

**North Carolina Agriculture Cost Share Program Review Summary
(June 2017)**

County	<u>Richmond</u>	Date of Previous Review/Report	<u>2013</u>
District Staff Name(s)	<u>Kelsey Lovin, Jackie McCauley</u>	Date	<u>6/19/2017</u>
NRCS Staff Name(s)	<u>Jack Lee</u>		
Division Representative(s)	<u>Lisa Fine, Louise Hart, Martin McLawhorn</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.										
How/when are the district board meetings scheduled?				X	Meetings are scheduled the 2 nd Friday of every month. Called/set up by the chairman.		X			
How do you notify the public of the board meeting schedule? Does it adhere to the Open Meetings Law?				X	Yes, it adheres to Open Meetings Law. Notices are posted on the doors of Agricultural Center and listed on county website.		X			

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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.				X	Ex. Staff asks if they have poultry houses and then conducts field check and takes it to the board and then contacts someone to do designs if needed. Then take to board. A conservation plan is created at time of contract.		X			
In what instances does the district provide technical assistance without cost share funds?				X	District have had pond dam issues. David Faircloth has come to help staff. People have called for beaver issues, erosion, flooding.		X			
Are applications reviewed and approved by the Board as a separate action item?				X	Yes.		X			
Are application motions/decisions recorded in the board minutes?				X	Yes. There is evidence of this in the minutes.		X			
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?				X	No incentives recently. District was made aware of the self-certification form.		X			

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If multiple partners farm together, how does the district track individual applicants as one operation or entity?				X	District asks for name of operation and checks against the spreadsheet.		X			
At what point in the application process does the district develop the contract? Describe this process.				X	After the site visit, if staff determines eligibility and creates the contract and develops the conservation plan. Board approval is the next step.		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			District sends a letter to let cooperators know they were approved. Once approved staff goes over standards with cooperator. Recommendation: staff should give a copy of contract, maps, standards, design sheets, etc. to cooperator and go over with them. A pre-construction meeting should be held with cooperator and contractors to be sure everyone understands the requirements. There was evidence during spot checks that cooperators were not following the required procedures and may not have been given the documentation to follow. This is highly recommended from the cost share staff.	X		In the future make sure the farmers and cooperators have all the necessary information to know about maintenance procedures and the life of the contract.	Immediately	Plan of Action accepted.
Describe the district/board's procedure for approving supervisor contracts.				X	Supervisors are treated the same as other applicants.		X			

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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, there is evidence of this in the minutes.		X			
Is it documented in the Board minutes that the supervisor abstained from discussing his/her own contract and from voting?				X	Yes, there is evidence of this in the minutes.		X			
What procedures do you follow for notifying the applicant that work can begin?				X	A letter is sent to the cooperator acknowledging he/she can begin work.		X			
What information do you provide the applicant?				X	Sent farmer approval letter and then stayed in contact for deadlines. Note: Same as Recommendation above – farmer should receive all the information on paper that will help him install the practices per standards and policies.		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	Staff went out before and took pictures and after sprigging. This was the only one Kelsey has done. She checks in to see how things are going.		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			Kelsey checks her spreadsheet for when date approved was. Recommendation: district should add a column to their spreadsheet for the 1/3 date. This can also be found by typing in your county number and year	X		Enter 1/3 rd column into spreadsheet. Double check to make sure all information is in the spreadsheet by using the CS2 find contract screen.	Immediately	Plan of Action accepted.

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					into CS2 – Find contract screen.					
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	Yes, a 6-month extension was requested and put in the minutes.		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	Maps are taken out in the field to check cropland conversion type practices. Kelsey hasn't done any others. Note: the district should take notes on what they find in the field and put in the contract file.		X			
Are BMPs measured then certified before the request for payment is approved? How is this documented?				X	Kelsey has used the FSA maps to get acreage for cropland conversion. Not done any other contracts yet.		X			
Are receipts received and reviewed for CSP BMPs that are based on actual cost?				X	Haven't had any contracts like this yet.		X			
Are request for payments reviewed and approved by the board as a separate action item?				X	Yes, RFPs are reviewed and approved as a separate action item.		X			
Are payment motions/decisions recorded in the board minutes?				X	Yes, it was recorded in the board minutes. Example 2/10		X			

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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	Supervisors and other district staff, Jack and Kelsey. Conducted on March 29, 2016.		X			
How does the district randomly select which contracts to spot check?				X	Kelsey pulled out all active contracts and pulled out all waste management contracts. She had someone select a random number and then selected that nth contract from the list.		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	Yes, all waste management systems were done.		X			
Are all agriculture new ponds, pond repair/retrofits, and water collection systems being spot-checked every year during the maintenance period?				X	None completed yet.		X			
Are all agriculture road repair/stabilizations being spot-checked at least every 2 years during the maintenance period?				X	77-2015-005 needs to be spot checked every 2 years during the maintenance period. A spot check should be conducted on this contract before the 2-year period since the payment date has elapsed. http://www.ncagr.gov/SWC/costshareprograms/ACSP/documents/ag_road_repair_stabilization.pdf		X	Jeff Joyner said that he would accompany Kelsey Lovin on this spot check since he has some experience with Ag Roads.	30 days	Completed.

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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 does not do the spot checks annually anymore. Jack Lee went on spot check and he is a Soil Conservationist with NRCS.		X			

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<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	District sent a letter to the cooperator. A copy was obtained during the review.		X			
<p>How are supervisors notified of BMPs that are found to be destroyed or mismanaged at any time throughout the year?</p>	X				Some supervisors were present on the spot check and Kelsey sent the letters around at the board meeting for everyone to see. Emails are also sent around to supervisors to update them. Commendation: the district is commended for the efforts to keep supervisors informed.		X			
<p>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?</p>				X	Yes, a letter was sent to the farmer requesting repairs. Yes, a copy of kept in the contract file. Cooperator fixed the issue.		X			
<p>If the BMP was not repaired or re-implemented, was repayment requested? Please provide documentation.</p>				X	District has never had one pay back.		X			

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Is the district notifying the division of non-compliance and resolutions?		X			District was not aware of needing to send the letter to the division so nothing was sent. Recommendation: the district should send copies of any non-compliance letters and follow-up to the division cost share specialist.	X		In the future if farmers are sent non-compliance letters an additional copy will be sent to the district for their records.	immediately	Plan of Action accepted.
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	District uses a spreadsheet and CS2 to manage funds.		X			
In what instances does the district use the division on-line (website & CS ²) reports?				X	Hasn't yet used those reports but is aware of the location.		X			
How are technical assistance and operating funds tracked? Are they audited? What is the date of the last audit? Who performed the audit?				X	The funds go straight to the county. Jackie has no access to those. When district needs money they do a purchase request through the county. Audited by the county at end of fiscal year. Outside CPA firm conducted the audit.		X	Jackie sent the cost share specialist a copy of the audit report for the district after the program review. No further action required.	Completed.	Completed.
Who in the office is funded by Cost Share Technical Assistance (TA) from the State?				X	Kelsey is the state funded technician.		X			
How are matching funds tracked? Are they audited? What is the date of the last audit? Who performed the audit?				X	Same as above.		X			

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Is proper job approval authority (JAA) documented for each technical and cost share position? Please provide a copy of the latest approved JAA.				X	Kelsey does not have any JAA yet. Working on cropland conversion.		X			
<p>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>										
<p>Contract Number: 77-2016-001 Applicant Name: David Gainey BMP: drystack</p> 				X	<p>The district should copy the division's email approval for the contract and put in the district's contract file on future contracts.</p> <p>No concerns with BMP.</p>		X			No action was required on this. This statement is to let staff know to copy email approvals from division specialist for future contracts and put in the contract folders.

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Contract Number: 77-2010-004 Applicant Name: Linda Whittington BMP: cropland conversion 		X			No concerns with contract file. Recommendation: The BMP needs routine maintenance. The district should contact the cooperator via letter and copy the division staff. Policy: http://www.ncagr.gov/SWC/costshareprograms/ACSP/documents/cropland_conversion.pdf	X		Kelsey Lovin will contact Linda Whittington via letter with policy information included to inform her of the routine maintenance requirement. The letter will let Mrs. Whittington know that Lovin will be re-spot checking within 30 days.	30 days	Plan of action accepted.
Contract Number: 77-2011-009 Applicant Name: Jed Lambeth BMP: poultry litter spreader				X	No concerns with contract file. No concerns with BMP.		X			
Contract Number: 77-2007-001 Applicant Name: Jerry Carroll BMP: livestock exclusion, tanks			X		The tank in field 3 has standing water around it and it needs maintenance - even without animals on site the BMP must be maintained. http://www.ncagr.gov/SWC/costshareprograms/ACSP/documents/trough_tank.pdf	X		Kelsey Lovin will be reaching out to Lin Taylor to get ideas for what could be causing the leak around the tank to let Mr. Carroll's widow know what needs to be done to repair it.	Whenever an engineer is available to help.	A suggestion was made to obtain a Substitution of Parties agreement from Mrs. Carroll as her husband is deceased.

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					District was to contact cooperator about having waste uncovered on the ground. This is a Division of Environmental Quality rule. http://reports.oah.state.nc.us/ncac/title%2015a%20-%20environmental%20quality/chapter%2002%20-%20environmental%20management/subchapter%20t/15a%20ncac%2002t%20.1303.pdf					
Contract Number: 77-2014-002 Applicant Name: William Hill BMP: poultry litter spreader		X			No concerns with BMP. No concerns with contract file. The district was to check on if the state paid for the drystack as it would be out-of-compliance if we did due to the non-waste management materials stored in it. Please update the division on the status.	X		Kelsey Lovin will go through records for Soil and Water as well as NRCS to see which program cost shared on the drystack. Lovin will inform the division on the status. If the farmer is out of compliance Lovin will let him know via certified letter, that the Division will receive a copy of as well, allowing him 30 days to make repairs before the drystack is spot checked again.	30 days	The drystack was paid for with EQIP funds and therefore, we are not considering it out-of-compliance for state cost share programs. No further action required.

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<p>Contract Number: 77-2009-006 Applicant Name: James Standridge BMP: pasture renovation</p> 			X		<p>The grass was very sparse in the field. Division staff suggested to the cooperators that they get a soil test and see what the issues are. Cooperator stated he wanted to let animals into stream at the bottom of the hill because they were losing their other field and needed this one for cows. If he does that, he will be out-of-compliance and need to pay back a prorated amount of funds to the state. It is possible this contract should not have approved without having a fence and alternate watering source already on site. After obtaining the soil test results, district staff were supposed to visit the site and look into whether or not this contract should have ever been approved – where are the tanks, are animals fenced out of water courses. Corrective Action: district should follow-up on these items and notify the division staff of the results.</p> <p>http://www.ncagr.gov/SWC/costshareprograms/ACSP/documents/pasture_renovation.pdf</p>	X		<p>Kelsey Lovin sent Lisa Fine a copy of Mr. Standridge's soil report on 9/6/17, Lisa responded with suggestions from Martin McLawhorn for Mr. Standridge's field. Lovin and Jeff Joyner are planning a field visit. The board of supervisors for Richmond County discussed informing Mr. Standridge about how much he would have to repay if he continues to be out of compliance so that he would be informed about all of his options.</p>	30 days	<p>On 9/20/2017 district gave cooperator information on how to treat this BMP or pay back the cost share funds.</p> <p>District should keep division informed as to how this practice is being maintained.</p>

Note: The district should make sure all email approvals are in the district's contract file. The district should also make sure that Cultural Resource checks are being done and the form included in the district's contract file. Contract files should contain all required information even if it's for a temporary program such as the Drought Program.