

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY**

**Financial Statements
June 30, 2013**

(With Independent Auditor's Report Thereon)

**ROBERT J. RIVERA, CPA, PC
CERTIFIED PUBLIC ACCOUNTANTS
SANTA FE, NEW MEXICO 87505-4761**

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STATE OF NEW MEXICO
 FIRST JUDICIAL DISTRICT ATTORNEY
 June 30, 2013

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STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
June 30, 2013

Official Roster

<u>Name</u>	<u>Title</u>
Angela "Spence" Pacheco	District Attorney
Lucas Gauthier	Chief Financial Officer

FINANCIAL SECTION

ROBERT J. RIVERA, CPA, PC

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INDEPENDENT AUDITOR'S REPORT

Angela "Spence" Pacheco
First Judicial District Attorney
and
Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major fund (general fund), the aggregate remaining fund information, and the budgetary comparison for the general fund of the State of New Mexico, First Judicial District Attorney, as of and for the year ended June 30, 2013, and the related notes to the financial statements which collectively comprise the State of New Mexico, First Judicial District Attorney's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the State of New Mexico, First Judicial District Attorney's non-major governmental funds, and the budgetary comparisons for all nonmajor funds presented as supplementary information as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2013, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in **Government Auditing Standards**, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above, present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the State of New Mexico, First Judicial District Attorney, as of June 30, 2013, and the respective changes in financial position and thereof, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the State of New Mexico, First Judicial District Attorney as of June 30, 2013, and the respective changes in financial position and cash flows, where applicable thereof, and the respective budgetary comparisons for all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages ix through xvi be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the State of New Mexico, First Judicial District Attorney's financial statements, and the budgetary comparisons. The other schedules required by 2.2.2 NMAC (schedule 1) as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other schedules required by 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other schedules required by 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with **Government Auditing Standards**, we have also issued our report dated November 15, 2013, on our consideration of the State of New Mexico, First Judicial District Attorney's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with **Government Auditing Standards** in considering the State of New Mexico, First Judicial District Attorney's internal control over financial reporting and compliance.



Robert J. Rivera, CPA, PC
Santa Fe, New Mexico
November 15, 2013

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Management's Discussion and Analysis
June 30, 2013**

The First Judicial District Attorney's (District Attorney(s) discussion and analysis is designed to provide an overview of the financial activities for the fiscal year ended June 30, 2013.

The Basic Financial Statements

The basic financial statements include government-wide financial statements and fund financial statements. This is in compliance with generally accepted accounting principles (GAAP). In addition, it consists of combining financial statements and individual fund budget comparison statements.

The Management's Discussion and Analysis also explains the structure and contents of each of the statements and is included as required supplementary information explaining and supporting the information in the financial statements.

Government-Wide Financial Statements

The government-wide financial statements report information about the District Attorney's Office as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The government-wide financial statements report the District Attorney's net position and how it has changed.

Fund Financial Statements

The fund financial statements provide more detailed information about the District Attorney's significant funds. Funds are accounting devices that the District Attorney uses to keep track of specific sources of funding and spending for particular purposes.

The District Attorney's Office operates on the following governmental-type funding sources:

- State General Fund Appropriation; and
- Federal Awards granted by the Federal Government.

The District Attorney's budget is approved by the state legislature each year.

Fiduciary Fund

The District Attorney's Office collects fees for the Worthless Check and Pre-Prosecution Diversion Programs and are distributed to victims and the Administrative Office of the District Attorneys (AODA). The monies are deposited into an account maintained by the AODA who is responsible for the subsequent transfer to the State Treasurer's Office. The fees are collected pursuant to State Statute and are deposited as they are received into an account maintained by the AODA. These funds are fiduciary to the District Attorney, and are non-budgetary funds.

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Management's Discussion and Analysis
June 30, 2013**

Budget Comparison Statements

The budget comparison statements present the original and final appropriated budget for the reporting period as well as actual inflows and outflows stated on the budgetary basis. A separate column reports the variance between the final budget and actual amounts.

Government-Wide Financial Statements

Government-wide condensed financial information is displayed in the tables below. Comparative information from the previous fiscal year is included for the reader's information:

**Table 1
First Judicial District Attorney's Net Position – Governmental Activities**

	<u>FY 2013</u>	<u>FY 2012</u>	<u>Change</u>
<u>Assets</u>			
Investment in the State Treasurer General Fund			
Investment Pool	\$ 354,067	\$ 317,313	\$ 36,754
Due from other state agencies	2,403	2,403	-
Due from federal government	37,477	31,985	5,492
Other receivables	970	970	-
Capital assets, net of accumulated depreciation	<u>108,487</u>	<u>152,588</u>	<u>(44,101)</u>
Total assets	<u>503,404</u>	<u>505,259</u>	<u>(1,855)</u>
<u>Liabilities</u>			
Accounts payable and other liabilities	125,352	212,083	(86,731)
Compensated absences payable - current	149,442	140,491	8,951
Compensated absences payable - long-term	<u>36,371</u>	<u>46,545</u>	<u>(10,174)</u>
Total liabilities	<u>311,165</u>	<u>399,119</u>	<u>(87,954)</u>
<u>Net Position</u>			
Net Investment in capital assets	108,487	152,588	(44,101)
Restricted	271,443	140,588	130,855
Unrestricted (deficit)	<u>(187,691)</u>	<u>(187,036)</u>	<u>(655)</u>
Total net position	<u>\$ 192,239</u>	<u>\$ 106,140</u>	<u>\$ 86,099</u>

There is \$271,443 of net position that is subject to external restrictions on how they may be used. The remaining portion of the net position (\$187,691) that does not represent the investment in capital assets of \$108,487, is at a deficit, which is the direct result of the compensated absences payable.

The main factors that caused net position to increase by \$86,099 was a decrease in capital assets resulting from deletions of \$781, depreciation expense (\$43,320); a decrease in compensated absences payable of (\$1,223) from \$187,036 to \$185,813, and an increase in Reserve for Subsequent Years' appropriations of \$130,855.

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Management's Discussion and Analysis
June 30, 2013**

Government-Wide Financial Statements (Cont'd)

**Table 2
First Judicial District Attorney Changes in Net Position – Governmental Activities**

	<u>FY 2013</u>	<u>FY 2012</u>	<u>Change</u>
Revenues and Transfers:			
General Fund appropriation	\$ 4,864,700	\$ 4,455,400	\$ 409,300
Federal revenues	159,742	128,916	30,826
Miscellaneous revenue	-	127	(127)
Other reversions to State General Fund	(2,067)	(19,475)	17,408
Loss on disposal of capital assets	<u>(781)</u>	<u>-</u>	<u>(781)</u>
Total revenues and transfers	<u>5,021,594</u>	<u>4,564,968</u>	<u>456,626</u>
Expenses:			
Personal services and employee benefits	4,483,967	4,253,554	230,413
Contractual services	14,500	14,500	-
Other costs	393,692	241,890	151,802
Depreciation	<u>43,320</u>	<u>44,986</u>	<u>(1,666)</u>
Total expenses	<u>4,935,479</u>	<u>4,554,930</u>	<u>380,549</u>
Change in net position	<u>86,115</u>	<u>10,038</u>	<u>76,077</u>
Net position, beginning, as reported	106,140	96,102	10,038
Restatements:			
Prior period adjustment	<u>(16)</u>	<u>-</u>	<u>(16)</u>
Net position, beginning, as restated	<u>106,124</u>	<u>96,102</u>	<u>10,022</u>
Net position, ending	<u>\$ 192,239</u>	<u>\$ 106,140</u>	<u>\$ 86,099</u>

The District Attorney uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements, providing useful information on near-term inflows, outflows, and balances of available resources (modified accrual basis.) Unreserved fund balance serves as a measure of net resources available for future appropriation. Because unexpended balances in SHARE fund 15500 (General Operating Fund) generally must revert to the State General fund, the unassigned fund balance should always be zero, except for that portion which is either committed or assigned to subsequent year expenditures (\$268,827). At June 30, 2013, the General Operating Fund had an unassigned fund balance of (\$1,878), resulting from accounts payable of \$2,848 which will be paid out of the FY 2014 budget, and a potential uncollectible "other receivable" of (\$970).

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Management's Discussion and Analysis
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Government-Wide Financial Statements (Cont'd)

Governmental activities revenue increased by \$456,626 or 10%. This increase was primarily from General Fund appropriations which increased by \$409,300. Federal grant awards increased by \$30,826. Governmental activities expenses increased by \$380,549 or 8.35%, and reversions to the State General Fund decreased by \$17,408.

The composition of the fund balance at the end of the current fiscal year appears below:

First Judicial District Attorney's Fund Balances

	<u>FY 2013</u>	<u>FY 2012</u>	<u>Change</u>
Fund Balance:			
Assigned to subsequent year expenditures	\$ 268,827	\$ 140,588	\$ 128,239
Unassigned	<u>738</u>	<u>-</u>	<u>738</u>
 Total fund balance	 <u>\$ 269,565</u>	 <u>\$ 140,588</u>	 <u>\$ 128,977</u>

General Fund Budgetary Highlights

The State of New Mexico Legislature makes annual appropriations to the District Attorney's Office. Amendments to the budget require approval by the State Budget Division of the Department of Finance and Administration. Over the course of fiscal year 2013, the District Attorney's Office budget was reduced by 0.4%.

Capital Assets

The District Attorney's investment in capital assets, net of accumulated depreciation is \$108,487. There is no debt related to these capital assets. There were no additions to capital assets for the year. The District Attorney deleted capital assets totaling \$57,371 and related accumulated depreciation of \$56,590. Depreciation expense for the year totaled \$43,320. The investment in capital assets, net of accumulated depreciation changed from \$152,588 to \$108,487 for a net decrease of \$44,101.

Long-Term Debt

The District Attorney's Office had long-term debt at June 30, 2013, for compensated absences amounting to \$149,442, and \$140,491 at June 30, 2012. This was an increase of \$8,951 from the prior year.

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
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Governmental Accounting and Auditing Environment and Next Year's (FY 2014) Budget

Due to implementation of the Accountability in Government Act (AGA), Chapter 15, Laws of 1999, three performance measures were incorporated into the appropriation for the District Attorney's Office. They are:

Performance Measures		
<u>Type</u>	<u>Measure</u>	<u>FY 2014 Target</u>
Outcome	Percent of cases dismissed under the 6-month rule	<1%
Output	Number of cases dismissed under the 6-month rule	<45
Efficiency	Average time from filing of petition to final disposition, in months	6
Efficiency	Average attorney caseload	255
Output	Number of cases prosecuted	4,500
Output	Number of cases referred for screening	7,000
Output	Number of cases prosecuted per attorney	160
Output	Number of cases in which defendant was accepted Into Pre-Prosecution Diversion Program	125

The overall mission of the First Judicial District Attorney's Office is to prosecute violations of state laws in order to provide protection to its citizens, hold offenders accountable, and cooperate with other criminal justice entities. The Prosecution Program provides an array of services such as investigations, victim assistance, trial preparation, administration, and community outreach. The objectives and strategies associated with these services ensure that the Agency's goals and performance measures are met. These same objectives and strategies also directly relate to three of the Governor's focus areas: Public Integrity, DWI Offenders, and Domestic Violence.

Funding for the First Judicial District Attorney is legislatively appropriated by the State of New Mexico, with limited funds coming from federal sources; High Intensity Drug Traffic Area (HIDTA), and Victim of Crime Act (VOCA). The office is authorized 70 full time employees and 3 term employees, whom are partially funded from the office's grants. Over 93% of all funding received by the First Judicial District Attorney's Office is dedicated to personnel cost, the remaining budget is expended on essential needs; office equipment rental, telecommunications, postage, annual audit fees, Do-IT services, HCM fees, attorney Bar Association dues, expert witness fees, reporting and recording fees, and supplies.

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Management's Discussion and Analysis
June 30, 2013**

MAJOR ISSUES AFFECTING THE DISTRICT ATTORNEY'S OFFICE:

In 2013, the First Judicial District Attorney's Office worked in collaboration with New Mexico Coalition of Sexual Assault Programs (NMCSAP), New Mexico Aging and Long-Term Services Department (ALTSD), and New Mexico Department of Public Safety (DPS) to educate criminal justice professionals, governmental agency staff, law enforcement, victim assistance groups, and health care providers to identify, investigate and respond to signs of abuse, sexual assault, and exploitation of the elderly and adults with disabilities. The goal of this three year collaboration is for the First Judicial District Attorney's Office to educate and promote awareness of abuse issues of the elderly, and adults with disabilities throughout New Mexico. With an increasing elder population it is essential that care providers, law enforcement, prosecutors, and the judiciary recognize and respond to signs of physical, psychological, and financial abuse of the elderly and adults with disabilities.

The First Judicial District Attorney's Office has visited senior centers in Santa Fe, Española (Rio Arriba County) and in Los Alamos. At these events, the First Judicial District Attorney and staff have met with seniors, discussed issues regarding elder abuse, and collected data via a questionnaire. This is a positive effort that the First Judicial District Attorney's Office is proud to be in support of and benefits the community at large.

The First Judicial District Attorney's Office has placed great emphasis on outreach and visibility for issues that involve "public integrity" and the misuse of public monies, and vows to hold violators accountable for their actions. The First Judicial District Attorney houses a Public Integrity Unit; a unit that is unique from all other District offices. This unit is comprised of one Deputy District Attorney, a Senior Investigator, and administrative support. To date, the Public Integrity Unit has successfully prosecuted several high profile incidents of public fraud and embezzlement, and has recovered hundreds of thousands of dollars and ordered restitution to public/governmental entities. The Public Integrity Unit works with the New Mexico Taxation and Revenue Department's Tax Fraud Division, the New Mexico Regulation and Licensing, the New Mexico State Police, the Human Services Department, the Office of the State Auditor, the Federal Bureau of Investigation, as well as various local law enforcement agencies to prosecute cases where state monies are misused.

Beginning in late September 2013 the First Judicial District Attorney's Office's Public Integrity Unit will go to trial for the prosecution of a high profile fraud case in which county employees and a contractor allegedly defrauded the county out of an estimated one million dollars. Due to the complexity and size of the case, the Public Integrity Unit's staff, as well as three other attorneys from the First Judicial District Attorney's Office, are solely committed to the prosecution of this single case which involves five defendants and over 90,000 pages of documents. The First Judicial District Attorney's Office was successful in attaining a Special Appropriation for FY 2013/2014 in the amount of \$224,900 which has been used to offset the mounting expenses associated with this case. The First Judicial District Attorney's Office extends its appreciation to all the Legislators who made sure the First Judicial District Attorney's Office had the resources necessary to move forward on such an important case.

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Management's Discussion and Analysis
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Fiscal year 2013 also opened new opportunities for community involvement and collaboration with the City of Santa Fe City Council, Santa Fe Community Foundation, Drug Policy Alliance, Santa Fe County, City of Española, Solace, and numerous other organizations for the development of a Pre-Booking Diversion Program known as "LEAD Santa Fe Task Force." The assembled Task Force focused on a program that would effectively aide in reducing the recidivism rate among property crime offenders fueled by an addiction to opiate drugs. The Task Force recognized the immense drain on the criminal justice system that the average offender in the possession of opiates has as well as the loss of productivity and cost on social support systems. A study performed by the Santa Fe Community Foundation, in collaboration with the LEAD Santa Fe Task Force, found that nine out of ten property crime offenders were repeat offenders. The First Judicial District Attorney's Office is supportive of a program that will offer treatment to an individual addicted to opiate drugs as there is currently not a public treatment facility available in Santa Fe County.

The First Judicial District Attorney's Office has sought and received grant funding for FY 2014 from the Victims of Crime Act (VOCA) in the amount of \$43,400. The agency has a 25% match requirement for this grant funding which will come in the form of employee benefits and in-kind services. The grant funds are not recurring, but could continue for future years based on performance. The VOCA grant funds a Senior Victim Advocate position at the First Judicial District Attorney's Office for fiscal year 2014, with the duties of providing front line victim support at the Santa Fe County Magistrate Court.

The most significant issue the First Judicial District Attorney's Office continues to endure is high attorney turnover. Since the beginning of FY 2010 to the present, out of the office's 28 attorney positions, 45 attorneys have come and gone, which is over a 160% turnover rate. The low pay for starting attorneys, coupled with the high caseloads, results in a majority of attorneys leaving before completing a year of service. In exit interviews conducted with departing attorneys the main reason for leaving is low pay. Most attorneys leave for employment to other state agencies around Santa Fe where the experience gained at the First Judicial District Attorney's Office earns them a significantly higher starting salary to which the office is unable to compete.

The First Judicial District Attorney's Office would like to be able to offer entry level attorneys a salary comparable to other entry level attorney salaries around Santa Fe in order to be competitive in the market. Between Santa Fe's higher cost of living, the narrow market for entry level attorneys, and the lack of salary schedule adjustments based on the labor market and inflation, the First Judicial District Attorney's Office has had a difficult time recruiting and retaining attorneys.

Another item that hinders this agency's ability to retain attorney staff is the lack of funding for specialized training provided by the National District Attorney's Association (NDAA). Attorneys must attain a minimum level of CLE credits to remain in good standing with the NM State Bar Association. Specialized training is readily available through NDAA, but due to the reductions in the First Judicial District Attorney's Office budgets prior to FY 2013, specialized training has been held as a luxury the office could not afford. Additional training is a necessary tool to keep employee skill sets up-to-date and enables the attorney to be productive and efficient. Training gives the office the capacity to create or mold a career path for attorneys reducing turnover and promoting efficiency.

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Management's Discussion and Analysis
June 30, 2013**

Requests for Information

This financial report is designed to provide a general overview of the First Judicial District Attorney's Office. If you have questions regarding this report or need additional information, please contact:

**Lucas Gauthier
Chief Financial Officer
First Judicial District Attorney's Office
327 Sandoval Street
Santa Fe, New Mexico 87504**

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Statement of Net Position
June 30, 2013**

	Governmental Activities
<u>Assets</u>	
Investment in the State Treasurer General Fund Investment Pool (note 2)	\$ 354,067
Due from other state agencies (note 7)	2,403
Due from federal government (note 12)	37,477
Other receivables	970
Total current assets	394,917
Capital assets (note 3)	536,568
Less accumulated depreciation	(428,081)
Total capital assets, net of depreciation	108,487
Total assets	\$ 503,404
<u>Liabilities and Net Position</u>	
Liabilities:	
Accounts payable	32,838
Accrued salaries payable	39,482
Payroll taxes payable	16,681
Payroll benefits payable	28,856
Due to State General Fund (note 6)	2,067
Due to other state agencies (note 7)	3,428
Deferred revenue	2,000
Compensated absences payable: (note 4)	
Due within one year	149,442
Due after one year	36,371
Total liabilities	311,165
Net Position:	
Net Investment in capital assets (note 3)	108,487
Restricted	271,443
Unrestricted (deficit)	(187,691)
Total net position	192,239
Total liabilities and net position	\$ 503,404

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Statement of Activities
For the Year Ended June 30, 2013**

	Governmental Activities
Expenses:	
Judicial:	
Personal services and employee benefits	\$ 4,483,967
Contractual services	14,500
Other costs	393,692
Depreciation expense	43,320
Total expenses	4,935,479
Program revenues:	
Federal operating grants	159,742
Net program expense	(4,775,737)
General revenues and transfers:	
State General Fund appropriation (note 8)	4,864,700
Loss on disposal of capital assets	(781)
Reversion to State General Fund (FY2013) (notes 6 and 8)	(2,067)
Total general revenues and transfers	4,861,852
Change in net position	86,115
Net position, beginning of year (as reported)	106,140
Restatements:	
Prior-period adjustment (note 16)	(16)
Net position, beginning of year (as adjusted)	106,124
Net position, end of year	\$ 192,239

The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Balance Sheet
Governmental Funds
June 30, 2013**

	<u>Major</u> Fund 15500 General Fund	<u>Non-Major</u> Other Funds	<u>Sub-total</u>	<u>Eliminations</u>	<u>Total</u> Governmental Funds
<u>Assets</u>					
Investment in the State Treasurer					
General Fund Investment Pool (note 2)	\$ 353,121	\$ 3,349	\$ 356,470	\$ (2,403)	\$ 354,067
Due from other state agencies (note 7)		2,403	2,403	-	2,403
Due from federal government (note 12)	37,477	-	37,477	-	37,477
Other receivables	970	-	970	-	970
	<u>391,568</u>	<u>5,752</u>	<u>397,320</u>	<u>(2,403)</u>	<u>394,917</u>
Total assets	<u>\$ 391,568</u>	<u>\$ 5,752</u>	<u>\$ 397,320</u>	<u>\$ (2,403)</u>	<u>\$ 394,917</u>
<u>Liabilities and Fund Balance</u>					
Liabilities:					
Investment in the State Treasurer					
General Fund Investment					
Pool-deficit (note 2)	\$ -	\$ 2,403	\$ 2,403	\$ (2,403)	\$ -
Accounts payable	32,838	-	32,838	-	32,838
Accrued salaries payable	39,482	-	39,482	-	39,482
Payroll taxes payable	16,681	-	16,681	-	16,681
Payroll benefits payable	28,856	-	28,856	-	28,856
Due to State General Fund (note 6)	2,067	-	2,067	-	2,067
Due to other state agencies (note 7)	79	3,349	3,428	-	3,428
Deferred revenue	2,000	-	2,000	-	2,000
	<u>122,003</u>	<u>5,752</u>	<u>127,755</u>	<u>(2,403)</u>	<u>125,352</u>
Total liabilities	<u>122,003</u>	<u>5,752</u>	<u>127,755</u>	<u>(2,403)</u>	<u>125,352</u>
Fund Balance:					
Assigned to:					
Subsequent year expenditures	271,443	-	271,443	-	271,443
Unassigned	(1,878)	-	(1,878)	-	(1,878)
	<u>269,565</u>	<u>-</u>	<u>269,565</u>	<u>-</u>	<u>269,565</u>
Total fund balance	<u>269,565</u>	<u>-</u>	<u>269,565</u>	<u>-</u>	<u>269,565</u>
Total liabilities and fund balance	<u>\$ 391,568</u>	<u>\$ 5,752</u>	<u>\$ 397,320</u>	<u>\$ (2,403)</u>	<u>\$ 394,917</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Reconciliation of the Balance Sheet to the Statement of Net Position
Governmental Funds
June 30, 2013

Total fund balance for the governmental fund (balance sheet) - (Exhibit C)	\$	269,565
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources, and, therefore, are not reported in the funds.		108,487
Long-term liabilities, including compensated absences payable, are not due and payable in the current period and, therefore, are not reported in the funds.		(185,813)
		192,239
Net position of governmental activities (statement of net position) - (Exhibit A)	\$	<u>192,239</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 FIRST JUDICIAL DISTRICT ATTORNEY
 Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 For the Year Ended June 30, 2013

	<u>Major</u> <u>Fund 15500</u>	<u>Non-Major</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
	<u>General</u> <u>Fund</u>	<u>Other</u> <u>Funds</u>	
Revenues:			
Federal grants	\$ 159,742	\$ -	\$ 159,742
Miscellaneous revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>159,742</u>	<u>-</u>	<u>159,742</u>
Expenditures:			
Judicial:			
Current:			
Personal services and employee benefits	4,485,190	-	4,485,190
Contractual services	14,500	-	14,500
Other costs	<u>393,692</u>	<u>-</u>	<u>393,692</u>
Total expenditures	<u>4,893,382</u>	<u>-</u>	<u>4,893,382</u>
Excess (deficiency) of revenues over expenditures	<u>(4,733,640)</u>	<u>-</u>	<u>(4,733,640)</u>
Other financing sources (uses):			
State General Fund appropriation (note 8)	4,864,700		4,864,700
Reversion to State General Fund - FY 2013 (notes 6 and 8)	<u>(2,067)</u>	<u>-</u>	<u>(2,067)</u>
Total other financing sources (uses)	<u>4,862,633</u>	<u>-</u>	<u>4,862,633</u>
Net change in fund balance	<u>128,993</u>	<u>-</u>	<u>128,993</u>
Fund balance, beginning of year (as reported)	140,588	-	140,588
Restatements:			
Prior-period adjustments (note 16)	<u>(16)</u>	<u>-</u>	<u>(16)</u>
Fund balance, beginning of year (as restated)	<u>140,572</u>	<u>-</u>	<u>140,572</u>
Fund balance, end of year	<u>\$ 269,565</u>	<u>\$ -</u>	<u>\$ 269,565</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances to the Statement of Activities
Governmental Funds
For the Year Ended June 30, 2013

Net change in fund balance - Governmental Funds		
(Statement of Revenues, Expenditures and Changes in Fund Balance)		
- (Exhibit E)	\$	128,993
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Capital outlay purchases	\$	-
Loss on disposal of capital assets		(781)
Depreciation expense		<u>(43,320)</u>
Excess of capital outlay expense over depreciation		(44,101)
Net change in long-term and current portions of compensated absences payable		<u>1,223</u>
Change in net position of governmental activities		
(Statement of Activities) - (Exhibit B)	\$	<u><u>86,115</u></u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 FIRST JUDICIAL DISTRICT ATTORNEY
 Statement of Revenues and Expenditures
 Budget and Actual (Budgetary Basis)
 Major Governmental Funds
 General Fund (Fund 15500)
 For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Prior Years' Activity</u>	<u>Actual Budget Basis</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:					
State General Fund appropriation	\$ 4,864,700	\$ 4,864,700	\$ -	\$ 4,864,700	\$ -
Federal grants	120,689	159,742	-	161,742	2,000
Miscellaneous revenue	-	-	-	-	-
	<u>4,985,389</u>	<u>5,024,442</u>	<u>\$ -</u>	<u>\$ 5,026,442</u>	<u>\$ 2,000</u>
Cash balance budgeted	<u>140,588</u>	<u>140,588</u>			
Total budgeted resources	<u>\$ 5,125,977</u>	<u>\$ 5,165,030</u>			
Expenditures:					
Judicial:					
Current:					
Personal services and employee benefits	\$ 4,677,689	\$ 4,716,742	\$ -	\$ 4,485,190	\$ 231,552
Contractual services	15,100	15,100	-	14,500	600
Other costs	<u>433,188</u>	<u>433,188</u>	-	<u>390,844</u>	<u>42,344</u>
Total expenditures	<u>\$ 5,125,977</u>	<u>\$ 5,165,030</u>	<u>\$ -</u>	<u>\$ 4,890,534</u>	<u>\$ 274,496</u>
Reconciliation of Budgetary Basis to GAAP Basis:					
Budgetary Basis				<u>Revenue</u>	<u>Expenditures</u>
				\$ 5,026,442	\$ 4,890,534
Adjustments:					
Accounts payable that required approval to pay out of FY 2014 budget				<u>-</u>	<u>2,848</u>
GAAP Basis				<u>\$ 5,026,442</u>	<u>\$ 4,893,382</u>

Note:

The actual expenditures on the budgetary basis do not include any accounts payable that required a request to pay prior-year bills out of the FY 2014 budget.

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Notes to Financial Statements
June 30, 2013

1. Summary of Significant Accounting Policies

The financial statements of the First Judicial District Attorney (District Attorney) have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles and applicable Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless they conflict with GASB pronouncements. They are applied to the government-wide financial statements. The more significant of the District Attorney's accounting policies are described below:

A. Reporting Entity and Component Units

The Office of the District Attorney is an elective office established by the Constitution of the State of New Mexico, Article VI, Section 24. The District Attorney is elected to a four-year term. Functions of the District Attorney are defined in Section 36-1-1 through 36-1-26, NMSA, 1978 as amended.

It is the duty of the District Attorney to prosecute and defend the state, in all courts of record, in all cases criminal and civil, in which the state or any county in the district may be a party. The District Attorney must represent any county in the district, at the request of the Board of County Commissioners. The District Attorney may also appear before the Board, without being requested to do so, when the Board is sitting as a Board of Equalization. The District Attorney must advise all county and state officers, whenever requested. The District Attorney is required to represent any county in the district before the Supreme Court or the Court of Appeals in all civil cases in which the county may be concerned, but not in suits brought in the name of the state.

Section 36-1A-1 through 36-1A-15, cited the "District Attorney Personnel and Compensation Act," established for all district attorneys, a uniform, equitable and binding system of personnel administration.

Each district attorney shall establish a pre-prosecution diversion program in his judicial district in accordance with the provisions of the Pre-prosecution Diversion Act (31-16A-1 to 31-16A-8) to the extent public or private funds permit. The program includes individual counseling and guidance; requires restitution where applicable to the extent practical and may require public service. The District Attorney may refer clients for treatment and rehabilitation. Based on financial circumstances, the defendant is required to reimburse the District Attorney for costs related to participation in the program. On July 1, 1993, the District Attorney implemented the Pre-prosecution Domestic Violence Diversion Program (DVDP).

The District Attorney is also authorized to assess processing fees against any person who is convicted of violating Section 30-36-4, NMSA, 1978 of the Worthless Check Act (Section 30-36-1 through 30-36-10).

STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Notes to Financial Statements
June 30, 2013

1. Summary of Significant Accounting Policies (Cont'd)

A. Reporting Entity and Component Units (Cont'd)

The District Attorney is legally separate and fiscally independent of other state agencies, has decision-making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. The District Attorney does not have any component units.

The District Attorney is a user organization of the *Statewide Human Resource, Accounting, and Management Reporting System (SHARE)*. The service organization is the Department of Finance and Administration (DFA).

B. Government-Wide and Fund Financial Statements

The **government-wide financial statements**, the statement of net position and the statement of activities, report information on all of the non-fiduciary activities of the District Attorney. The District Attorney has one fiduciary activity. When applicable, the effect of interfund activity between two *SHARE* funds is removed from the statement of net position in order to avoid a grossing up effect on assets and liabilities within the statement. The District Attorney does not have any business-type activities; therefore, only governmental activities are shown. Governmental activities are normally supported by taxes and intergovernmental revenues.

The **governmental fund financial statements**, the balance sheet and the statement of revenues, expenditures and changes in fund balances, are presented to report additional and detailed information about the District Attorney.

Emphasis is on the major funds of the governmental category. Non-major funds are summarized into a single column as "other funds." The District Attorney has one major fund, its general fund.

The governmental funds in the fund financial statements are presented on a current financial resource measurement focus and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. This presentation is deemed more appropriate to demonstrate legal and covenant compliance, to demonstrate the source and use of liquid resources and to demonstrate how the District Attorney's actual experience conforms with the budget or fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each statement, (Exhibits D and F) which briefly explains the adjustment necessary to transform the fund based financial statements into the governmental government-wide presentation.

The District Attorney's fiduciary fund is presented in the fund financial statement. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated in the government-wide statements.

STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Notes to Financial Statements
June 30, 2013

1. Summary of Significant Accounting Policies (Cont'd)

B. **Government-Wide and Fund Financial Statements (Cont'd)**

The financial transactions of the District Attorney are recorded in individual funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, expenditures or expenses and other financing sources or uses. Government resources are allocated to, and accounted for, individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

The model sets forth the minimum criteria (percentage of the assets liabilities, revenues or expenditures of either fund category of the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements and detailed in the combining section.

The following fund types are used by the District Attorney.

GOVERNMENTAL FUND TYPES

All governmental fund types are accounted for on a spending or financial flow measurement focus. Only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of available spendable resources. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period. Due to their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures of fund liabilities.

General Fund - The General Fund is the general operating fund of the District Attorney. It is used to account for all financial resources except those required to be accounted for in another fund.

SHARE Fund

15500

General Operating - The operating account for the District Attorney. This is a reverting fund (unused appropriations revert to the State General Fund). Fund balances reflected as "assigned to subsequent year expenditures" are appropriated for use into subsequent fiscal years, per language appropriating the funds.

Special Revenue Funds - The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Notes to Financial Statements
June 30, 2013

1. Summary of Significant Accounting Policies (Cont'd)

B. Government-Wide and Fund Financial Statements (Cont'd)

SHARE Fund

- 25800 **CVRC-STOP VAWA Grant Fund**-No activity during FY 2013. Used to account for Victims of Crime Act (VOCA) Victims Assistance Grant Program Funds, US Department of Justice, passed through the State of New Mexico, Crime Victims Reparation Commission. These funds do not revert to the State General Fund. VOCA is authorized by the Crime Victims Reparation Commission (CVRC) as authorized by the Victims of Crime Act of 1984.
- 25900 **Federal Grants-DOJ Rural Fund**-No activity during FY 2013. Used to account for Drug Control and Systems Improvement grant funds, US Department of Justice, passed through the State of New Mexico, Department of Public Safety (DPS). These funds do not revert to the State General Fund.
- 72200 **Bureau of Justice Assistance Grant Fund** - No activity during FY 2013. Used to account for the Region III Narcotics Task Force grant for the prosecution of drug cases. These funds do not revert to the State General Fund.

FIDUCIARY FUND TYPES

Fiduciary fund types include trust and agency funds, which are used to account for assets held by the District Attorney in the capacity of trustee or agent.

Agency Fund - Agency funds are used to account for assets held as an agent for other governmental units, individuals and other funds. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

The agency fund is used to account for activities in which the District Attorney is acting in an agency capacity for the Administrative Office of the District Attorneys, District Attorney Fund. Cost reimbursements for processing fees are received from clients/offenders as authorized in the Pre-prosecution Diversion Act (31-16A-1 through 31-16A-8 NMSA, 1978) and the Worthless Check Act (Section 30-36-1 through 30-36-10 NMSA, 1978). All amounts collected are deposited directly into the Administrative Office of the District Attorneys account.

C. **Measurement Focus, Basis of Accounting and Financial Statement Presentation**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting is related to the timing of the measurements made, regardless of the measurement focus applied.

The **government-wide financial statements** are reported using the economic resources measurement focus and the accrual basis of accounting. Interfund activity (between or within funds) due to/due from other funds are eliminated in the government-wide financial

STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Notes to Financial Statements
June 30, 2013

1. Summary of Significant Accounting Policies (Cont'd)

C. **Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

statements. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. Program revenues consist of federal operating grants. The revenue recognition policy for operating grants is when the eligibility requirements have been met, and costs have been incurred. Operating grant receipts which have not been earned are classified as "deferred revenue." Capital assets are reported at historical cost and depreciated over their estimated useful lives. Depreciation expense is reported in the statement of activities.

The government-wide Statement of Activities demonstrates the direct expenses of the single function (Judicial) of the District Attorney which is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. The District Attorney has no indirect expenses and, therefore, indirect expenses are not required to be allocated to functions in the Statement of Activities. Program revenues include federal and state operating grants provided by a particular function or program. Other revenues not identifiable with a particular function or program are included as general revenue. The general revenues support the net costs of the function or program not covered by program revenues.

When an expense is incurred for purposes for which both unrestricted and restricted net position are available, the District Attorney first uses restricted resources then unrestricted resources.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Only current assets and current liabilities are included on the balance sheet. The reported fund balance is considered a measure of available spendable resources.

Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period. Revenues are recognized as soon as they are both measurable and available. Revenues are available if collectible within the current period or soon enough afterwards to pay liabilities of the current period. The District Attorney considers revenues to be available if collected within sixty days of the end of the fiscal year. Expenditures are recorded when a liability is incurred, as under accrual accounting. The District Attorney does not have any debt service expenditures. The current portion of the compensated absences payable liability is not included in the fund financial statements because the State of New Mexico does not budget for any compensated absences payments in the current year, and because a material amount was not paid out during the first three months of the following fiscal year.

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Notes to Financial Statements
June 30, 2013**

1. Summary of Significant Accounting Policies (Cont'd)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)

During fiscal year 2013, the First Judicial District Attorney adopted the following GASB statement:

GASB 63 amended previous guidance on deferred revenue in the government-wide financial statements to include deferred outflow of resources, which is the consumption of net assets by the government that is applicable to a future reporting period and deferred inflow of resources, which is acquisition of net assets by the government that is applicable to a future reporting period.

D. Receivables and Payables

When applicable, amounts "due to/from other state agencies" shown in the financial statements reflect outstanding balances of the receivables and payables between the District Attorney and other departments of the State of New Mexico. Amounts shown as "due to the state general fund" reflect current year reversions for unexpended current-year appropriations and stale dated warrant amounts for prior fiscal years.

E. Capital Assets

Capital assets of the District Attorney include data processing equipment, furniture and fixtures, equipment and automobiles. The District Attorney does not have any infrastructure. Capital assets are defined in Section 12-6-10 NMSA 1978. Section 12-6-10 NMSA 1978, was amended effective June 19, 2005, changing the capitalization threshold of movable chattels and equipment from items costing more than \$1,000 to items costing more than \$5,000. Old inventory items that do not meet the new capitalization threshold will remain on the inventory list and continue to be depreciated. Any items received after July 1, 2005, will be added to the inventory only if they meet the new capitalization policy. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. Computer software which is purchased with data processing computer equipment is included as part of the capitalized computer equipment in accordance with 2.20.1.9 C (5) The cost of maintenance and repairs that do not add to the asset value or materially extend assets lives are not capitalized. The District Attorney does not undertake major capital projects involving interest costs during the construction phase. There is no debt related to the capital assets. Capital assets of the District Attorney are depreciated using zero salvage value and the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Furniture and fixtures	10
Data processing equipment	5
Equipment	6
Automobiles	5
Software	3

STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Notes to Financial Statements
June 30, 2013

1. Summary of Significant Accounting Policies (Cont'd)

F. Budgets and Budgetary Accounting

The District Attorney follows these procedures in establishing the budgetary data reflected in the financial statements:

1. No later than September 1st, the District Attorney prepares a budget request by appropriation unit to be presented to the next legislature.
2. The appropriation request is submitted to the Department of Finance and Administration's Budget Division (DFA) and to the Legislative Finance Committee (LFC).
3. DFA makes recommendations and adjustments to the appropriation request which become the Governor's proposal to the Legislature.
4. LFC holds hearings on the appropriation request, also submitting recommendations and adjustments before presentation to the Legislature.
5. Both the DFA and LFC recommended appropriation proposals are presented to the Legislature for approval of the final budget plan.
6. The legal level of budgetary control is at the appropriation program level (P-Code level). Section 9 of the General Appropriation Act of 2010, allows all agencies to request category transfers among personal services and employee benefits, contractual services and other. Budget Adjustment Requests (BARs) are approved by the DFA Budget Division.
7. According to the General Appropriations Act, Chapter 19, Laws 2012, Section 3, Paragraph M, for the purpose of administering the General Appropriation Act of 2013 and approving operating budgets, the state of New Mexico shall follow the modified accrual basis of accounting for governmental funds in accordance with the manual of model accounting practices issued by the department of finance and administration. The only exception would be an accounts payable at June 30, 2013 that did not get paid by the statutory deadline after the end of the fiscal year. The cash to pay such a payable is reverted to the State General Fund on September 30, 2013, creating a negative fund balance. Those payables must be paid out of the following year's budget after a request to pay prior year bills out of the current year budget has been approved by DFA. The District Attorney had \$2,848 of such exceptions at June 30, 2013, which will be paid out of the FY 2014 budget.
8. The original budgets differs from the final budgets presented in the budget comparison exhibits and statements by amendments made during the fiscal year.
9. Single-year appropriations lapse at the end of the fiscal year. Accounts payable amounts related to goods and services received by June 30th that were paid within the 31 day statutory period are accrued as accounts payable in the budget basis expenditures. Accounts payable that were not paid within the 31 day statutory time period that require a

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Notes to Financial Statements
June 30, 2013**

1. Summary of Significant Accounting Policies (Cont'd)

F. Budgets and Budgetary Accounting (Cont'd)

request for approval to pay prior year bills with current year funds, are paid out of the next year's budget. The District Attorney had \$2,848 of accounts payables at June 30, 2013, that were not paid within the required time period.

In accordance with the requirements of Section 2.2.210.A (2) (b) of 2.2.2 NMAC *Requirements for Contracting and Conducting Audits of Agencies* and the allowance made by GASB 34 footnote 53, the budgetary comparison statements for the General Fund and major special revenue funds have been included as part of the basic financial statements.

G. Accrued Compensated Absences Payable

Annual leave and other compensated absences with similar characteristics are accrued as a liability as benefits are earned by employees if: the employees' right to receive compensation is attributable to services already rendered; and it is probable that the employer will compensate employees for benefits through paid time off or some other means, such as cash payments at termination or retirement.

Where applicable, the compensated absence liability is presented in two parts in the government-wide financial statements, a current portion and long-term portion. The current portion is the amount expected to be expended during fiscal year 2013. It is an estimate management determined by applying a percentage to the June 30, 2013 liability. The percentage used was determined by comparing the amount actually paid out during fiscal year 2013 compared to the liability balance at June 30, 2012.

Employees accumulate annual leave at a rate based on appointment date and length of continuous service. A maximum of 240 hours of annual leave may be carried forward after the pay period beginning in December and ending in January. When employees terminate, they are compensated at their current hourly rate for accumulated unpaid annual leave as of the date of termination, up to a maximum of 240 hours.

Employees accumulate sick leave at a rate of 3.69 hours per pay period. There is no limit to the amount of sick leave that an employee may accumulate. State agencies are allowed to pay fifty percent of each employees hourly rate for accumulated sick leave over 600 hours, up to 120 hours. Payment may be made only once per fiscal year at a specified pay period in either January or July. Additionally, upon retirement those employees with over 600 hours accumulated sick leave have the option to convert 400 hours of such leave to cash at one half of their hourly rate.

Fair Labor Standards Act (FLSA) states that nonexempt employees accumulate compensation time at a rate of 1.5 times the number of hours worked, in excess of forty hours per week, based on their regular hourly rate. Exempt and classified employees who are FLSA exempt accumulate

STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Notes to Financial Statements
June 30, 2013

1. Summary of Significant Accounting Policies (Cont'd)

G. Accrued Compensated Absences (Cont'd)

compensation time at the same rate as the number of hours worked. Exempt employees could not carry forward unused compensation time into January of the 2013 calendar year. Overtime must be preapproved by management. Payment of this liability can be made by compensated leave time or cash payment. At June 30, 2013, there was no compensation time owed to any employees.

In accordance with GASB 16, accrued compensated absences consist of accumulated annual leave, sick leave between 600 and 720 hours, compensatory leave for employees, including the related employers' matching FICA and Medicare payroll taxes.

H. Reversions

Unless otherwise indicated by specific legislation, any unexpended balance remaining in SHARE fund 15500 is reverted to the State General Fund. Accordingly, reversions have been recorded in the current year for State General Fund appropriations.

The General Appropriations Act Chapter 19, Laws of 2012, Section 3, Paragraph M, states that "for the purpose of administering the General Appropriations Act of 2011 and approving operating budgets, the State of New Mexico shall follow the modified accrual basis of accounting for governmental funds in accordance with the manual model accounting practices issued by the Department of Finance and Administration." In accordance with the Department of Finance and Administration's "Basis of Accounting-Modified Accrual and the Budgetary Basis," the District Attorney has accrued as accounts payable, amounts owed for goods and services received by June 30, 2013. In addition, any funds appropriated by the legislature for subsequent year use is reflected in the fund balance of the District Attorney's General Fund as assigned to subsequent year expenditures. The District Attorney had \$271,443 at June 30, 2013, assigned to subsequent year expenditures. Any remaining General Fund - fund balance not reserved is being reverted to the State General Fund. This amounted to \$2,067 at June 30, 2013. All other District Attorney special revenue funds (SHARE fund 25800, SHARE fund 25900, fund SHARE 72200 and SHARE fund 93100) are nonreverting per statutory authority which established these funds.

I. Net Position/Fund Equity/Fund Balances

In the **government-wide financial statements**, net assets consist of three components: investment in capital assets, net of related debt; restricted; and unrestricted. The District Attorney has no debt related to capital assets; therefore, net assets investment in capital assets equal the capital assets, net of related accumulated depreciation. The District Attorney's financial statements report net position restricted of \$271,443 because it has resources remaining in the net assets that were received or earned with the explicit understanding between the District Attorney and the resource provider (grantor, contributor, other government, or

STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Notes to Financial Statements
June 30, 2013

1. **Summary of Significant Accounting Policies (Cont'd)**

I. **Net Position/Fund Equity/Fund Balances (Cont'd)**

enabling legislation) that the funds would be used for a specific purpose. This was a deficit of \$187,691 at June 30, 2013. Therefore, all remaining net assets that are not related to capital assets are shown as unrestricted.

Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definition, was implemented by the District Attorney's Office for the year ending June 30, 2012. Statement No. 54 replaces the old fund balance terminology ("reserved", "unreserved", "designated", and "undesignated") with new financial reporting categories for fund balances of governmental funds.

In the **fund financial statements**, governmental fund balances are now divided into five classifications based on the extent to which government is bound to honor constraints on the specific purposes for which amounts in that fund can be spent.

Non-spendable includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact.

The spendable fund categories can be depicted as follows:

Restricted are amounts that are so due to enabling legislation, constitutional provisions, externally imposed by grantors, contributors, laws or regulations of other governments, or by creditors, such as through debt covenants.

Committed are amounts that are subject to a purpose constraint imposed by a formal action of the government's highest level of decision-making authority before the end of the fiscal year, and removal of the constraint would require a formal action by the same authority.

Assigned consists of amounts that are intended to be used for a specific purpose established by the government's highest level of decision-making authority, or their designated body or official. The purpose of the assignment must be narrower than the general fund, assigned fund balance represents the residual amount in the fund balance.

Unassigned represents the residual amount after all classifications have been considered for the government's general fund, and could report a surplus or a deficit.

Assigned to subsequent year expenditures - fund balance assigned to subsequent year expenditures, \$271,443 in the General Fund is the amount of fund balance available at June 30, 2013. Pursuant to Section 5, Chapter 124, Laws 2009, any unexpended balances remaining at the end of fiscal year 2009 or any year thereafter from revenue received by a district attorney as

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Notes to Financial Statements
June 30, 2013**

1. Summary of Significant Accounting Policies (Cont'd)

I. Net Position/Fund Equity/Fund Balances (Cont'd)

grants from the United States Department of Justice pursuant to the Southwest Border Prosecution Initiative shall not revert to the State General Fund but shall remain with the recipient district attorney office for expenditure in that or future fiscal years.

2. Investment in the State Treasurer General Fund Investment Pool

State law (Section 8-6-3 NMSA 1978) requires the District Attorney's cash be managed by the New Mexico State Treasurer's Office. Accordingly, the investments of the District Attorney consist of an interest in the General Fund Investment Pool managed by the New Mexico State Treasurer's Office.

At June 30, 2013, the District Attorney had the following invested in the General Fund Investment Pool:

Name of Depository	Account Name	Agency Number	SHARE Fund #	Balance per Depository	Out- standing Warrants	Balance per Books
<u>Governmental Funds</u>						
State Treasurer General Fund Investment Pool:						
State Treasurer Investment Pool	First Judicial D.A. General Operating	25100	15500	\$ 353,121	\$ -	\$ 353,121
State Treasurer Investment Pool	First Judicial D.A. CVRC STOP VAWA	25100	25800	705	-	705
State Treasurer Investment Pool	First Judicial D.A. Federal Grants DOJ Rural	25100	25900	(2,403)	-	(2,403)
State Treasurer Investment Pool	First Judicial D. A. BJA Grant	25100	72200	<u>2,644</u>	<u>-</u>	<u>2,644</u>
Total government funds				<u>\$ 354,067</u>	<u>\$ -</u>	<u>\$ 354,067</u>

All cash is on deposit with the State Treasurer and is invested in the State Treasurer General Fund Investment Pool. The State Treasurer has the power to invest money held in demand deposits and not immediately needed for the operation of state government in securities in accordance with Sections 6-10-10 I through P, NMSA 1978, as amended. The State Treasurer with the advice and consent of the state board of finance can invest money held in demand deposits and investments not immediately needed for the operation of state government in:

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Notes to Financial Statements
June 30, 2013**

2. Investment in the State Treasurer General Fund Investment Pool (Cont'd)

- (a) Securities issued by the United States (U.S.) government or by its departments or agencies and direct obligations of the U.S. or are backed by the full faith and credit of the U.S. government or agencies sponsored by the U.S. government;
- (b) Contracts for the present purchase and resale at a specified time in the future, not to exceed one year or, in the case of bond proceeds, not to exceed three years, of specific securities at specified prices at a price differential representing the interest income to be earned by the state. No such contract shall be invested in unless the contract is fully secured by obligations of the United States of other securities backed by the United States having a market value of at least one hundred two percent of the amount of the contract;
- (c) Contracts for the temporary exchange of state-owned securities for the use of broker-dealers, banks or other recognized institutional investors in securities, for periods not to exceed one year for a specified fee rate. No such contract shall be invested in unless the contract is fully secured by exchange of an irrevocable letter of credit running to the state, cash or equivalent collateral of at least one hundred two percent of the market value of the securities plus accrued interest temporarily exchanged. The collateral required for either of the forms of investment in sections (b) and (c) shall be delivered to the fiscal agent of New Mexico or its designee contemporaneously with the transfer of funds or delivery of the securities at the earliest time industry practice permits, but in all cases, settlement shall be on the same-day basis. Neither of the contracts in (b) or (c) shall be invested in unless the contracting bank, brokerage firm or recognized institutional investor has a net worth in excess of five hundred million dollars;
- (d) Any of the following investments in an amount not to exceed forty percent of any fund that the state treasurer invests: (1) commercial paper rated "prime" quality by a national rating service, issued by corporations organized and operating within the U.S.; (2) medium-term notes and corporate notes with a maturity not exceeding five years that are rated A or its equivalent or better by a nationally recognized rating service and that are issued by a corporation organized and operating in the U.S.; or (3) an asset-backed obligation with a maturity not exceeding five years that is rated AAA or its equivalent by a nationally recognized rating service;
- (e) Shares of a diversified investment company registered pursuant to the federal Investment Company Act of 1940 that invests in U.S. fixed income securities or debt instruments authorized pursuant to (a), (b) and (d) above provided that the investment company has total assets under management of at least one billion dollars and the investments made by the State Treasurer pursuant to this paragraph are less than five percent of the assets of the investment company;
or,
- (f) Individual, common or collective trust funds of banks or trust companies that invest in U.S. fixed income securities or debt instruments authorized pursuant to (a), (b) and (d) above provided that the investment manager has assets under management of at least one billion dollars and the investments made by the state treasurer pursuant to this paragraph are less than five percent of the assets of the individual, common or collective trust fund.

STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Notes to Financial Statements
June 30, 2013

2. Investment in the State Treasurer General Fund Investment Pool (Cont'd)

No public funds can be invested in negotiable securities or loans to financial institutions fully secured by negotiable securities at current market value shall be paid out unless there is a contemporaneous transfer of the securities at the earliest time industry practice permits, but in all cases, settlement shall be on a same-day basis either by physical delivery or, in the case of uncertificated securities, by appropriate book entry on the books of the issuer, to the purchaser or to a reputable third-party safekeeping financial institution acting as agent or trustee for the purchaser, which agent or trustee shall furnish timely confirmation to the purchaser.

Interest Rate Risk - The New Mexico State Treasurer's Office has an investment policy that limits investment maturities to five years or less on allowable investments. This policy is means of managing exposure to fair value losses arising from increasing interest rates. This policy is reviewed and approved annually by the New Mexico State Board of Finance.

Credit Risk - The New Mexico State Treasurer pools are not rated.

For additional GASB40 disclosure information regarding the investment in the State Treasurer's SGFIP, the reader should see the separate audit report for the State Treasurer's Office for the fiscal year ended June 30, 2013, review the State Treasurer's Investment Policy at <http://www.stonm.org/Investments/InvestmentPolicy>, and review Sections 2.60.4.1 through 2.60.4.15 of the New Mexico Administrative Code, regarding Investment of Deposits of Public Funds Depository Bank Requirements, Collateral Level Requirements, and Custodial Bank Requirements.

General Fund Investment Pool Not Reconciled

In June 2012, an independent expert diagnostic report revealed that the General Fund Investment Pool balances have not been reconciled at the business unit/fund level since the inception of the Statewide Human resources, Accounting, and management REporting system (SHARE) system in July 2006. The diagnostic report is available in the resources section of the cash control page of the New Mexico Department of Finance and Administration's website at: http://www.nmdfa.state.nm.us/Cash_Control.aspx. The document title is Current State Diagnostic of Cash Control.

The General Fund Investment Pool is the State of New Mexico's main operating account. State revenues such as income taxes, sales taxes, rents and royalties, and other recurring revenues are credited to the General Fund Investment Pool. The fund also comprises numerous State agency accounts whose assets, by statute (Section 8-6-3 NMSA 1978), must be held at the State Treasury.

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Notes to Financial Statements
June 30, 2013**

2. Investment in the State Treasurer General Fund Investment Pool (Cont'd)

General Fund Investment Pool Not Reconciled (Cont'd)

As of June 30, 2012, the General Fund Investment Pool has not been reconciled at the business unit/fund level. Essentially, independent, third-party verification/confirmation of the First Judicial District Attorney's balances at the business unit/fund level is not possible. It is the DFA/FCD's responsibility to perform the monthly reconciliation at the business unit/fund level to the General Fund Investment Pool.

Under the direction of the State Controller/Financial Control Division Director, the Financial Control Division of the New Mexico Department of Finance & Administration (DFA/FCD) is taking aggressive action to resolve this serious problem. DFA/FCD has commenced the Cash Management Remediation Project (Remediation Project) in partnership with the New Mexico State Treasurer's Office, the New Mexico Department of Information Technology, and a contracted third party PeopleSoft Treasury expert.

The purpose of the Remediation Project is to design and implement the changes necessary to reconcile the General Fund Investment Pool in a manner that is complete, accurate, and timely. The Remediation Project will make changes to the State's current SHARE system configuration, cash accounting policies and procedures, business practices, and banking structure. The scheduled implementation date for the changes associated with the Remediation Project is February 1, 2013. An approach and plan to address the population of historical reconciling items will be developed during the Remediation Project, but a separate initiative will be undertaken to resolve the historical reconciling items.

The initial phase of the Remediation Project, completed on October 11, 2012, focused on developing a project plan and documenting current statewide business processes. The work product of the initial phase of the Remediation Project is a document entitled Cash Management Plan and Business Processes. This document is available on the Cash Control page of the New Mexico Department of Finance and Administration's website at: http://www.nmdfa.state.nm.us/Cash_Control.aspx.

The First Judicial District Attorney has cash reconciliation policies and procedures in place which are performed on a monthly basis to ensure that the agency's cash balances in SHARE are correct and to mitigate the risk that the agency's cash balances would be misstated as of June 30, 2013.

The District Attorney has an interest in the State General Fund Investment Pool allocated between four funds operating under the oversight of SHARE and the State Treasurer's Office. The cash transactions processed by the District Attorney flow through the State General Fund Investment Pool. Since SHARE was implemented, the District Attorney recognized the statewide cash reconciliation issue and in response, developed internal reconciliation procedures to ensure that cash receipts and disbursements recorded in the SHARE system are in fact transactions that have been initiated by the District Attorney. The reconciliation occurs each month and any required adjustments are forwarded to the Financial Control Division at DFA for correction. Monthly reconciliation procedures throughout

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Notes to Financial Statements
June 30, 2013**

2. Investment in the State Treasurer General Fund Investment Pool (Cont'd)

the fiscal year, include, but are not limited to validation of: allotments, deposits, expenditures, all general entries, operating transfers, payroll expenditures/payroll liabilities and a review of outstanding warrants. The District Attorney conducts ongoing tracking of all cash deposits and financial transactions to ensure that they are accurately recorded and posted to the SHARE system. This monthly internal reconciliation of cash receipts and disbursements flowing through the District Attorney's share of the State General Fund Investment Pool provides management assurance that the balance reflected in the State General Fund Investment Pool account is accurate as of the end of the reporting period.

3. Changes in Capital Assets

Summaries of changes in capital assets and related accumulated depreciation follow:

	<u>Balance 6/30/2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2013</u>
Capital Assets - Historical Cost				
Data processing equip.	\$ 58,375	\$ -	\$ (7,976)	\$ 50,399
Furniture and fixtures	94,329	-	(1,749)	92,580
Equipment	34,283	-	(1,045)	33,238
Automobiles	406,952	-	(46,601)	360,351
Total capital assets	<u>\$ 593,939</u>	<u>\$ -</u>	<u>\$ (57,371)</u>	<u>\$ 536,568</u>
Related Accumulated Depreciation				
Data processing equip.	\$ 52,493	\$ 2,064	\$ (7,976)	\$ 46,581
Furniture and fixtures	61,288	5,517	(968)	65,837
Equipment	33,170	392	(1,045)	32,517
Automobiles	294,400	35,347	(46,601)	283,146
Total accumulated depreciation	<u>\$ 441,351</u>	<u>\$ 43,320</u>	<u>\$ (56,590)</u>	<u>\$ 428,081</u>
Capital Assets, Net of Accumulated				
Data processing equip.	\$ 5,882	\$ (2,064)	\$ -	\$ 3,818
Furniture and fixtures	33,041	(5,517)	(781)	26,743
Equipment	1,113	(392)	-	721
Automobiles	112,552	(35,347)	-	77,205
Net capital assets	<u>\$ 152,588</u>	<u>\$ (43,320)</u>	<u>\$ (781)</u>	<u>\$ 108,487</u>

Depreciation expense for the fiscal year was \$43,320.

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Notes to Financial Statements
June 30, 2013**

4. Changes in Compensated Absences Payable

A summary of changes in the current and long-term portion of compensated absences follows:

	<u>Balance 6/30/2012</u>	<u>Increase</u>	<u>(Decrease)</u>	<u>Balance 6/30/2013</u>
Current - Due Within One Year				
Compensated absences payable	\$ 140,491	\$ 167,145	\$ (158,194)	\$ 149,442
Long-Term - Due After One Year				
Compensated absences payable	<u>46,545</u>	<u>40,695</u>	<u>(50,869)</u>	<u>36,371</u>
Total				
Compensated absences payable	<u>\$ 187,036</u>	<u>\$ 207,840</u>	<u>\$ (209,063)</u>	<u>\$ 185,813</u>

Compensated absences are paid with state General Fund appropriations from the District Attorney's General Fund - SHARE Fund 15500.

5. Operating Leases

The District Attorney has various operating leases primarily for office space and equipment which can be terminated if the state legislature does not appropriate money to the District Attorney. Operating lease expenditures for these leases for the year ended June 30, 2013, totaled \$21,831.

Minimum future annual rental payments under all operating leases are as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2014	\$ 35,655
2015	32,269
2016	21,603
2017	<u>21,603</u>
Total	<u>\$111,130</u>

6. Due to State General Fund

Federal funds are co-mingled with reverting state General Fund appropriations by the District Attorney; however, federal funds are separately tracked in the District Attorney's accounting records. The following is a summary of the amount due to the state General Fund at June 30, 2013, from the General Operating Account (Fund 15500):

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Notes to Financial Statements
June 30, 2013**

6. Due to State General Fund

Cash Balance - June 30, 2013 (Fund 15500)	\$	353,121
Add:		
Due from federal government - HIDTA -June 30, 2013		37,477
Receipts held in suspense - June 30, 2013		
Other receivables - June 30, 2013		970
Less:		
Accounts payable - June 30, 2013		(32,838)
Adjustment to accounts payable for expenses to be paid out of FY 2014 budget		2,848
Accrued payroll - June 30, 2013		(39,482)
Payroll taxes payable- June 30, 2013		(16,681)
Payroll benefits payable - June 30, 2013		(28,856)
Due to other state agencies - June 30, 2013		(79)
Deferred grant revenue		(2,000)
Other receivables (uncollectible status) - June 30, 2013		(970)
Reserve for subsequent year's appropriation (SWBPI) - June 30, 2013		(76,839)
Reserve for subsequent year's appropriation (Special Appropriation) - June 30, 2013		(194,604)
Due to State General Fund - June 30, 2013	\$	<u>2,067</u>
Source of reversion amounts by budget fiscal year and other miscellaneous items are:		
FY 2013		3,053
Over-reversion of "other receivables"-never collected in prior years		(970)
Over-reversion of "Receipts Held in Suspense" error		(16)
Net Amount Due to State General Fund - June 30, 2013	\$	<u>2,067</u>

7. Due To/Due From Other State Agencies

	<u>Purpose</u>	<u>Due From</u>	<u>Due To</u>
<u>Fund 15500-General Fund</u>			
Due to Department of Finance and Admin.	Payroll tax and employee benefits liability errors-SHARE	\$ -	\$ 79
<u>Fund 25800-CVRC-STOP VAWA Grant Fund</u>			
Due to Department of Finance and Admin.	Payroll tax and employee benefits liability errors-SHARE	-	705
<u>Fund 72200-Bureau of Justice Assist. Grant Fund</u>			
Due to Department of Finance and Admin.	Payroll tax and employee benefits liability errors-SHARE	-	2,644
<u>Fund 25900-DOJ Rural Grant Fund</u>			
Due from Department of Finance and Admin.	Payroll tax and employee benefits liability errors-SHARE	<u>2,403</u>	<u>-</u>
		<u>\$ 2,403</u>	<u>\$ 3,428</u>

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Notes to Financial Statements
June 30, 2013**

8. Transfers In/Out

The District Attorney had the following actual cash transfers in/out during the fiscal year:

<u>Transferring Agency</u>	<u>Agency No.</u>	<u>From Fund No.</u>	<u>To Fund No.</u>	<u>Transfer Amount</u>	<u>Purpose of Transfer</u>
DFA	34100	85300	15500	\$ 4,639,800	Appropriation allotment - State General Fund
DFA	34100	85300	15500	224,900	Appropriation allotment - State General Fund-Special
First District Attorney	25100	15500	85300	(19,475)	FY 2012 & prior - Reversions to State General Fund
First District Attorney	25100	15500	85300	(2,067)	FY 2013 - Reversion to State General Fund (transferred in FY14)
				<u>\$ 4,843,158</u>	

9. Pension Plan - Public Employees Retirement Association

Plan Description. Substantially all of the District's full-time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, NM 87504-2123. The report is also available on PERA's website at www.pera.state.nm.us.

Funding Policy. Plan members are required to contribute 8.92% (ranges from 3.83% to 16.65% depending upon the plan, i.e., state general, municipal police, municipal fire, municipal detention officer) of their gross salary. The District is required to contribute 15.09% (ranges from 7.0% to 25.72% depending upon the plan) of the gross covered salary. The contribution requirements of plan members and the District are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District Attorney's contributions to PERA for the fiscal years ending June 30, 2013, 2012 and 2011 were \$475,248, \$409,833, and \$471,856, respectively, which equal the amount of the required contributions for each fiscal year.

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Notes to Financial Statements
June 30, 2013**

10. Post Employment Benefits - State Retiree Health Care Plan

Plan Description. The District contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan.

That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

Funding Policy. The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at www.nmrhca.state.nm.us.

The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the employer and employee contributions can be changed by the New Mexico State Legislature. Employers that choose to become participating employers after January 1, 1998, are required to make contributions to the RHCA fund in the amount determined to be appropriate by the board.

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Notes to Financial Statements
June 30, 2013**

10. Post Employment Benefits - State Retiree Health Care Plan (Cont'd)

member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2013, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2013, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The District's contributions to the RHCA for the years ended June 30, 2013, 2012, and 2011, were \$63,027, \$56,066, and \$51,720, respectively, which equal the required contributions for each year.

11. Risk Management and Litigation

The District Attorney is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. Section 15-7-2, NMSA 1978 requires the General Services Department, Risk Management Division (RMD) to be responsible for the acquisition and administration of all insurance purchased by the state. Since 1977, various state statutes have been passed which allow RMD to insure, self-insure or use a combination of both. For the past several years, the RMD has elected to self-insure, and has not obtained liability coverage from commercial insurance companies. The RMD has effectively managed risk through various employee education and prevention programs. Risk management expenditures for the District Attorney are accounted for in the General Fund. Any claims are processed through RMD.

There are no pending or known threatened legal proceedings involving material matters to which the District Attorney is a party.

12. Due From Federal Government

During fiscal year 2013, the District Attorney was awarded funding from the High Intensity Drug Trafficking Areas (HIDTA) program through the Office of National Drug Control Policy totaling \$95,872. At June 30, 2013, expenses totaling \$26,817 had not been reimbursed. VOCA - \$28,393 received, \$10,660 had not been reimbursed.

STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Notes to Financial Statements
June 30, 2013

13. Net Position Deficit

GASB #34 requires capital assets, net of accumulated depreciation, and the inclusion of long-term debt resulting in an unrestricted net position deficit of (\$187,691). This deficit is created by compensated absences liabilities of (\$185,813) which will be paid from State General Fund appropriations in future years, a portion of accounts payable of \$2,848 which will be paid out of the FY 2014 budget, and other receivables (\$970) which are in an uncollectible status.

14. Subsequent Events Review

A review of subsequent events through November 15, 2013, which is the date the financial statements were available for issuance, revealed no significant subsequent events which require disclosure.

15. Subsequent Accounting Standard Pronouncements

In March 2012, the GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which is effective for financial statements for period beginning after December 15, 2012. Earlier application is encouraged. The objective of this statement is to provide financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. Concepts Statement No. 4 also identifies net position as the residual of all other elements presented in a statement of financial position. This statement amends the net assets reporting requirements in Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure of net position, rather than net assets. The District Attorney has made the change.

16. Prior-Period Adjustments

At June 30, 2012, the "Receipts Held in Suspense" account was adjusted by \$16 as a result of a posting error.

STATE OF NEW MEXICO
 FIRST JUDICIAL DISTRICT ATTORNEY
 Notes to Financial Statements
 June 30, 2013

17. **Special Appropriations**

The District Attorney received the following special appropriations during the current and previous years which are still available to expend in subsequent years.

<u>Agency/Fund</u>	<u>Amount</u>	<u>Unexpended Appropriation</u>		<u>Purpose</u>
		<u>Balance</u>	<u>Lapses</u>	
25100/15500	\$ 224,900	\$ 194,604	6/30/2014	To prosecute a fraud case affecting the City and County of Santa Fe, NM. Laws 2013, Ch. 227, Sec. 5

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS

STATE OF NEW MEXICO
 FIRST JUDICIAL DISTRICT ATTORNEY
 Combining Balance Sheet
 Non-Major Governmental Funds
 June 30, 2013

	<u>Special Revenue Funds</u>			<u>Total Non-Major Governmental Funds</u>
	<u>Fund 72200</u>	<u>Fund 25800</u>	<u>Fund 25900</u>	
	Bureau of Justice Assistance Grant	CVRC- Stop VAWA Grant	DOJ Rural Grant	
<u>Assets</u>				
Investment in the State Treasurer General Fund Investment Pool (note 2)	\$ 2,644	\$ 705	\$ -	\$ 3,349
Due from other state agencies (note 7)	<u>-</u>	<u>-</u>	<u>2,403</u>	<u>2,403</u>
Total assets	<u>\$ 2,644</u>	<u>\$ 705</u>	<u>\$ 2,403</u>	<u>\$ 5,752</u>
<u>Liabilities and Fund Balance</u>				
Liabilities:				
Investment in the State Treasurer General Fund Investment Pool-deficit (note 2)	\$ -	\$ -	\$ 2,403	\$ 2,403
Due to other state agencies (note 7)	<u>2,644</u>	<u>705</u>	<u>-</u>	<u>3,349</u>
Total liabilities	<u>2,644</u>	<u>705</u>	<u>2,403</u>	<u>5,752</u>
Fund Balances:				
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 2,644</u>	<u>\$ 705</u>	<u>\$ 2,403</u>	<u>\$ 5,752</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 FIRST JUDICIAL DISTRICT ATTORNEY
 Combining Statement of Revenues, Expenditures, and
 Changes in Fund Balances
 Non-Major Governmental Funds
 Year Ended June 30, 2013

	Special Revenue Funds			Total Non-Major Governmental Funds
	Fund 72200	Fund 25800	Fund 25900	
	Bureau of Justice Assistance Grant	CVRC- Stop VAWA Grant	DOJ Rural Grant	
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Judicial:				
Current:				
Personal services and employee benefits	-	-	-	-
Other costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	-	-	-	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 FIRST JUDICIAL DISTRICT ATTORNEY
 Statement of Revenues and Expenditures
 Budget and Actual (Budgetary Basis)
 Major Governmental Funds
 General Fund (Fund 15500) - All Departments
 For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Prior Years' Activity</u>	<u>Actual Budget Basis</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:					
State General Fund appropriation	\$ 4,864,700	\$ 4,864,700	\$ -	\$ 4,864,700	\$ -
Federal grants	120,689	159,742	-	161,742	2,000
Miscellaneous revenue	-	-	-	-	-
	<u>4,985,389</u>	<u>5,024,442</u>	<u>\$ -</u>	<u>\$ 5,026,442</u>	<u>\$ 2,000</u>
Total revenues					
Cash balance budgeted	<u>140,588</u>	<u>140,588</u>			
Total budgeted resources	<u>\$ 5,125,977</u>	<u>\$ 5,165,030</u>			
Expenditures:					
Judicial:					
Current:					
Personal services and employee benefits	\$ 4,677,689	\$ 4,716,742	\$ -	\$ 4,485,190	\$ 231,552
Contractual services	15,100	15,100	-	14,500	600
Other costs	<u>433,188</u>	<u>433,188</u>	<u>-</u>	<u>390,844</u>	<u>42,344</u>
Total expenditures	<u>\$ 5,125,977</u>	<u>\$ 5,165,030</u>	<u>\$ -</u>	<u>\$ 4,890,534</u>	<u>\$ 274,496</u>

Reconciliation of Budgetary Basis to GAAP Basis:

	<u>Revenue</u>	<u>Expenditures</u>
Budgetary Basis	\$ 5,026,442	\$ 4,890,534
Adjustments:		
Accounts payable that required approval to pay out of FY 2014 budget	<u>-</u>	<u>2,848</u>
GAAP Basis	<u>\$ 5,026,442</u>	<u>\$ 4,893,382</u>

Note:

The actual expenditures on the budgetary basis do not include any accounts payable that required a request to pay prior-year bills out of the FY 2014 budget.

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 FIRST JUDICIAL DISTRICT ATTORNEY
 Statement of Revenues and Expenditures
 Budget and Actual (Budgetary Basis)
 Major Governmental Funds
 General Fund (Fund 15500) - Department P250 Prosecution
 For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Budget Basis</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State General Fund appropriation	\$ 4,639,800	\$ 4,639,800	\$ 4,639,800	\$ -
Federal grants	120,689	159,742	161,742	2,000
Miscellaneous revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	4,760,489	4,799,542	<u>\$ 4,801,542</u>	<u>\$ 2,000</u>
Cash balance budgeted	<u>-</u>	<u>-</u>		
Total budgeted resources	<u>\$ 4,760,489</u>	<u>\$ 4,799,542</u>		
Expenditures:				
Judicial:				
Current:				
Personal services and employee benefits	\$ 4,429,689	\$ 4,468,742	\$ 4,468,742	\$ -
Contractual services	15,100	15,100	14,500	600
Other costs	<u>315,700</u>	<u>315,700</u>	<u>313,247</u>	<u>2,453</u>
Total expenditures	<u>\$ 4,760,489</u>	<u>\$ 4,799,542</u>	<u>\$ 4,796,489</u>	<u>\$ 3,053</u>

Reconciliation of Budgetary Basis to GAAP Basis:

	<u>Revenue</u>	<u>Expenditures</u>
Budgetary Basis	\$ 4,801,542	\$ 4,796,489
Adjustments:		
Accounts payable that required approval to pay out of the FY 2014 budget	<u>-</u>	<u>232</u>
GAAP Basis	<u>\$ 4,801,542</u>	<u>\$ 4,796,721</u>

Note:

The actual expenditures on the budgetary basis do not include any accounts payable that required a request to pay prior-year bills out of the FY 2014 budget.

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Statement of Revenues and Expenditures
Budget and Actual (Budgetary Basis)
Major Governmental Funds
General Fund (Fund 15500) - Department Z20505 (Southwest Border Prosecution Initiative)
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual Budget Basis	Variance Favorable (Unfavorable)
Revenues:				
State General Fund appropriation	\$ -	\$ -	\$ -	\$ -
Federal grants	-	-	-	-
Miscellaneous revenue	-	-	-	-
	-	-	-	-
Total revenues	-	-	\$ -	\$ -
Cash balance budgeted	140,588	140,588		
Total budgeted resources	\$ 140,588	\$ 140,588		
Expenditures:				
Judicial:				
Current:				
Personal services and employee benefits	\$ 73,000	\$ 73,000	\$ 8,192	\$ 64,808
Contractual services	-	-	-	-
Other costs	67,588	67,588	55,557	12,031
Total expenditures	\$ 140,588	\$ 140,588	\$ 63,749	\$ 76,839
Reconciliation of Budgetary Basis to GAAP Basis:			Revenue	Expenditures
Budgetary Basis			\$ -	\$ 63,749
Adjustments:				
Accounts payable that required approval to pay out of the FY 2014 budget			-	2,616
GAAP Basis			\$ -	\$ 66,365

Note:

The actual expenditures on the budgetary basis do not include any accounts payable that required a request to pay prior-year bills out of the FY 2014 budget.

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Statement of Revenues and Expenditures
Multi-Year Budget and Actual (Budgetary Basis)
Major Governmental Funds
General Fund (Fund 15500) - Department Z30507 (2013-2014 Special Appropriation)
For the Year Ended June 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Prior Years' Activity</u>	<u>Actual Budget Basis</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:					
State General Fund appropriation	\$ 224,900	\$ 224,900	\$ -	\$ 224,900	\$ -
Federal grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
	<u>224,900</u>	<u>224,900</u>	<u>\$ -</u>	<u>\$ 224,900</u>	<u>\$ -</u>
Total revenues					
Cash balance budgeted	<u>-</u>	<u>-</u>			
Total budgeted resources	<u>\$ 224,900</u>	<u>\$ 224,900</u>			
Expenditures:					
Judicial:					
Current:					
Personal services and employee benefits	\$ 175,000	\$ 175,000	\$ -	\$ 8,256	\$ 166,744
Contractual services	-	-	-	-	-
Other costs	<u>49,900</u>	<u>49,900</u>	<u>-</u>	<u>22,040</u>	<u>27,860</u>
Total expenditures	<u>\$ 224,900</u>	<u>\$ 224,900</u>	<u>\$ -</u>	<u>\$ 30,296</u>	<u>\$ 194,604</u>

Reconciliation of Budgetary Basis to GAAP Basis:

	<u>Revenue</u>	<u>Expenditures</u>
Budgetary Basis	\$ 224,900	\$ 30,296
Adjustments:		
None	<u>-</u>	<u>-</u>
GAAP Basis	<u>\$ 224,900</u>	<u>\$ 30,296</u>

Note:

The actual expenditures on the budgetary basis do not include any accounts payable that required a request to pay prior-year bills out of the FY 2014 budget.

The accompanying notes are an integral part of these financial statements.

SUPPLEMENTAL INFORMATION

STATE OF NEW MEXICO
 FIRST JUDICIAL DISTRICT ATTORNEY
 Schedule of Changes in Assets and Liabilities
 Agency Funds
 Year Ended June 30, 2013

**Worthless Check and
 Pre-Prosecution Fees
 Agency Fund:**

	<u>Balance June 30, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2013</u>
<u>Assets</u>				
Cash in banks (note 2)	\$ -	\$ 20,356	\$ (20,356)	\$ -
Total assets	\$ -	\$ 20,356	\$ (20,356)	\$ -
<u>Liabilities</u>				
Due to other state agencies	\$ -	\$ 20,356	\$ (20,356)	\$ -
Total liabilities	\$ -	\$ 20,356	\$ (20,356)	\$ -

The accompanying notes are an integral part of these financial statements.

ROBERT J. RIVERA, CPA, PC

CERTIFIED PUBLIC ACCOUNTANTS
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Angela "Spence" Pacheco
First Judicial District Attorney
and
Mr. Hector Balderas
New Mexico State Auditor
Santa Fe, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in **Government Auditing Standards** issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund of the State of New Mexico, First Judicial District Attorney, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the State of New Mexico, First Judicial District Attorney's basic financial statements, and the combining and individual funds and related budgetary comparisons of the State of New Mexico, First Judicial District Attorney, presented as supplemental information, and have issued our report thereon dated November 15, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the State of New Mexico, First Judicial District Attorney's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the State of New Mexico, First Judicial District Attorney's internal control. Accordingly, we do not express an opinion on the effectiveness of the State of New Mexico, First Judicial District Attorney's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist and were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State of New Mexico, First Judicial District Attorney's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under **Government Auditing Standards**.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with **Government Auditing Standards** in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Robert J. Rivera, CPA, PC
Santa Fe, New Mexico
November 15, 2013

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Schedule of Findings and Responses
June 30, 2013**

I. PRIOR-YEAR AUDIT FINDINGS

a. Repeated in current-year

None

b. Resolved and not included in current-year

None

**II. CURRENT-YEAR FINDINGS PERTAINING TO THE FINANCIAL STATEMENTS WHICH ARE
REQUIRED TO BE REPORTED**

None

**STATE OF NEW MEXICO
FIRST JUDICIAL DISTRICT ATTORNEY
Preparation of Financial Statements
and Exit Conference
June 30, 2013**

Preparation of Financial Statements

The audited financial statements were prepared by the First Judicial District Attorney's staff with the assistance of the independent certified public accountant performing the audit. Management is responsible for ensuring that the books and records adequately support the preparation of financial statements in accordance with generally accepted accounting principles and that records are current and in balance. Management has reviewed and approved the financial statements.

The District Attorney's Office has prepared the Management's Discussion and Analysis.

Exit Conference

An exit conference was held on November 15, 2013, to discuss the audit. The following individuals were in attendance:

First Judicial District Attorney

Angela "Spence" Pacheco, District Attorney
Lucas Gauthier, Chief Financial Officer
Leroy A. Garcia, Office Manager

Audit Firm (Robert J. Rivera, CPA, PC)

Robert J. Rivera, CPA
William J. Valdes