

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

County	<u>Randolph</u>	Date of Previous Review/Report	<u>December 10, 1996</u>
District Staff Name(s)	<u>Kelly Whitaker, Wes Hicks</u>	Date	<u>September 18, 2013</u>
NRCS Staff Name(s)	<u></u>		
Division Representative(s)	<u>Kelly Ibrahim, Ralston James</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			
<b>Section 1: Application Procedures and Tracking Progress (BMP Implementation and Payments)</b>										
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	The district board typically meets on the second Wednesday of each month at 7:30 am.		X			
How do you notify the public of the board meeting schedule and does it adhere to the Open Meetings Law?				X	The district notices meetings on the website, Facebook page, and written notice posted in office on bulletin board.		X			

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<i>When do you develop a conservation plan for a potential applicant?</i>				X	The district staff develops a conservation plan when the applicant requests assistance, some applicants do not want cost share assistance, but staff develops conservation plan even when providing technical assistance only.		X			
<i>How do you assess the resource concerns on the farm to determine if a BMP is needed and feasible?</i>				X	Typically the producer comes to the staff with an issue. The staff visits the farm to look at the specific issue of concern but also takes the opportunity to look around the farm and address additional concerns.		X			
<i>Are applications reviewed and approved by the Board as a separate action item?</i>				X	Yes. The staff develops the application and takes it to the board for approval. After the application is approved, the contract is developed separately.		X			
<i>Are application decisions/motions recorded in the board minutes?</i>				X	Yes, 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 staff reports they do not typically do incentive BMPs. If they do any incentive BMPs the staff will use the self certification form.		X			

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Please describe how the district tracks applicants who are applying for multiple incentive BMPs or consecutive incentive BMPs.				X	The district staff report they do not typically do incentive BMPs.		X			
If multiple partners farm together, how the district tracks individual applicants as one operation?				X	The district staff reports they do not typically have this issue.		X			
Once applications are approved, how do you develop a contract?				X	The district staff develops the contract based on the conservation plan and the resource needs of the farm.		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	The staff reviews the contract with the applicant page by page in person, they explain the reimbursement and that the producer can't begin work until it is approved by the division.		X			
What procedures do you follow for notifying the applicant that work can begin?				X	The staff calls the producer and lets them know it is approved. The producer either picks up their design or the staff will bring it to them.		X			
What information do you provide the applicant?				X	The district staff provides the design for the BMP and the a copy of the contract to the producer.		X			

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Are contracts reviewed and approved by the Board as a separate action item?				X	Yes		X			
Are contract decisions/motions recorded in the board minutes?				X	Yes		X			
Describe the district/board's procedure for approving supervisor contracts.				X	The supervisor abstains from the discussion and approval of the contract. Once approved by the board, the proper forms are sent forward to the SWCC.		X			
Is it documented in the Board minutes that the supervisor abstained from discussing his/her own contract and from voting?				X	Yes		X			
What technical assistance do you provide during the BMP installation process to ensure the BMP is installed by the contract deadline?				X	Typically the staff asks the producer to call prior to construction. They meet with contractors; lay out where the BMP should be located. The district staff follows up during construction to ensure the BMP is installed correctly.		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				They have a list in the office that has contracts listed with the milestone dates. The division commends the district on the efficient tracking of contracts and milestone dates.		X			
Is the district recording 6-month extensions in the board minutes?				X	Yes		X			

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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	Depending on the BMP the staff makes notes on the design in red certifying any changes. They do keep the check out noted on their calendars when they visit each farm for a BMP certification.		X			
Are BMPs measured then certified before the request for payment is approved? How is this documented?				X	Yes. Documented by the JAA signature on the RFP.		X			
Are receipts received and reviewed for CSP BMPs that are based on actual cost?				X	Yes, copies are kept in the file.		X			
Are request for payments reviewed and approved by the board as a separate action item?				X	The board has given Craig Frazier permission to sign RFPs outside of board meetings, but the RFPs are brought to the next board meeting as an information item and recorded in the minutes.		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 staff brings any contract that is expiring to the board and the board decides if they are going to request a SWCC extension.		X			
Are payment decisions/motions recorded in the board minutes?				X	NA- see above.		X			
<b>Section 2: Spot Checks and Compliance Issues</b> Questions in this section focus on how the district reviews BMPs for compliance and how maintenance and/or non-compliance issues are addressed.										

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<i>Who participates in annual spot checks? When are they conducted?</i>	X				Typically all supervisors try to participate in some way, spot checks are done on different days (have 20-30 to check) and they are typically done in the winter to reduce disease spread from farm to farm. The division commends the district on supervisor participation on yearly spot checks. While it is required to only have one supervisor participate, it is commendable that all supervisor participate in the spot check process.		X			
How does the district select which contracts to spot check?				X	The board has a list of contracts by date. The board picks a random number and they count down the list until they get the number of contracts needed. Then they also pull any animal waste contracts they need to check.		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	Yes		X			
How does the district review five percent of all waste utilization plans?				X	Yes		X			

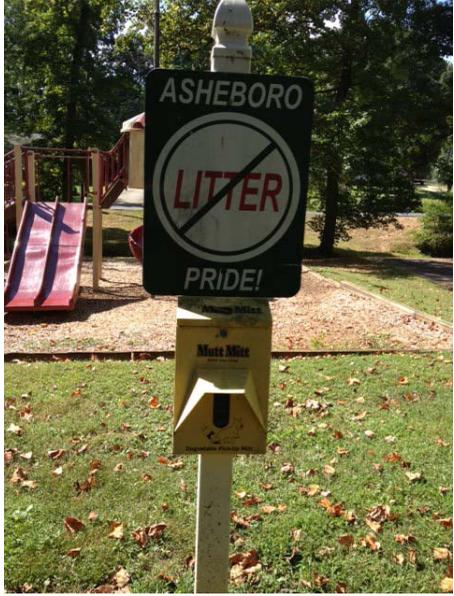
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How does the district notify the NRCS area office (for ACSP contracts) or division (for CCAP contracts) to conduct spot checks on lands owned or operated by a district, county, division or NRCS employee or district supervisor? This includes CPOs, revisions, supplements or repairs.		X			The NRCS district conservationist hasn't asked about district supervisor contracts. The division will check with the NRCS area office about the engineering spot checks. The division recommends the district communicates with the NRCS district conservationist to ensure NRCS conducts spot checks on lands owned or operated by a district, county, division or NRCS employee or district supervisor. The district should keep a copy of the spot check in the district file for reference.	X				

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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	The district sends a certified letter which states the nature of the issue along with the repayment amount required if the BMP isn't re-implemented.		X			
How are supervisors notified of BMPs that are found to be destroyed or mismanaged at any time throughout the year?				X	The supervisors are notified at the next board meeting unless it is something urgent, then the board members are called immediately.		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	Once a BMP is found to be out of compliance by staff or supervisors the letter is sent to the cooperator immediately.		X			
If the BMP was not repaired or re-implemented, was repayment requested? Please provide documentation.				X	Yes, the cooperator repaid the funds.		X			
<i>Is the district notifying the division of non-compliance and resolutions?</i>				X	Yes, the division was notified of repayment and cost share specialist was copied on the repayment letter. The division is working on a new compliance policy which should be in effect this program year.		X			

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<b>Section 3: Record Keeping</b>										
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 an Excel spreadsheet.		X			
How does the district use the division on-line (website) reports?				X	Yes, for program years up to 2012. The division is working on obtaining a reporting feature for PY2013 forward.		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 board does the BMP audit, see the audit form turned into the division.		X			
How are technical assistance funds tracked? Are they audited? What is the date of the last audit? Who performed the audit?				X	The funds are distributed through the county and audited by county. The last audit was dated Dec.17, 2012 and completed by Cherry, Bekaert & Holland, CPA.		X			
Who in the office is funded by Cost Share Technical Assistance (TA) from the State?				X	Kelly Whitaker		X			
How are operating funds tracked? Are they audited? What is the date of the last audit? Who performed the audit?				X	The funds are distributed through the county and audited by county. The last audit was dated Dec.17, 2012 and completed by Cherry, Bekaert & Holland, CPA.		X			
How are matching funds tracked? Are they audited? What is the date of the last audit? Who performed the audit?				X	The funds are distributed through the county and audited by county. The last audit was dated Dec.17, 2012 and completed by Cherry, Bekaert &		X			

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					Holland, CPA. The funds go into general fund for the county.					
How much time is spent on cost share program (ACSP, CCAP, AgWRAP) contracts and BMP implementation? How is that tracked?				X	The employees are using the time tracking sheet through the division and submitting it to the division with their technical assistance request.		X			
Is proper job approval authority (JAA) documented for each technical and cost share position?				X	W. Hicks has the NRCS JAA sheets. K. Whitaker is a certified PE.		X			
Do district supervisors complete supervisor forms when they have a financial interest in an entity requesting a cost share contract?				X	Yes.		X			
<p><b>Section 4: Contract Reviews and Site Visits</b> 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>										

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Contract Number: 76-2004-009 Applicant Name: Therman Jessip BMP: Drystack 				X	Drystack being used and maintained properly.		X			
Contract Number: 76-2008-501 Applicant Name: City of Asheboro BMP: Pet Waste Receptacles				X	Pet waste receptacles being used and maintained at the parks.		X			

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Contract Number: 76-2009-004 Applicant Name: Marjorie Beeson BMP: Drystack/Composter/Roof top management				X	Drystack/ Composter/Roof top management being used and maintained as needed.		X			

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Contract Number: 76-2010-504 Applicant Name: Gwen Williams BMP: Bioretention 				X	Bioretention functioning properly and being maintained.		X			
Contract Number: 76-2010-715 Applicant Name: Whitaker Farms BMP: Microirrigation				X	Microirrigation filter available for viewing. Producer did not need to irrigate this year due to the amount of rain received.		X			

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Contract Number: 76-2011-005 Applicant Name: Bobby Earnhardt BMP: Fencing/Water tanks/Stream crossing/Well				X	BMPs functioning and being maintained.		X			

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 X										
General Contract Recommendations		X			The division recommends staff takes more field notes; check out notes and detailed information on phone calls and conversations with cooperators.	X				