



N.C. Department of Agriculture & Consumer Services
N.C. ADFP Trust Fund
Agricultural Development Project Monitoring Policy and Guidelines



I. Purpose

The N.C. Agricultural Development and Farmland Preservation (ADFP) Trust Fund, administered by the Farmland Preservation Division of the N.C. Department of Agriculture & Consumer Services, provides grants for agricultural conservation easements on family farms throughout the state of North Carolina.

The ADFP Trust Fund will “hold grantees accountable for the expenditure of State funds by performing monitoring and oversight functions,” in accordance with Administrative Code 09 NCAC 03M “Uniform Administration of State Grants” and Subsection .0400, pursuant to N.C.G.S. 143C-6-22 & 23. The ADFP Trust Fund will work with the grantee to ensure compliance with the terms and conditions of the contract. Monitoring is necessary to make certain the agricultural development projects are maintained while ensuring a productive relationship between the funding source (ADFP Trust Fund) and grantee (counties or private nonprofit conservation organizations, according to N.C.G.S. 106-744).

II. Definition of Agricultural Development Projects

According to N.C.G.S. 106-744, agricultural development projects are defined as “public and private enterprise programs that will promote profitable and sustainable family farms through assistance to farmers in developing and implementing plans for the production of food, fiber, and value-added products, agritourism activities, marketing and sales of agricultural products produced on the farm, and other agriculturally related business activities.”

III. Involved Parties

The ADFP Trust Fund, administered by the Commissioner of Agriculture, is the funding source for agricultural development projects. The ADFP Trust Fund has full-time staff administratively located in Raleigh, North Carolina. Part-time field staff members are located remotely throughout the state. The ADFP Trust Fund Document Specialist is the monitoring program manager, unless otherwise designated by the Farmland Preservation Division Director. Field staff members will conduct on-site monitoring, unless otherwise directed by the Document Specialist.

The ADFP Trust Fund Advisory Committee is administratively located within the N.C. Department of Agriculture and Consumer Services. The Advisory Committee will advise the Commissioner on the prioritization and allocation of funds, the development of criteria for awarding funds, guidelines for monitoring easements and projects, program planning, and other areas where monies from the ADFP Trust Fund can be used to promote the growth and development of family farms in North Carolina.

Grantees are counties or private nonprofit conservation organizations. Grantees are the first point of contact for monitoring agricultural development projects and discussing potential violations of contracts. **Grantees are required to monitor the project at least once a year and complete annual monitoring reports for the length of the monitoring term.**

IV. ADFP Trust Fund Monitoring Roles and Responsibilities

Agricultural development projects will be monitored for five (5) years after the closing of the contract, unless otherwise directed by the Program Director or Commissioner of Agriculture. If an agricultural

development project is complete and no further activities are taking place inside the monitoring period, the assigned field staff may recommend termination of monitoring activities to the Program Director (see termination request protocol below).

The ADFP Trust Fund monitoring methods include, but not limited to:

- Site visit: ADFP Trust Fund field staff member will accompany the grantee to visit a physical location where the agricultural development project is established. This method will be required when ADFP Trust Fund monies are used for the following expenditure categories: site development, construction, or equipment. A site visit may be used for the following expenditure categories if the agricultural development project is part of a larger operation: special program supplies, consultant and specialized services, or promotional materials.
- In-office: ADFP Trust Fund staff will review any materials pertaining to the project, e.g. website, promotional materials, news etc. The ADFP Trust Fund field staff member will conduct a conference call with the grantee.

Site visit protocol for ADFP Trust Fund staff:

- Contact grantee about site visit. Site visits will be coordinated to the extent possible with the grantee's annual monitoring visit schedule.
- Review completed "Grantee Monitoring Report – Agricultural Development Project."
- Compile documentation, including, but not limited to, photographs and data.
- Complete "ADFP Trust Fund Staff Monitoring Report – Agricultural Development Project."
- Complete "ADFP Trust Fund Staff Incident Report – Agricultural Development Project or Agricultural Plan" if necessary.
- Complete "ADFP Trust Fund Staff Monitoring Termination Request – Agricultural Development Project or Agricultural Plan" if appropriate.
- A site visit will be conducted within one (1) year of the contract closing. Site visits will then occur during the third and fifth years. The fifth site visit will occur before the date of the contract closing five years prior. Example: If a contract is closed on 12/31/14, the first site visit will occur prior to 12/31/15. The third site visit will occur in the year 2017. The fifth site visit will occur prior to 12/31/19. This schedule will be used unless otherwise directed by the Program Director or Commissioner of Agriculture.

In-office monitoring protocol for ADFP Trust Fund staff:

- Review completed "Grantee Monitoring Report – Agricultural Development Project."
- Review the most current data available (e.g. website, promotional materials, news etc.).
- Conduct a conference call with the grantee.
- Complete "ADFP Trust Fund Staff Monitoring Report – Agricultural Development Project."
- Complete "ADFP Trust Fund Staff Incident Report – Agricultural Development Project or Agricultural Plan" if necessary.
- Complete "ADFP Trust Fund Staff Monitoring Termination Request – Agricultural Development Project or Agricultural Plan" if appropriate.
- In-office monitoring will be completed in the years when site visits do not occur.

Incident report protocol for ADFP Trust Fund staff:

- The "ADFP Trust Fund Staff Incident Report – Agricultural Development Project or Agricultural Plan" must be filed if a grantee reports a violation or if ADFP Trust Fund staff discovers a violation during a site visit or in-office monitoring.
- The completed "ADFP Trust Fund Staff Incident Report – Agricultural Development Project or Agricultural Plan" will be submitted to the Program Director for review, investigation, and/or corrective action.

- If necessary, the Program Director will meet with funding partners to discuss the findings of the “ADFP Trust Fund Staff Incident Report – Agricultural Development Project or Agricultural Plan.”
- If corrective action is warranted by the grantee, a conference call or meeting will be scheduled to discuss the “ADFP Trust Fund Staff Incident Report – Agricultural Development Project or Agricultural Plan” and results of the initial review by the Program Director.
- If a violation has occurred, the grantee shall submit a Plan of Corrective Action to the ADFP Trust Fund Staff within 30 days of the conference call or meeting. The Plan of Corrective Action must be a comprehensive plan detailing the corrective action that will be taken to remedy all violations and bring the project back in compliance. The ADFP Trust Fund staff will work with grantee for correction.
- The appropriate NCDA&CS staff will formally notify grantee in writing of violation or potential violation.
- If it is determined that a violation has occurred, a site visit will occur the subsequent year. The monitoring schedule (site visit, in-office, site visit) will be reset each time a violation occurs.

Monitoring termination request protocol for ADFP Trust Fund staff:

- An “ADFP Trust Fund Staff Monitoring Termination Request – Agricultural Development Project or Agricultural Plan” can be submitted if the field staff member determines that the agricultural project does not need to be monitored for the full monitoring period.
- The completed “ADFP Trust Fund Staff Monitoring Termination Request – Agricultural Development Project or Agricultural Plan” will be submitted to the Program Director for review.
- If the Program Director approves the request, the appropriate NCDA&CS staff will notify the grantee that monitoring has been completed for the project. Neither the grantee nor ADFP Trust Fund Staff will be required to submit monitoring reports for the remainder of the monitoring period.

V. Grantee Monitoring Responsibilities and Expectations

After the approval of final budget and progress reports and the closeout of the contract, Grantees will complete and submit the online “Grantee Monitoring Report – Agricultural Development Project” to the ADFP Trust Fund office annually on or before December 31. The “Grantee Monitoring Report – Agricultural Development Project” is accessed through NC ADFP Trust Fund’s website. Grantees should navigate to <https://ncadfp.org/>, then click on the “Downloads” tab. The portal is at the bottom of the “Downloads” tab and is labeled “Grantees: Click Here to Access the ADFP Trust Fund Grantee Monitoring Report Submission Portal.” Grantees will be required to create a Formsite account to access the report portal. Grantees should follow the prompts in the online portal to complete and submit their report.

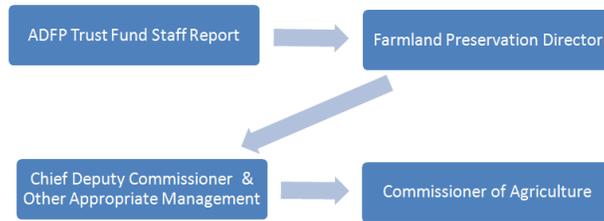
Failure to file annual monitoring reports on or before December 31 of each year shall constitute a violation of the grant contract.

In January, ADFP Trust Fund staff will coordinate to the extent possible with the grantee’s annual monitoring visit schedule for projects due for a site visit. Grantees are encouraged to submit tentative site visit schedule to ADFP Trust Fund office ninety (90) days prior to first scheduled site visit. As subsequent site visits are scheduled throughout the year by the grantee, the ADFP Trust Fund office will be notified in a timely manner of site visits due for that calendar year.

VI. Additional Guidance and Reference – Dispute Resolutions

For issues in dispute, the ADFP Trust Fund Staff will report such differences to the Farmland Preservation Director. If the Farmland Preservation Director is unable to find a resolution, the Director

will review with the appropriate NCDA&CS management for assistance and instruction, e.g. Office of the General Counsel, Chief Deputy Commissioner, and Commissioner of Agriculture. See chart below.



ADFP Trust Fund Staff are to follow appropriate approved ADFP Trust Fund Policies and Guidelines as directed by the ADFP Trust Fund Advisory Committee and the Commissioner of Agriculture, i.e. ADFP Trust Fund Grantee Eligibility Classification.

VII. Monitoring Documents

The following documents will be used for the monitoring of agricultural development projects:

- Grantee Monitoring Report – Agricultural Development Project
- ADFP Trust Fund Staff Monitoring Report – Agricultural Development Project
- ADFP Trust Fund Staff Incident Report – Agricultural Development Project or Agricultural Plan
- ADFP Trust Fund Staff Monitoring Termination Request – Agricultural Development Project or Agricultural Plan

VIII. Document Filing, Retention, and Disposal

All completed reports, including photographs and supplemental documentation from grantees, will be scanned for electronic storage and printed for paper files. Electronic copies of monitoring documents will be stored on the ADFP Trust Fund server and SharePoint page.

All monitoring documents will be filed, retained, and disposed pursuant to the ADFP Trust Fund records retention schedule.