SWCD Board of Directors’ Meeting May 2, 2022 Meeting called to order at 1:04pm.

In attendance:

Directors: Meg Kennedy (Ch), Helene Kraham, Doris Moennich, Ed Lentz, Jennifer Mickle

District staff: Jordan Clements

Others: Scott Fickbohm (AGM), Colleen Stannard (Insero, joined by phone for agenda item 1)

Minutes taken by Ed Lentz.

Minutes of 4/15/22 Meeting: Deferred to next board meeting.

Update regarding Insero’s audit of grants:

Colleen reported that she has been through the three “original” close-out packages (Beecher (323), McGrath (276), Tafel (274)) and has tentatively concluded that overpayments to landowners were less than AGM calculated. She is continuing her review, including the state calculations of amounts paid/owed for the McGrath grant and also including the Beecher resubmission package and the Parker bid and related emails. Colleen is developing recommendations for financial management of grant projects and of district finances more generally. She noted that it is difficult to have checks and balances in an organization with a small staff like the district has. She expects to have a draft written report ready for us to review in about a week. The draft will still need to be approved by her firm management. With regard to the Beecher package, Ed asked Colleen to pay particular attention to the facts that (1) the August 2020 invoice from Parker was not itemized and merely subtracted payments received from the bid total without itemizing tasks, time or materials and (2) that the total for which the district was seeking reimbursement from AGM as per the resubmission package exceeds AGM’s share of the total amount of the grant. The Finance Committee (Meg, Darin, Ed) will meet with Colleen prior to the next board meeting, along with other directors who may choose to join.

Updates for Beecher, Tafel, McGrath:

Beecher: resubmission package was reviewed by Meg and Ed on Friday, 4/29. It is now with Colleen, awaiting her review.

Tafel: resubmission package was uploaded into Sharepoint. McGrath: awaiting review by Colleen (see, above).

Updates for closeouts due March 1, 2022

Hughes (275): Will be ready this week. Ed & Meg will review submission on Friday, 5/6 at 3:30.

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Buffer (277): Will be ready this week. Ed & Meg will review submission on Friday, 5/6 at 3:30.

Johnson (236): Submitted; awaiting AGM review. Hunt (236): Submitted; awaiting AGM review.

NYS Comptroller’s Audit:

Initial meeting with Alan Zimmerman at 3:30 on Friday, 4/29, with Meg and Ed.

Other Business:

Scott acknowledged receipt by AGM of the Tafel package. Jordan will send the final letter detailing efforts to obtain landowner signatures to Ed.

Scott reminded the board of the training opportunities presented. The board will select a first one and will schedule a session with AGM probably at the regular May meeting. Thereafter, the board will try to do one training per month. Scott also reminded the board that we can attend other district’s meetings, perhaps by webconference.

Executive Session:

A motion to go into executive session to discuss employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person was made by Ed and seconded by Jennifer. The motion passed unanimously.

Executive session: 1:30pm to 2:10pm. Jordan and Scott were not present during the executive session. Old/New Business:

Following discussion during which Jordan’s good work for and dedication to the district were gratefully acknowledged by the board, Jordan tendered his resignation. A motion to accept Jordan’s resignation with the understanding that a separation date and package would be agreed was made by Helene and seconded by Jennifer. The motion carried with Meg, Jennifer, Helene and Ed voting yes and Doris abstaining.

Meg will talk with Dave Bliss about a letter of commendation for Les and Larry. The letter could be presented at a county board meeting. The district board could also have its own reception. The plaques should be ready.

Next Meeting

Monday, May 23. 9:30am for meeting with Colleen and 10:00 for regular meeting. Meg will ask Jordan to give public notice with 9:30 start time as per procedure agreed at the 4/15/22 meeting and recorded in those minutes.

The meeting was adjourned at 2:25pm.

SWCD Board of Directors’ Meeting May 23, 2022 In attendance:

Directors: Meg Kennedy (Ch), Helene Kraham, Jennifer Mickle, Ed Lentz

District staff: Jordan Clements Others: Colleen Stannard, Inserro Minutes taken by Ed Lentz.

The meeting was opened at approximately 9:35 with discussion of financial reports and of procedures for auditing monthly bills. A draft SOP for auditing bills is attached and will be discussed further at the next board meeting.

Colleen reviewed her draft report of her findings with respect to the Tafel (274), McGrath (276), and Beecher (323) grant closeouts. She explained that she reviewed all relevant documentation, including copies of invoices and bills, prior to developing her report. Differences between her numbers and the prior submission appear to be due to a combination of factors, including having invoices and payments not previously included and excluding from NRCS payments certain payments that were for work outside the grant projects. Colleen also explained that she has been working with S&W districts for over twenty years and is confident that her findings are correct. She recommended that the district use her figures in the pending resubmissions of the McGrath and Beecher close-outs. Colleen left the meeting shortly before 11:00.

*Review of Minutes*: A motion to approve minutes of the 5/2/22 meeting was made by Ed and seconded by Helene. The motion passed unanimously. Review of the 4/15/22 minutes was deferred.

*Review of Financial Reports*: A motion to approve the following financial reports: Key Bank Credit Card Reconciliation Detail, P&L Detail, P&L By Class, Balance Sheet, was made by Jennifer and seconded by Helene. The motion passed unanimously. It was noted that the board would like to see the reports provided for this meeting but also monthly budget vs actual and a monthly cash flow report. In addition, the board wants to see the credit card statement and receipts.

It was also noted that money had still not been transferred from closed grant accounts to the main checking account. Ed will ask Angelica to do this.

Ed reported that he tried to create a log-in for the NBT bank accounts but was unsuccessful. He will call NBT tech support to obtain access for him and Meg and readonly access for Angelica. Ed will attempt to do the same for the Key Bank credit card. Ed will also ask Key Bank to change our billing cycle so that invoices are received with sufficient time prior to the due date for board review.

A schedule of bills to be paid was presented to the board and a motion to approve payment of the unpaid bills except for the Excellus and the Royal Ford bills was made by Helene and seconded by Jennifer. The motion passed unanimously. The Excellus bill was disapproved because it appeared to cover a period of time for which the premium had already been paid. The Royal Ford bill was disapproved because the vehicle was not properly repaired. Jordan will follow up with Angelica and Royal Ford on these. In addition, the check for United Concordia exceeded the amount on the abstract. Jordan will ask Angelica to write a new check for the amount shown on the abstract.

*Jordan’s Report*: Jordan reported that the Envirothon was a great success. Worcester C.S. won and will represent Otsego County in the next round.

Jordan has been spending a lot of time w/ the NYS Comptroller’s Office auditor providing files and information.

Jordan is preparing a status report with regard to work in progress to facilitate transition following his resignation. On Thursday, Jordan will give Ed & Meg a “tour” of the office, pointing out where paper and electronic files are kept.

Karl has been very busy with, among other things, an unusually large number of perc tests.

Jordan and Mark have been in discussion with the owner’s of Gillette’s farm in Mt. Upton on SH51 about addressing flooding of their crop field which has been a problem for a long time.

The Town of Butternuts may have to choose between installing riprap and a riparian buffer on the Butternut in Copes Corner Park and losing campsite space to erosion.

Several new riparian buffers are being installed in the county.

The application deadline for the USC funded internships is Friday. The interns will be paid minimum wage ($13.20). They could work on the Part B buffer project if the work needed there exceeds the $6K in Part B money. That project has to be completed by the end of the calendar year.

Jordan attended SWECC and PWC meetings. He discussed the forestry contract, which expires at the end of this year, but has not yet provided the county with a draft contract. The county will be setting aside $18K from the logging at Dozen Dads for replanting there. Future sales will probably not be as large as the recent ones. Replantings should be done with larger trees because previous replantings with bare root saplings have not fared well.

Dan found the deed for the county forest in Schenevus. It describes the county’s right of way but is difficult to define exactly where the right of way is because it is described with reference to natural markers. Dan spoke with the landowner who does not object to us going across his property where the right of way is approximately located. However, Dan recommends that we have the forest and right of way surveyed, along with several other forests that have unclear property lines.

Westford is still waiting for reimbursement for its share of the $25K of DOT money obtained by Assemblyman Miller. The county is supposed to get its ~$12K first, after which Westford will be reimbursed.

NRCS/FSA are still telecommuting but generally have at least one person in the office each day. The office is back to masks, appointments for entering, and locked doors.

The office cleaner, Mike, was asked to clean twice per week instead of once at the request of FSA. Mike asked for an increase from $100/week to $200/week. The board instructed Jordan to tell Mike that we will stick with the $100/wk or, if he prefers, we can go to $25/h.

*Comptroller’s Audit*: Meg and Ed reported that the NYS Comptroller’s Office auditor, Alan Zimmerman, met with them to explain the audit process and to begin collecting information. Inquiries from the public can be referred to the Comptroller’s Office. The audit team is currently in a scoping phase, prior to settling in on one or a small number of office procedures.

*Corrective Action Plan*: Meg led the board through a review of the district’s CAP.

With regard to grants (as can be seen in the Grants Closeout Table, 5/23/22), Tafel (274), Johnson (236), Hunt (236) have been submitted to AGM.

With respect to the McGrath and Beecher grants, Meg reported that she and Ed met with Jordan prior to the Finance Committee meeting to review the drafts of the McGrath and Beecher closeout resubmissions. Jordan will revise the close-out packages for review by Meg and Ed on Thursday at 11:30, using the dollar amounts determined by Coleen, which are based on actual invoices and checks.

Jordan will also have Buffer (277) ready for review by Meg and Ed on Thursday and he will have Hughes (275) ready to review early next week. (Copies will be sent in advance via email or Google Docs.)

With regard to other parts of the CAP, see, “SWCD Action Plan to Address Financial Management of Grants (5/23/22),” attached.

Meg and Ed will meet with AGM in Albany on June 14 to discuss the CAP and SWCD’s progress towards restoring good standing with the state.

*Other Business*: Meg reported that Doris Moennich resigned.

*Next Meetings*: June 13 - regular mtg 10:00 at the Meadows; June 27 - special mtg 1:00pm at the Meadows

At approximately 12:30, a motion was made by Helene and seconded by Jennifer to go into executive session to discuss employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person was made. The motion passed unanimously.

Following executive session, a motion was made by Jennifer and seconded by Helene to begin advertising for the Secretary position. The motion passed unanimously.

A motion was made by Helene and seconded by Jennifer to accept Jordan’s resignation as of the close of business on June 3, to award him three months severance, and to pay his health insurance for a further two months. The motion passed unanimously.

It was agreed that Meg will hold weekly (Monday morning) meetings with the staff for at least the first few weeks after Jordan leaves.

The meeting was adjourned at approximately 12:50pm.

Interim[[1]](#footnote-1) SOP for Audit of Bills (DRAFT, 5/23/22)

1. A designated staff member receives, opens and distributes mail as appropriate.

That staff member leaves the bills in a marked envelope on the Secretary’s desk for

Angelica to pick up. (Designated staff member to be discussed at staff meeting on June 6.)

1. After picking up the bills, Angelica prepares and provides to the board no later than each board meeting:
2. a numbered list (“abstract”) of bills to be paid or already paid pursuant to district policy
3. supporting documentation for each bill, specifically:
	1. the invoice for each bill, including any attachments to the invoice
	2. a numbered cover sheet (“voucher”) for each bill, with the number

corresponding to the number for each bill on the abstract[[2]](#footnote-2) (c) printed (but unsigned) checks for each bill to be paid

1. Board reviews the abstract and each voucher+bill prior to approving payment
2. Board Chair or Treasurer signs the checks for which payment was approved
3. Board Chair or Treasurer mails the checks for which payment was approved

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SWCD Action Plan to Address Financial Management of Grants (5/23/22)

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|  | **Action** | **Status/Comment** |
| 1 | For all open contracts, Otsego County SWCD must provide to the Department proof that separate interest bearing accounts have been opened. | - Completed |
|  | • District will need to provide bank statements that show deposit of advance funds, all expenditures, transfers and all interest earned to date. |
|  | • If separate accounts are not opened, these shall be opened immediately. |
| 2a | Otsego County SWCD must provide to the Department a status report for each open contract. | See, Grant Status Table, 5/23/22 |
|  | • Report must include a current project status for all participants included in each contract. Project status shall indicate status of designs or project certification, project procurement, construction progress, level of partner involvement if any, current staff and partner time worked and reconciled income/expenditure status report. |
| 2b | Complete close out of C701274, C701276, and C701323, rectifying any outstanding issues, securing proper signatures, including repayment to AGM that cover overpayments made or undocumented expenses, proofs of payment for participating farmers/contractors | - See, Grant Status Table, 5/23/22 |
| 3 | Obtain assistance to have accounts and policies audited and address any potential findings | see, below, re; financial audit, protocols for grant management, and policies |
| 4 | Establish internal protocols for management of grants |  |
|  | • Process for establishing separate interest bearing account | completed; policy adopted |
|  | • Proof that internal control policies are set and followed for necessary transfers |  |
|  | • SWCD Board review and approval of each SWCD Landowner Funding Agreement | completed; policy adopted |
|  | • SWCD Board review and approval of procurement process for each landowner to ensure project procurement has been completed appropriately | completed; policy adopted |
|  | • SWCD Board must approve each payment that is being made to grant participants reviewing proper backup documentation and agreed upon process and checklist | completed; policy adopted |

SWCD Action Plan to Address Financial Management of Grants (5/23/22)-1

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| 5 | District Training |  |
|  | • Complete Grants Management Training for entire Board and staff | board will ask for AGM training monthly, with the first module to be “Director Responsibilities” |
| 6 | Comply with requests from the Department within stated timeframes/deadlines | completed |
| 7 | Demonstrated commitment from the Board to take an active role in resolving issues | * in progress; see, meeting minutes 11/21 to present.
* the board is committed to compliance with this

CAP * the board has been in consultation with the County Attorney for Otsego County and will continue to do so
* District Manager Jordan Clements is resigning effective June 3, 2022
* Board Chair Meg Kennedy is now directly handling communications with SWCD
* since Jessica’s resignation, the board secured the assistance of Larry DelCo SWCD with close out of Tafel, Beecher, and McGrath grants - District has engaged Insero to audit the Tafel,

Beecher, and McGrath grants * District has engaged Green Circle Bookkeeping for administrative assistance with district finances
* District is currently under audit by NYS

Comptroller’s Office |
| 8 | Other |  |
|  | (a) engage auditor | in progress; draft report reviewed w/ board on 5/23/22 |
|  | (b) engage temporary help, preferably a staffer at another district to help at least with 1, 2a, and 2b | Del Co SWCD |
|  | (c) schedule training of board by A&M | in progress; * District Law training 11/19/21
* Director Responsibilities June 2022
 |
|  | (d) develop full set of policies | completed, subject to advice from Insero and NYS Comptroller |
|  | (e) designate board liaison w/ A&M who will share board plans and actions with A&M | board designated Meg Kennedy |

1. . This procedure will be in place until a new District Manager or Administrator is hired. [↑](#footnote-ref-1)
2. . Supporting documentation for credit card bills will include copies of receipts for all transactions on the bill as provided to Angelica by each district staff person. Staff members will put receipts for credit card charges in the envelope on the secretary’s desk. [↑](#footnote-ref-2)