

**North Carolina Agriculture Cost Share Program Review Summary
(December, 2015)**

County	<u>Martin</u>	Date of Previous Review/Report	<u>August 2012</u>
District Staff Name(s)	<u>Lynn Whitehurst, Cathy Barber</u>	Date	<u>December 9, 2015</u>
NRCS Staff Name(s)	<u></u>		
Division Representative(s)	<u>David Harrison, Eric Pare, Julie Henshaw</u>		
Additional Participants	<u></u>		

Questions	Division Findings				Division Comments	District Plan of Action Required		SWCD Plan of Action	Proposed Timeline for Implementation	Division Response to Plan of Action April 22, 2016
	Commendation	Recommendation	Corrective Action	No Concerns/ Not Applicable		Yes	No			
Section 1: Application Procedures and Tracking Progress (BMP Implementation and Payments)										
Questions in this section focus on how the district advertises the program, how applications are developed, how contracts are developed, how funds are tracked and how the board approves each.										
How/when are the district board meetings scheduled?				X	First Monday of every month		X			
How do you notify the public of the board meeting schedule? Does it adhere to the Open Meetings Law?		X			Meetings are advertised at the Courthouse and at the office. Other locations to consider would be a notice in the Weekly newspaper or notices at		X			

Questions	Division Findings				Division Comments	District Plan of Action Required		SWCD Plan of Action	Proposed Timeline for Implementation	Division Response to Plan of Action April 22, 2016
	Commendation	Recommendation	Corrective Action	No Concerns/ Not Applicable		Yes	No			
					the Farm Services Agency and Cooperative Extension Office.					
<i>Please describe the district's process for providing assistance to applicants by assessing resource concerns to determine if a BMP is "needed and feasible" and then developing the conservation plan.</i>				X	The district technician reaches out to landowners and potential applicants through personal contacts, speaking with local contractors and talking to FSA personnel to identify areas with resource concerns. Potential applicants are encouraged to apply for various cost share programs available to meet their resource needs.		X			
<i>In what instances does the district provide technical assistance without cost share funds?</i>				X	Other programs are used (EQIP, CRP) as well as assistance with drainage and drainage districts.		X			
<i>Are applications reviewed and approved by the Board as a separate action item?</i>				X	Yes		X			
<i>Are application motions/decisions recorded in the board minutes?</i>				X	Yes		X			
<i>Applicants are limited when applying for incentive BMPs. How does your district track applicants so they do not go over the practice caps and to be sure they haven't already "adopted" the practice? Is your district using the self-certification for incentives form provided by the division?</i>				X	The board doesn't support incentive BMPS through Ag-Cost share. EQIP program handles other incentives.		X			

Questions	Division Findings				Division Comments	District Plan of Action Required		SWCD Plan of Action	Proposed Timeline for Implementation	Division Response to Plan of Action April 22, 2016
	Commendation	Recommendation	Corrective Action	No Concerns/ Not Applicable		Yes	No			
If multiple partners farm together, how does the district track individual applicants as one operation or entity?				X	The local technician coordinates with FSA and uses local knowledge of farmers to track applicants. The local technician always tries to work with the landowner.		X			
At what point in the application process does the district develop the contract? Describe this process.			X		The district technician stated that he "carries" applications and contracts to the board. Last fiscal year the district had significant problems and delays creating contracts in CS2 for contracts that had already been approved by the board. The board needs to develop a process for reviewing and approving contracts that ensure that Cost Share Programs are implemented according to Soil and Water Conservation Commission rules and policy.	X		Present complete plan to board with resource concerns Supervisors follow steps to review plans	Immediate	Please expand on the steps and process your board will follow when reviewing and approving contracts. The division recommends that the board review each contract in detail prior to approval and district staff submit the contract for approval in a timely manner. The division also encourages district staff to report on the status of all contracts for the current program

Questions	Division Findings				Division Comments	District Plan of Action Required		SWCD Plan of Action	Proposed Timeline for Implementation	Division Response to Plan of Action April 22, 2016
	Commendation	Recommendation	Corrective Action	No Concerns/ Not Applicable		Yes	No			
										year and previous two program years at each board meeting.
Describe how the district reviews the contract with the applicant. Do you explain that work cannot begin until the contract is approved by the division?			X		The district technician stated that the contract is reviewed with the applicant either in the office or the field. The district technician needs to be sure to explain that work cannot begin until the contract is approved by the Division. FY2015 contracts that were not submitted or approved in CS2, were cancelled after the review because the cooperator already did the work.	X		Co-operators are told not to begin work until receiving copy of plan from district office Mail 2 copies to producer after district approval	Now	Please redraft your district plan of action as there is nothing in the response to indicate the requirement for work not to start until division approval to prevent what occurred in your 2015 contracts.
Describe the district/board's procedure for approving supervisor contracts.				X	Supervisor doesn't vote or participate in discussion.		X			
Are contracts reviewed and approved by the Board as a separate action item?				X	Yes		X			
Are contract motions/decisions recorded in the board minutes?				X	Yes		X			

Questions	Division Findings				Division Comments	District Plan of Action Required		SWCD Plan of Action	Proposed Timeline for Implementation	Division Response to Plan of Action April 22, 2016
	Commendation	Recommendation	Corrective Action	No Concerns/ Not Applicable		Yes	No			
<i>Is it documented in the Board minutes that the supervisor abstained from discussing his/her own contract and from voting?</i>				X	Yes		X			
What procedures do you follow for notifying the applicant that work can begin?			X		The district technician calls or through personal contact. All cooperators must receive a hard copy of their contract from CS2, signed by the board. The district technician must also document any cooperator contact in the file.	X		Doing so already Documenting notifications in assistance notes	Now	This was listed as a corrective action because of the problems with the 2015 contracts that started work before division approval. Please describe your method to prevent this from occurring again.
What information do you provide the applicant?				X	The district technician provides the engineering designs, field layouts for the contractor and other needed information (seeding, mulching, etc.).		X			
What technical assistance do you provide during the BMP installation process to ensure the BMP is installed correctly and by the contract deadline?				X	The district technician meets with contractor before job starts, provides field layout when needed and follow-up as the work progresses.		X			
How do you track the Commission's interim performance milestone? One-third of the work must be completed within 12 months of division approval.			X		Most contracts are completed within the year and are smaller jobs. However there are two 2014 contracts that have not been approved because of missing Reference Materials (signed 11a, maps, etc.). SWCC policy states	X		Usually have pre-construction meeting with contractor/landowner Had difficulty with federal computer Documents are forthcoming	Now	As stated above, the division recommends district staff report on the status of all

Questions	Division Findings				Division Comments	District Plan of Action Required		SWCD Plan of Action	Proposed Timeline for Implementation	Division Response to Plan of Action April 22, 2016
	Commendation	Recommendation	Corrective Action	No Concerns/ Not Applicable		Yes	No			
					that contracts in unresolved pended status should be canceled by the division within 45 days of the date the district is notified unless design approval is required.					contracts for the current program year and previous two program years at each board meeting. This will ensure that the board is aware of the status of these contracts.
If 1/3 of the work has not been completed within 12 months and the cooperators requests additional time, is the district recording 6-month extensions in the board minutes?				X	The district has not requested extensions that the division is aware of recently.		X			
What documentation do you include in the contract file that certifies that the BMP was inspected and is installed to the standards and specifications?				X	BMP installation is documented in the field notes with measurements.		X			
Are BMPs measured then certified before the request for payment is approved? How is this documented?				X	Yes. Measurements are made in the field and documented in the field notes.		X			
Are receipts received and reviewed for CSP BMPs that are based on actual cost?				X	Yes. Where receipts are required, they are kept for those contracts.		X			

Questions	Division Findings				Division Comments	District Plan of Action Required		SWCD Plan of Action	Proposed Timeline for Implementation	Division Response to Plan of Action April 22, 2016
	Commendation	Recommendation	Corrective Action	No Concerns/ Not Applicable		Yes	No			
Are request for payments reviewed and approved by the board as a separate action item?				X	Yes		X			
Are payment motions/decisions recorded in the board minutes?				X	Yes		X			
Section 2: Spot Checks and Compliance Issues										
Questions in this section focus on how the district reviews BMPs for compliance and how maintenance and/or non-compliance issues are addressed.										
Who participates in annual spot checks? When are they conducted?				X	Annual Spot Checks had been in the fall but have been moved to early spring (March – April). Usually 2 or 3 supervisors participate, sometimes in conjunction with lunch or a meeting.		X			
How does the district randomly select which contracts to spot check?				X	An odd number is chosen, then every contract at a set interval is selected. Supervisor contracts, if any, are then added.		X			
Are all BMPs under the waste management category spot checked for the first five years after installation? This applies to all farms that fall under the thresholds that are regulated by DWR.				X	There have been no Waste Management plans during the last 5 years.		X			
Are all agriculture new ponds, pond repair/retrofits, and water collection systems being spot-checked every year during the maintenance period?				X	Applies only to select AgWRAP BMPs. There are none in the county at this time.		X			
Are all agriculture road repair/stabilizations being spot-checked at least every 2 years during the maintenance period?				X	None in the county.		X			

Questions	Division Findings				Division Comments	District Plan of Action Required		SWCD Plan of Action	Proposed Timeline for Implementation	Division Response to Plan of Action April 22, 2016
	Commendation	Recommendation	Corrective Action	No Concerns/ Not Applicable		Yes	No			
How does the district notify the NRCS area office (for ACSP contracts) or division (for CCAP contracts) to conduct spot checks on lands owned or operated by a district, county, division or NRCS employee or district supervisor? This includes CPOs, revisions, supplements or repairs.				X	The district has one supervisor contract, and it was checked the first year.		X			

Questions	Division Findings				Division Comments	District Plan of Action Required		SWCD Plan of Action	Proposed Timeline for Implementation	Division Response to Plan of Action April 22, 2016
	Commendation	Recommendation	Corrective Action	No Concerns/ Not Applicable		Yes	No			
<p>The North Carolina Statute 02 NCAC 59D.0107(f) states "If the technical representative of the district determines that a BMP for which program funds were received has been destroyed or has not been properly maintained, the applicant will be notified that the BMP must be repaired or re-implemented within 30 working days. For vegetative practices, applicants are given one calendar year to re-establish the vegetation."</p> <p>How does your district notify individuals that have destroyed or mismanaged a BMP?</p>				X	The district technician stated that a letter is sent and the site is rechecked within a year. They have not had any recently.		X			
How are supervisors notified of BMPs that are found to be destroyed or mismanaged at any time throughout the year?				X	The issue is brought up at next board meeting.		X			
Does the district provide a written notice that the BMP must be repaired or re-implemented within 30 working days? (Vegetative practices have to be reestablished within one calendar year.) Is a copy of the notification kept in the contract file?				X	Yes		X			
If the BMP was not repaired or re-implemented, was repayment requested? Please provide documentation.				X	The district technician stated that this has not occurred.		X			
<i>Is the district notifying the division of non-compliance and resolutions?</i>				X	The district technician stated that they have not had a noncompliant contract recently. They will notify the Division as needed.		X			

Questions	Division Findings				Division Comments	District Plan of Action Required		SWCD Plan of Action	Proposed Timeline for Implementation	Division Response to Plan of Action April 22, 2016
	Commendation	Recommendation	Corrective Action	No Concerns/ Not Applicable		Yes	No			
Section 3: Record Keeping										
Questions in this section focus on how funds are managed and accounted for, maintaining proper design and job approval authority, as well as disclosure forms.										
How does the district track BMP funds?		X			For the last couple of years, the district staff have been using the electronic contract program (CS2) to track BMP funds. The Division recommends that the district review their contracts in CS2 at every meeting to learn status updates.		X			
In what instances does the district use CS ² reports?			X		The district staff need additional training on CS2 and report forms available on the division website. District staff need to enter applications approved into CS2 and should be printed for the board approval. Once the application is approved, the contract should be completed in CS2 prior to board approval then submitted promptly once approved by the board. Progress needs to be reported to the district board, including any problems encountered.	X		Print reports for board meeting and discuss Provide CS2 report Create document of contracts and funding status	Immediate	As stated above, the division recommends district staff report on the status of all contracts for the current program year and previous two program years at each board meeting. This will ensure that the board is aware of the status of these contracts.
How are technical assistance and operating funds tracked? Are they audited? What is the date of the last audit? Who performed the audit?				X	District does not receive technical assistance and operating support from Commission cost share programs.		X			

Questions	Division Findings				Division Comments	District Plan of Action Required		SWCD Plan of Action	Proposed Timeline for Implementation	Division Response to Plan of Action April 22, 2016
	Commendation	Recommendation	Corrective Action	No Concerns/ Not Applicable		Yes	No			
Who in the office is funded by Cost Share Technical Assistance (TA) from the State?				X	Not applicable.		X			
How are matching funds tracked? Are they audited? What is the date of the last audit? Who performed the audit?				X	These funds are tracked and audited through the county. Please submit a copy of the audit with your response.	X		Called finance office (answers below to ?s) Copy of ck, deposit slip, acct. deposited Yes Sept. 2015 Carrs, Riggs, & Ingram LLC		Please work with the county to obtain a copy (hardcopy or electronic) of the audit for your district records.
Is proper job approval authority (JAA) documented for each technical and cost share position? Please provide a copy of the latest approved JAA.		X			The board should encourage all district technical staff to obtain JAA for the main BMPs in their county.		X			

Section 4: Contract Reviews and Site Visits
 Below is a list of the contracts the division reviewed. Spot checks were also conducted. Notes include recommendations and/or corrective action for contract files as well as the BMP. Contracts/BMPs are listed by contract number.

<p>Contract Number: 58-2007-016 Applicant Name: James Peaks BMP: Cropland Conversion to Trees</p> 				X	Trees appeared healthy and doing well.		X			
<p>Contract Number: 58-2008-010 Applicant Name: J. Melvin Bowen BMP: Field Border</p> 				X	Resource concerns were not documented well in the contract. Field Border in very good shape for its age. Width being maintained.		X			

<p>Contract Number: 58-2009-009 Applicant Name: Seth B. Perry BMP: Sediment Removal from existing pond</p> 				X	<p>Resource Concerns were not documented well in the contract. There were volume calculations included. Area around the pond was well stabilized.</p>		X			
<p>Contract Number: 58-2010-001 Applicant Name: Eddie Vanderford BMP: Agricultural Pond Restoration</p> 				X	<p>Resource Concerns were documented in the contract. Area around the pond was well stabilized.</p>		X			

<p>Contract Number: 58-2011-002 Applicant Name: Sandra Tenney BMP: Cropland Conversion to Trees</p> 				<p>X</p> <p>Funded through CREP. Trees were in good condition.</p>		<p>X</p>			
<p>Contract Number: 58-2012-002 Applicant Name: Stephen Lilley Farms BMP: Sediment Removal from agricultural pond</p> 			<p>X</p>	<p>Resource Concern stated in the contract was for increased water capacity – AgWRAP purpose.</p> <p>BMP was funded with ACSP appropriated funds – Erosion and Sedimentation. ACSP funds can only be used for the improvement of water quality.</p> <p>The board needs to review the resource concerns noted for every BMP and contract before approval to ensure funds are awarded based on the intent of the purpose stated in general statues.</p>	<p>X</p>		<p>Contract approved by Division</p> <p>Contract paid by Division</p> <p>How do we correct 2012 contract?</p> <p>Division plans to schedule meeting with Martin SWCD. District plans to seek guidance at that time.</p>		<p>This contract reflects a failure by both parties. From this point forward, the district board should review the resource concerns for every contract. Division staff will be carefully reviewing the resource concerns to ensure that the contract meets the legislative intent of the program.</p>