
State of New Mexico
Canadian River Soil and Water Conservation District

Independent Accountants' Report on
Applying Agreed-Upon Procedures
June 30, 2012

Sandra Rush
Certified Public Accountant, PC

1101 E Llano Estacado
Clovis, New Mexico 88101

STATE OF NEW MEXICO
CANADIAN RIVER SOIL AND WATER CONSERVATION DISTRICT

Official Roster
For the Year Ended June 30, 2012

Board of Directors

Tommy Wallace
Larry Perkins
Glenn Briscoe
Robert D Bruce
Katie Whitson

Chairman
Vice Chairman
Secretary
Supervisor
Supervisor

Staff

Lou Briscoe

District Manager

STATE OF NEW MEXICO
CANADIAN RIVER SOIL AND WATER CONSERVATION DISTRICT

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Independent Accountants' Report on Applying Agreed-Upon Procedures

Tommy Wallace, Chairman
Canadian River Soil and Water Conservancy District
and
Honorable Hector H. Balderas
New Mexico State Auditor

I have performed the procedures enumerated below for the Canadian River Soil and Water Conservancy District (CRSWCD) for the year ended June 30, 2012, solely to assist the CRSWCD in demonstrating compliance with the provisions of Laws of 2008, Chapter 92. The CRSWCD was determined to be a Tier 3 entity under the Audit Act, Section 12-6-3 B (4) NMSA 1978 and Section 2.2.2.16 NMAC. The procedures were agreed to by the CRSWCD through the Office of the New Mexico State Auditor. The CRSWCD's management is responsible for the organization's accounting records. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. My procedures and findings follow.

The Contractor shall request and review all state-funded capital outlay awards, joint powers agreements, correspondence and other relevant documentation for the capital outlay award funds expended by the recipient that meet Tier 3 criteria.

1. The Contractor shall test all state-funded capital outlay expenditures to:

Procedures

- a) Determine that amount recorded as disbursed agrees to adequate supporting documentation. Verify that amount, payee, date and description agree to the vendor's invoice, purchase order, contract and cancelled check, as appropriate.
- b) Determine that disbursements were properly authorized and approved in compliance with the budget, legal requirements and established policies and procedures.
- c) Determine that the bid process (or request for proposal process if applicable), purchase orders, contracts and agreements were processed in accordance with the New Mexico Procurement Code (Section 13-1-28 through 13-1-99 NMSA 1978) and State Purchasing Regulations (1.4.1 NMAC) and Regulations Governing the Per Diem and Mileage Act (2.42.2 NMAC).
- d) Determine the physical existence (by observation) of the capital asset based on expenditures to date.
- e) Verify that status reports were submitted to the state agency per terms of agreement and amounts in the status report agree with the general ledger and other supporting documentation.

Findings

- a) I determined the invoice amounts submitted to the New Mexico Finance Authority for payment agreed to adequate supporting documentation and I verified that amounts, payees, dates and descriptions agreed to the vendor's invoices, purchase orders, contracts and cancelled check copies, as appropriate.
- b) I determined that request for payment were properly authorized and approved in compliance with the budget, legal requirements and established policies and procedures.
- c) I determined that the bid process (or request for proposal process if applicable), purchase orders, contracts and agreements were processed in accordance with the New Mexico Procurement Code (Section 13-1-28 through 13-1-99 NMSA 1978) and State Purchasing Regulations (1.4.1 NMAC). Regulations Governing the Per Diem and Mileage Act (2.42.2 NMAC) were not applicable.
- d) I determined there are no physical capital assets. The project was funded to start control measures at the head of the watershed where Salt Cedar and Russian Olive began to occur and proceed downstream. The project carry's out canopy treatment only by helicopter or ground application.
- e) I verified that status reports were submitted to the state agency per terms of agreement and amounts in the status report agree with accounting records and other supporting documentation.

2. Procedures

If the project was funded in advance, the Contractor shall determine if the award balance (and cash balance) appropriately reflects the percentage of completion based on the project schedule and expenditures to date.

Findings

The project was not intended to be funded in advance but on a reimbursement basis.

3. Procedures

If the project is complete, the Contactor shall determine if there is unexpended balance and whether it was reverted per statute and agreement with the grantor.

Findings

The project was not complete. The New Mexico Authority maintains all funds. Canadian River Soil and Water Districts receives an administration fee for administering the project.

4. Procedures

The Contractor shall determine whether cash received for the award was accounted for in a separate fund or separate bank account that is non-interest bearing if so required by the capital outlay agreement.

Findings

Since NMFA distributes all funds, no separate fund or bank account was required.

5. Procedures

The Contractor shall determine whether reimbursement requests were properly supported by costs incurred by the recipient. The Contractor shall determine whether the costs were paid by the local public body prior to the request for reimbursement.

Findings

I determined that the reimbursement request was properly supported by costs incurred by the recipient and that the costs were paid by the NMFA.

Other Procedures

If information comes to the Contractor's attention (regardless of materiality) indicating any fraud, illegal acts, noncompliance, or any internal control deficiencies, disclose in the report as required by Section, 12-6-6 NMSA 1978. The findings must include the required content per Section 2.2.2.10 (I) (3) (C) NMAC.


Findings

No exceptions were found as a result of applying the procedures described above (regardless of materiality) indicating any fraud, illegal acts, noncompliance or any internal control deficiencies.

* * * * *

I was not engaged to, and did not conduct an audit of financial statements or any part thereof, the objective of which would be the expression of an opinion on the financial statements or a part thereof. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the information and use of the Canadian River Soil and Water Conservation District, the New Mexico State Auditor's Office and the Department of Finance and Administration, Local Government Division and is not intended to be and should not be used by anyone other than those specified parties.


Sandra Rush CPA PC
September 11, 2012

STATE OF NEW MEXICO
 CANADIAN RIVER SOIL AND WATER CONSERVATION DISTRICT
 Project Schedule
 June 30, 2012

Grant No.	Pay Request	Amount Awarded	Amount Requested/Received	Actual Amount Expended	Requested Remaining Balance	Actual Legislation	Effective Dates
N/A	-	-	-	-	-	Canadian River Riparian Restoration Project	Through 6/30/12

STATE OF NEW MEXICO
CANADIAN RIVER SOIL AND WATER CONSERVATION DISTRICT
Exit Conference
Year Ended June 30, 2012

EXIT CONFERENCE

The report contents were discussed at an exit conference held on September 11, 2012 with the following in attendance:

Canadian River Soil and Water Conservation District

Katie Whitson, Board of Supervisors member
Lou Brisco, District Manager

Accounting Firm

Sandra Rush, CPA