

# 10 Minute Supervisor Trainings



May 2021

## Districts in Good Standing Program

The Soil & Water Commission in cooperation with Division of Conservation developed, administers and utilizes the Districts in Good Standing (DIGS) self-reporting to help districts ensure that they are doing everything they can to be good stewards of the public's money and the public's trust.

As conservation district supervisors, it is your responsibility to make sure that your district is completing these items. Although your district employee might be filling out the forms and submitting the reports, the ultimate responsibility of ensuring that everything is done falls to the conservation district board.

The following are the items that are including in the Districts in Good Standing program:

1. Reporting **KRS 262.097**
  1. State Cost Share (submitted by 15<sup>th</sup> of each month 9 of 12 months)
  2. Annual Budget (approved and submitted by April 1)
  3. Annual Plan of Work (approved and submitted by April 1)
  4. Annual Financial Report (approved and submitted by September 1)
  5. Long Range Plan (must be updated at least every 5 years and re-submitted)
  6. Environmental Grant (report submitted quarterly for all approved grants)
2. Sufficient Bonding **KRS 262.250 & KRS 65.067**
  1. Adequate bonding coverage for all who have access to funds or can sign checks
3. Budget Updating **KRS 262.200 & KRS 65.065**
  1. Budgets reviewed at least each quarter and revised and refiled as needed
4. Monthly board meetings (must hold 9 out of the 12 months)
5. Checks & financial instruments signed by board members not employees
6. Equipment loan payments and reports if applicable
7. Policy & operations handbook current and last updated
8. Corrected discrepancies from most recent audit and date submitted
9. Emergency plan in place
10. Visit fiscal court annually (must provide proof of meeting and must be a board member leading the discussion)
11. Approved accounting software (QuickBooks or Quicken)
12. State-wide events and programs (Attendance and or participation of events outside of your own district)

Items 1-3 are statutory requirements, and items 4-12 are policy requirements set by the Soil and Water Conservation Commission.

The DIGS scores are used by the Soil and Water Conservation Commission in approving direct aid funding.

- 100% Commission approved funding level
  - Conservation District in Good Standing – satisfactorily completing 12 of 12 elements.
  - Eligible for bonus funding
- 90% Commission approved funding level
  - Conservation districts completing satisfactorily all statutory requirements elements and 5 of the 9 remaining policy requirements.
  - 10%-reduced funds will be used to fund bonus for districts in good standing.
- 75% Commission approved funding level
  - Conservation districts NOT satisfactorily completing all statutory requirements elements and at least 5 of the 9 remaining policy requirements.
  - 25%-reduced funds will be used to fund bonus for districts in good standing.

Other notes about the program:

The final DIGS report is due by July 5<sup>th</sup> annually.

Email your reports to [conservation@ky.gov](mailto:conservation@ky.gov) and file attachment named YOUR county DIGS report 2020-2021 (appropriate fiscal year) report.

In subject, line of the email with report attached put YOUR county DIGS report 2020-2021 (appropriate fiscal year) Johnna McHugh.

The Soil & Water Commission will review the reports and evaluate the funding level percentage for each report submitted, based on compliance.

After the first review by the commission, districts have an opportunity to submit an appeal and provide documentation to have the level of funding re-evaluated if you think an error occurred.

Districts that achieve 100% level of funding will be rewarded with an equal division of additional funds from district appropriations that did not achieve the 100% level of funding.

Districts need to ensure statutory and policy items on the DIGS report are met on time for compliance. During these lean times, you never want to leave monies on the table if you can bring it home to your district just for doing something that is required anyway.

Johnna McHugh is tasked with compiling the reports and getting them ready for the Soil & Water Commission to review and evaluate. Although not required, Johnna will accept a mid-year DIGS report by January 5<sup>th</sup> to review to see if your district is on track to complete all items on the DIGS report at 100% level. Email mid-year DIGS review to [conservation@ky.gov](mailto:conservation@ky.gov).