

**. North Carolina Agriculture Cost Share Program Review Summary
(October, 2013)**

County	<u>Swain</u>	Date of Previous Review/Report	<u>1998</u>
District Staff Name(s)	<u>Amanda Buchanan, Zae Millsaps</u>	Date	<u>10/24/13</u>
NRCS Staff Name(s)	<u>Kayla Hudson</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 the second Wednesday of each month. Some meetings are rescheduled with 2 weeks notice which meets Open Meetings Law requirements. No special called meetings have been held.		X			
How do you notify the public of the board meeting schedule and does it adhere to the Open Meetings Law?				X	Signs are posted outside of office. Notice is on website. Yes this process adheres to Open Meetings Law.		X			

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<i>When do you develop a conservation plan for a potential applicant?</i>				X	Amanda always does them at the first site visit whether or not cost share is given.		X			
<i>How do you assess the resource concerns on the farm to determine if a BMP is needed and feasible?</i>				X	It is determined if there is a water quality or water quantity concern first. Some applicants can rank high but be without a water quality or quantity concern so the BMP would not be needed or feasible.		X			
<i>Are applications reviewed and approved by the Board as a separate action item?</i>				X	Yes, applications are approved first as a separate action item.		X			
<i>Are application decisions/motions recorded in the board minutes?</i>				X	Yes, motions and decisions are recorded in board meeting minutes.		X			
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.				X	The district tracks applications on a spreadsheet. The district has not had an incentive since we started using the self-certification form. The district was made aware of the form but that they should also continue to track using their own spreadsheet as well.		X			
Please describe how the district tracks applicants who are applying for multiple incentive BMPs or consecutive incentive BMPs.				X	The district tracks using their spreadsheet. The district does not do incentives that often. The farmers in Swain County mostly sign up under individual names and ss#'s but she knows them and tracks them. The district should also use the self		X			

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					certification form for incentives for this.					
If multiple partners farm together, how the district tracks individual applicants as one operation?				X	The county is small and the district staff knows the farmers. They also have their spreadsheet with the names of cooperators on there.		X			
Once applications are approved, how do you develop a contract?				X	Amanda develops the contract according to the conservation plan and the resource concerns identified on the CP 52 form.		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				Amanda goes in person and sits down and goes over the contract and requirements on the NC 2 and 11A with the farmer. She explains deadlines. Commendation: the district is exhibiting good one-on-one contact with cooperators to ensure the requirements and deadlines are met and a letter explaining that work can begin is also sent to cooperators.		X			
What procedures do you follow for notifying the applicant that work can begin?				X	Amanda calls the cooperator and sends letter as well.		X			

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What information do you provide the applicant?				X	Amanda gives the cooperators copies of contract, standards, specs, maps and she goes over the requirements.		X			
<i>Are contracts reviewed and approved by the Board as a separate action item?</i>				X	Yes. NOTE: Contracts should not be approved outside of a formal board meeting. The delegated authority for signing outside of board meetings is for RFPs only. There should not be call-arounds to board members for contract approval either.		X			
<i>Are contract decisions/motions recorded in the board minutes?</i>				X	Yes, decisions are recorded in the board meeting minutes.		X			
Describe the district/board's procedure for approving supervisor contracts.				X	Supervisors are ranked with everyone else. No extra points are given and no points taken away for being a supervisor.		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 recorded that supervisors abstained from voting on their 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	Amanda goes out and is on site during installation of the practices. She helps install if needed.		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			The district spreadsheet has the date approved. Recommendation: District should add a column to the spreadsheet for the 1/3 date.	X		The District will implement recommendation to include a column denoting 1/3 timeline for PY2014 thereon.	Immediately	Plan of Action accepted.

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Is the district recording 6-month extensions in the board minutes?	X				Commendation: The district staff has been recording 6 month extensions in the board minutes. This is important to the programs so the division can manage funds and provide supplemental allocations.		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	The check-out notes include information about the BMP installation.		X			
Are BMPs measured then certified before the request for payment is approved? How is this documented?				X	Yes, information is included in the Conservation 6 notes.		X			
Are receipts received and reviewed for CSP BMPs that are based on actual cost?				X	Yes, receipts are received and reviewed and included in the contract file.		X			
Are request for payments reviewed and approved by the board as a separate action item?				X	Yes, now that Zae is in the district doing the agendas and minutes, RFPs are reviewed and approved as separate action items.		X			
If the BMPs are not installed by the end of the third program year per Commission policy, how does the district request a one-year extension?				X	The district sends a letter to the division requesting the extension. There has not been one since 2008.		X			

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<i>Are payment decisions/motions recorded in the board minutes?</i>				X	Yes, RFP 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.										
<i>Who participates in annual spot checks? When are they conducted?</i>				X	District staff and at least 3 supervisors attend the spot checks. Usually done in March or April.		X			
How does the district select which contracts to spot check?				X	The district has a list of all active contracts (spreadsheets) then uses Jeff Parker's (Transylvania County staff) random number generator system to select contracts. The district knows what number they need for the 5% then they start at the oldest contract first and pick their random number until they have their 5%. Note: the district could have someone pick a number and start with that contract - this way you don't start at the same contract all the time.		X			
<i>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.</i>				X	There are currently no waste management contracts in the district.		X			

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How does the district review five percent of all waste utilization plans?				X	None in district at this time. District was made aware of the requirement.		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			Kayla Hudson NRCS DC is in the district office. District staff notifies her when something needs reviewed. Michael Wiggins NRCS is on site during installation. There has not been a NRCS Area Office review in 5 years. Recommendation: when supervisor contracts are completed the district should request a review of that contract by the Area Office.	X		The District will notify the Area Office and Division in advance when future spot checks included lands owned or operated by a district, county, division or NRCS employee or district supervisor will be conducted.	Immediately	This must take place within one year of completion of the contract so don't wait on NRCS's 5 year review to have it done. 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			<p>Since Amanda has been the technician in the district there has not been any maintenance or non-compliant contracts. The division does have copies of old letters to cooperators from the district from back during the late 1990's and one from 2005 was provided during the program review.</p> <p>District is aware that they should send a letter to the cooperator with dates for coming back into compliance or for repaying funds to the state and copy the division cost share staff.</p> <p>Recommendation: The letter can be written by staff but should be signed by board chair.</p>	X		The District will implement the recommendations of the Division regarding required signature by board chair in any future instance.	Immediately	Plan of Action accepted.
How are supervisors notified of BMPs that are found to be destroyed or mismanaged at any time throughout the year?				X	Staff is aware of procedure to notify board and to keep a copy in the CPO file.		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 staff has a letter from technician to cooperator that they have used in the past (1990's, 2005). Yes, the 2005 copy was located in the file.		X			

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If the BMP was not repaired or re-implemented, was repayment requested? Please provide documentation.				X	Yes, repayment for the BMP was made. We have a copy of a letter in our history file stating that a repayment was made back to the state.		X			
<i>Is the district notifying the division of non-compliance and resolutions?</i>				X	There are copies of older letters to cooperators about maintenance and non-compliance in the division history file.		X			
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 uses a spreadsheet to track BMP funds. A copy was obtained by division staff during the review.		X			
How does the district use the division on-line (website) reports?				X	Yes, the district staff uses the website reports to compare items prior to PY12 to her own records.		X			
How are your BMP funds audited? What is the date of the last audit? Who performed the audit? Was the BMP audit form completed and notarized?				X	The BMP funds are audited by the board using the BMP Certification form. The last one was dated 5/21/13. Yes, it was notarized.		X			
How are technical assistance funds tracked? Are they audited? What is the date of the last audit? Who performed the audit?				X	Technical assistance funds are tracked by the district. However, they are audited by the county through a CPA firm. Last date 6/30/13. A copy of the SWCD portion of the audit was received by division staff during the		X			

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					review.					
Who in the office is funded by Cost Share Technical Assistance (TA) from the State?				X	Amanda Buchanan		X			
How are operating funds tracked? Are they audited? What is the date of the last audit? Who performed the audit?				X	The operating funds are done the same as the TA – tracked by the district but audited by the county on 6/30/13 by an outside CPA firm.		X			
How are matching funds tracked? Are they audited? What is the date of the last audit? Who performed the audit?				X	Matching funds go to the district where they are tracked on a spreadsheet. A copy of the spreadsheet/tracking information was provided during the review. The board audits the report. The board writes checks from the district funds.		X			
How much time is spent on cost share program (ACSP, CCAP, AgWRAP) contracts and BMP implementation? How is that tracked?				X	Around 80% of Amanda's time is spent on cost share programs implementation. There is an employee timesheet that has to be kept now in order to receive state TA funds.		X			
Is proper job approval authority (JAA) documented for each technical and cost share position?				X	Yes, I reviewed Amanda's JAA sheet.		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?				X	Yes, the entire board filled out the disclosure form. However, no current board member does any work related to installation of contracts.		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: 87-07-138 Applicant Name: James Clark BMP: tank, Ag Road repair stabilization</p> 				X	<p>Contract file appears complete - contains pest management plan, grazing plan, CPA 52, approval letter, and receipts.</p> <p>BMP in field – Good.</p>		X			

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<p>Contract Number: 87-08-146 Applicant Name: Sherman Colvard BMP: pasture renovation</p> 				X	<p>Contract file missing some items such as job sheets and field notes but does contain grazing plan, CPA 52, receipts. This contract is prior to current technician.</p> <p>BMP in field – Good.</p>		X			
<p>Contract Number: 87-12-178 Applicant Name: Thurman Walls BMP: spring development, fencing, tank</p> <p><i>Insert Picture</i></p>				X	<p>Contract file appears complete – includes receipts, CPA 52, nutrient management plan, pest management plan, conservation 6 notes, conservation plan.</p> <p>BMP in field – Good.</p>		X			

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<p>Contract Number: 87-10-172, 87-12-177 (supplement) Applicant Name: Thurman Walls BMP: well, ag road repair stabilization, tank, fence</p> <p><i>Insert Picture</i></p>				X	<p>Contract file appears complete – all items on checklist, CPA 52, well construction record, receipts.</p> <p>BMP in field – Good.</p>		X			
<p>Contract Number: 87-11-501, 87-12-502, 87-13-503 (repair) Applicant Name: Swain County Government BMP: Stormwater wetland</p>		X			<p>This is a CCAP project. The contract file included receipts, maps, job sheets and field notes.</p> <p>Recommendation – BMP is in need of</p>	X		<p>Design approval was given and attached in IBEAM on 2/26/14. Staff was on site on 2/27/14.</p>	<p>2/26/14 on</p>	<p>Once this project is complete, please forward pictures with the RFP.</p>

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<p><i>Insert Picture</i></p> 					<p>repair around the box. Jeff Young is working on that now. The district should notify the division cost share staff when the project has been repaired.</p>					