

**North Carolina Agriculture Cost Share Program Review Summary
(September 2014)**

County	<u>Mitchell</u>	Date of Previous Review/Report	<u>2006</u>
District Staff Name(s)	<u>Mark Byrd, Nell Smith</u>	Date	<u>September 9-10, 2014</u>
NRCS Staff Name(s)	<u></u>		
Division Representative(s)	<u>Lisa Fine, Davis Ferguson</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 (date)
	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.										
When do you schedule your board meetings?				X	Meetings are scheduled a year ahead. Last Thursday of every month at 9:30 a.m. District does indicate when time is different than 9:30 a.m.		X			
How do you notify the public of the board meeting schedule and does it adhere to the Open Meetings Law?				X	Notices are posted on bulletin board in the district office building and in Bakersville admin building.		X			

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<i>When do you develop a conservation plan for a potential applicant?</i>				X	When an applicant applies or requests help the district goes out to the farm and develops a conservation plan. No access to toolkit so Mark uses NCDA website to prepare plans.		X			
<i>How do you assess the resource concerns on the farm to determine if a BMP is needed and feasible?</i>				X	Staff visits the site and completes the ranking form and determines that the BMP is needed and feasible for the water quality problem and not just wanted by the cooperater.		X			
<i>Are applications reviewed and approved by the Board as a separate action item?</i>		X			Yes, applications are reviewed and approved as separate action items. Recommendation: list the application/contract number, BMPs, and total cost share requested in the board minutes.	X		The Administrative Assistant will list the application/contract number, BMPs, and total cost share requested in the board minutes.	Effective in next Board Meeting and all following Board Meetings	Plan of Action accepted.
<i>Are application decisions/motions recorded in the board minutes?</i>				X	Yes, the decisions/motions are recorded in the board minutes but more detail is needed – see above.		X			
<i>Because applicants are limited when applying for incentive BMPs, how does your district track the applications for incentive BMPs? Is your district using the self-certification form provided by the division to track incentive BMPs.</i>				X	The district does not have incentive practices but is aware of the self-certification form.		X			
<i>Please describe how the district tracks applicants who are applying for multiple incentive BMPs or consecutive incentive BMPs.</i>				X	The district does not do incentive practices.		X			

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If multiple partners farm together, how does the district track individual applicants as one operation?				X	The district mostly contracts with individuals – no corporate farms. The staff knows all farmers in the county and who farms where. Most farmers here farm as a second job so they usually have small family farms.		X			
Once applications are approved, how do you develop a contract?				X	Applicant comes in and Mark does site visit then goes and determines if the cooperator is eligible and has a schedule F and ranks it. Then when money becomes available he takes it before board for approval then a contract is developed. Usually there is a long wait time.		X			
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	As the farmer is signing paperwork Mark goes over all of it with them. All forms are gone over with all requirements. Cooperators are made aware that work cannot begin work until division approval.		X			
What procedures do you follow for notifying the applicant that work can begin?		X			Mark calls them and puts in conservation notes that he notified them that work can begin. Recommendation: a formal letter from the board should be sent notifying them that work can begin and include deadlines for 1/3 of the work to be done.	X		The District has begun sending formal letters to applicants after their project has been formally approved.	Effective immediately	Plan of Action accepted.

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What information do you provide the applicant?				X	Folder with all contract forms, maps, spec sheets for all BMPs is given or taken to the cooperator.		X			
<i>Are contracts reviewed and approved by the Board as a separate action item?</i>				X	Yes, contracts are reviewed and approved as separate action items.		X			
<i>Are contract decisions/motions recorded in the board minutes?</i>				X	Yes, decisions and motions are recorded in the minutes.		X			
Describe the district/board's procedure for approving supervisor contracts.				X	Supervisors go through the same process as other applicants. No extra points and no points taken away.		X			
<i>Is it documented in the Board minutes that the supervisor abstained from discussing his/her own contract and from voting?</i>				X	Yes, it is documented that the cooperator abstained from voting on his/her own contracts.		X			
What technical assistance do you provide during the BMP installation process to ensure the BMP is installed by the contract deadline?				X	Mark sometimes helps install practices and is on site at least once a day when BMPs are being installed for all contracts.		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			Mark has it in his conservation notes. He is on site all the time to make sure the work is progressing. Recommendation: add a column to your spreadsheet for the 1/3 date.	X		A column has been added to spreadsheet.	Effective immediately	Plan of Action accepted.
Is the district recording 6-month extensions in the board minutes?				X	Mark stated that the district does record it in the board minutes. He usually completes the contracts before this is necessary by following up on site and helping out. No evidence		X			

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					could be found in the copies of minutes here that 6 month extensions were being recorded. <u>The district is aware of the need to record these 6 month extension in board minutes when they occur.</u>					
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				Mark records his certification in the conservation 6 notes. Sometimes, they measure at the time of planning too instead of estimating. <u>Commendation:</u> the district is commended on the method of ensuring that what is being paid for was actually installed on the ground and the documentation of this process.		X			
Are BMPs measured then certified before the request for payment is approved? How is this documented?				X	Yes, the BMP is measured and certified before the RFP is approved. Documented in 6 notes.		X			
Are receipts received and reviewed for CSP BMPs that are based on actual cost?				X	Yes, receipts are kept in the CPO file for actual costs BMPs – tanks, pumps. They are reviewed for the RFP.		X			
Are request for payments reviewed and approved by the board as a separate action item?				X	Yes, the RFPs are reviewed and approved as a separate action items.		X			

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Are payment decisions/motions recorded in the board minutes?				X	Yes, the motions and decisions are recorded in the minutes.		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				In the spring (March, April or May) Nell, Mark and one to three board members go on the spot checks. Often more than one supervisor will participate. *Not during spot checks but have taken chairman of County Commission out to see what work has been done. Commendation: good work getting the supervisors and County Commission members out to see what work has been put on the ground.		X			
How does the district select which contracts to spot check?				X	Staff pulls all active contracts and puts numbers in a hat to select what number to select ex. 10 then that is where they start and then they divide by how many they need and determine the nth contracts to pull. If they pulled randomly the same people from prior year, they DO go to that farm.		X			

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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 DWQ.				X	Yes, Mark can tell by his spreadsheet that something needs to be reviewed for the first five years. Not that many anymore.		X			
How does the district review five percent of all waste utilization plans?				X	Mark has not done any waste plans for folks who did not get cost share. No one has asked but he would do them if asked.		X			
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			NRCS asks if they have anything that needs spot checked by them. Mark will add his into the pot if they ask. Recommendation: since NRCS is only doing them every 5 years now, the district should notify NRCS to come and review any of these contracts within the first year of completion.	X		NRCS will be notified for review of project within first year of completion.	Effective as soon as possible	Plan of Action accepted.

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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" How does your district notify individuals that have destroyed or mismanaged a BMP?				X	Mark has not had any out of compliance contracts. District staff is aware that a letter has to be sent to the cooperator when they are found out of compliance or needing maintenance after the initial contact. District is aware of the new compliance section of the online manual.		X			
How are supervisors notified of BMPs that are found to be destroyed or mismanaged at any time throughout the year?				X	They would notify the supervisors during a board meeting.		X			
When 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 with the CPO?				X	The district has not had to do this yet. District is aware that a copy of any correspondence should be sent to the division staff and a copy kept in the district file.		X			
If the BMP was not repaired or re-implemented, was repayment requested? Please provide documentation.				X	The district does not have any of these currently.		X			
<i>Is the district notifying the division of non-compliance and resolutions?</i>				X	The district does not have any of these currently. The district is aware of the procedures for this.		X			

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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	The district has a spreadsheet that they use to track BMP funds.		X			
How does the district use the division on-line (website & CS ²) reports?				X	They use it to balance at the end of the program year and to prepare the BMP certification form.		X			
How are technical assistance funds tracked? Are they audited? What is the date of the last audit? Who performed the audit?				X	They track it on a budget report. The county audits their funds. I have a copy obtained during the review. August 2014. Outside CPA firm performed the audit.		X			
Who in the office is funded by Cost Share Technical Assistance (TA) from the State?				X	Mark Byrd		X			
How are operating funds tracked? Are they audited? What is the date of the last audit? Who performed the audit?				X	On same sheet as TA		X			
How are matching funds tracked? Are they audited? What is the date of the last audit? Who performed the audit?				X	On same sheet as TA		X			
Is proper job approval authority (JAA) documented for each technical and cost share position? Please provide a copy of the latest approved JAA.				X	Yes, I reviewed the JAA for Mark.		X			

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Do district supervisors complete supervisor forms when they have a financial interest in an entity requesting a cost share contract? Do we still need this? Dottie/Helen are now monitoring this.				X	They did it before but don't think they have done it this year. Mark is having them fill these out and I will pick them up when I go to the board meeting to present the program review findings.		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.										
Contract Number: 61-2005-007 Applicant Name: Sandra Depew BMP: well, tank, spring development				X	No concerns with current BMPs. Cooperator asked for additional fencing. Mark will check with her. File missing some items from when previous technician was in office.		X			
Contract Number: 61-2007-008 Applicant Name: Steve Wilson BMP: ag road repair/ stabilization, cropland conversion				X	No concerns with BMPs. File missing some information from when previous technician was in office.		X			

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Contract Number: 61-2009-005 Applicant Name: David (Ed) Terrell BMP: pasture renovation		X			No concerns with BMP. However, we recommend that conservation notes be done for any contract to protect the district should any questions arise. Job sheets, benchmark measures and field notes should all be included in files no matter how minor the practice seems.	X		Recommended documents will now be included in files to protect the District.	Effective immediately	Plan of Action accepted.
Contract Number: 61-2014-008 Applicant Name: David (Ed) Terrell BMP: stream crossing				X	No concerns with BMP. Contract file is complete.		X			

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Contract Number: 61-2010-015 Applicant Name: Alfred Breedin BMP: pasture renovation, manure spreader				X	No concerns with BMPs. Contract file is complete.		X			
Contract Number: 61-2014-501 Applicant Name: Ronnie Street BMP: streambank stabilization				X	No concerns with BMPs. Contract file is complete		X			

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Contract Number: 61-2007-003 Applicant Name: Linda Shell BMP: fence, ag road stabilization, heavy use area, tanks (2), well/pump 				X	No concerns with BMPs. Contract file is complete.		X			
Contract Number: 61-2003-012 Applicant Name: Jeff Slotnick BMP: tanks (3), spring development				X	No concerns with the BMPs. Contract file is complete.		X			
Contract Number: 61-2010-004 Applicant Name: Doug Harrell BMP: manure spreader				X	No concerns with the BMPs. Contract file is complete.		X			

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Contract Number: 61-2011-018 Applicant Name: Doug Harrell BMP: fence, ag road stabilization, tanks (3), well/pump, spring development				X	No concerns with BMPs. Contract file is complete.		X			
Contract Number: 61-2008-007 Applicant Name: Doug Harrell BMP: feed/waste storage structure, heavy use area, critical area planting 				X	No concerns with BMPs. Contract file is complete.		X			

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Contract Number: 61-2014-005 Applicant Name: Doug Harrell BMP: spring development				X	No concerns with BMP. Contract file is complete.		X			