records seem unreasonably high or low, even if they are supported by this bulletin, please be sure to note this in the explanation section of the payment ledger to help payment scenario development. Also, new definitions have been added to column to encourage FO staff to assess general applicability of a payment to scenario typical costs.**

General Notes:

Producers should be asked to track materials, labor, equipment and travel/mobilization, and other costs in a format that the Field Office can utilize to complete payment ledgers. **As stated previously, this requirement applies to both producer and contract jobs.** A sample tracking sheet is included as *Attachment A: Sample Participant Cost Tracking Sheet(.pdf)*, and *Attachment B: Sample Participant Cost Tracking Sheet (.xls)*. This format is not required, but this or a similar one should be used to help improve quality of payment ledger entries.

For producer provided installations, one of the following methods should be used to assign values to labor, equipment and travel.

Labor Rates:

The producer labor rate cap is \$13.00 per hour and applies to all producer tasks, including equipment operations, unless a producer can document higher labor costs.

Equipment Rates:

Due to the variety of equipment used in the installation of conservation practices, it is difficult to come up with a single “fair” payment cap method. Accordingly, equipment costs in payment ledgers can be based on any of the following items:

- 1) Actual rental receipts and fuel costs.
- 2) 1/40th of published weekly rental rates for a specific piece of equipment (published means generally available cost list, not a job specific quote, see *Attachment C: Sample Published Rental Rates*) plus fuel costs;
- 3) A rate not to exceed the rates hourly equipment use rate caps listed below. With fuel rates are available to simplify calculations. If a producer feels they are incomplete, and records of fuel use are available, without fuel rates may be used and fuel costs tracked separately.

Producer Hourly Equipment Use Rate Caps

Equipment	Without fuel	With fuel
Trencher, Chain Type (Walking or Riding)	\$10.00/hr	\$15.00/hr
Backhoe, Loader, Trencher, Ladder/Chain or Wheel Types (4'+ deep) or Medium-Tractor (w/attachments)	\$23.00/hr	\$31.00/hr
Bulldozer, Excavator, Grader or Large Tractor	\$46.00/hr	\$60.00/hr
Pick-Up Mileage		\$0.55/mi

If you have questions, please contact Norman Vigil, Assistant State Conservationist for Programs, at (505) 761-4445 or Seth Fiedler, Resource Conservationist, at (505) 761-4416.

Rosabeth R. Garcia - SL, Acting

for DENNIS L. ALEXANDER
State Conservationist

Attachments