

STATE OF NEW MEXICO
CIUDAD SOIL AND WATER CONSERVATION DISTRICT

TIER 4 AGREED UPON PROCEDURES

JUNE 30, 2015

FIDEL A. BERNAL, PC
CERTIFIED PUBLIC ACCOUNTANT
ALBUQUERQUE, NEW MEXICO

State of New Mexico
Ciudad Soil and Water Conservation District
Table of Contents
June 30, 2015

	<u>Page</u>
Official Roster	1
Independent Accountant's Report on Applying Agreed-Upon Procedures	2-5
Schedule of Revenue, Expenses, Budget and Actual	6
Copy of the year-end financial report submitted to DFA-LGD	7-9
Schedule of Findings and Recommendations	10
Exit Conference	11

**State of New Mexico
Ciudad Soil and Water Conservation District
June 30, 2015**

Board of Supervisors

Chairman	J. Steven Glass
Vice Chairman	Thomas Allen
Treasurer	Zoe L. Economou
Supervisor	Donald Rudy
Supervisor	Dale Kennedy
Associate Supervisor	Mike Matush

INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES

Mr. Timothy Keller
New Mexico State Auditor
and
Members of the Board
Ciudad Soil and Water Conservation District
Albuquerque, NM

We have performed the procedures enumerated below, which were agreed to by the State of New Mexico, Ciudad Soil and Water Conservation District (the District), for the year ended June 30, 2015, solely to assist you with respect to the District's compliance for a Tier 4 engagement of Tier 4 of the Audit Act (Section 12-6-1 NMSA 1978 et seq.). The procedures were agreed to by the District through the New Mexico Office of the State Auditor. The District's management is responsible for the District'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, we 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.

Our procedures and Results are as follows:

1. Cash

Procedures:

- a) Determine whether bank reconciliations are being performed in a timely manner and whether all bank and investment statements for the fiscal year are complete and on-hand.
- b) Perform a random test of bank reconciliations for accuracy. Also, trace ending balances to the general ledger, supporting documentation and the financial reports submitted to DFA-Local Government Division (DFA-LGD).
- c) Determine whether the local public body's financial institutions have provided it with the 50% of pledged collateral on all uninsured deposits as required by Section 6-10-17 NMSA 1978, NM Public Money Act, if applicable.

Results:

- a) Based on the documents supplied the reconciliations were done in a timely manner and were complete and on-hand.
- b) Random test of bank reconciliations revealed no exceptions. Traced all ending balances to the general ledger, supporting documents and reports submitted to DFA-LGD.
- c) The District currently has one bank account. The total amount in this accounts is \$89,432 Under the FDIC coverage limit of \$250,000.

2. Capital Assets:

Procedures:

Verify that the local public body is performing a yearly inventory as required by Section 12-6-10 NMSA 1978.

Results:

Capital Assets of the District include data processing equipment, furniture and fixtures, and equipment. The District does not have any infrastructure. The District did perform a yearly inventory and has an official listing of their capital assets.

3. Revenue:

Identify the nature and amount of revenue from sources by reviewing the budget, agreements, rate schedules, and underlying documentation.

Procedures:

- a) Perform an analytical review; test actual revenue compared to budgeted revenue for the year for each type of revenue.

Select a sample of revenues based on auditor judgment and test using the following attributes:

- b) Amount recorded in the general ledger agrees to the supporting documentation and the bank statement.
- c) Proper recording of classification, amount, and period per review of supporting documentation and the general ledger. Perform this revenue work on the same accounting basis that the local public body keeps its accounting records on, cash basis, modified accrual basis, or accrual basis.

Results:

- a) Analytical review and test of the actual revenue compared to the budget for the year for each type of revenue revealed the District received the revenue they budgeted for.
- b) The District receives grants for its support and we tested a third of them. All the deposits tested, agreed to the supporting documentation, bank statements and the general ledger.
- c) All deposits were properly recorded in the general ledger.

4. Expenditures

Select a sample of cash disbursements based on auditor judgment and test using the following attributes:

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 canceled 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 13-1-199 NMSA 1978) and State Purchasing Regulations (1.4.1 NMAC) and Regulations Governing the Per Diem and Mileage Act (2.42.2 NMAC).

Results:

- a) There were a total of 193 disbursements for the year for a total of \$405,962. We sampled 73 items that totaled \$339,979. All disbursements sampled agreed to supporting documentations. All agreed to amount, payee, date, and description to the vendor's invoice, purchase order, contract and cancelled check, as appropriate.
- b) The disbursements were properly authorized and in compliance with the budget, legal requirements, and established policies and procedures.
- c) The bid process reviewed appears to have been done in accordance with the New Mexico Procurement code.

5. Journal Entries

If non-routine journal entries, such as adjustments or reclassifications, are posted to the general ledger, test significant items for the following attributes:

Procedures:

- a) Journal entries appear reasonable and have supporting documentation.
- b) The local public body has procedures that require journal entries to be reviewed and there is evidence the reviews are being performed.

Results:

- a) There were no non-routine journal entries.
- b) There were no non-routine journal entries.

6. Budget

Obtain the original fiscal year budget and all budget amendments made throughout the fiscal year and perform the following:

Procedures:

- a) Verify, through a review of the minutes and correspondence, that the original budget and subsequent budget adjustments were approved by the local public body's governing body and DFA-LGD.
- b) Determine if the total actual expenditures exceeded the final budget at the legal level of budgetary control; if so, report a compliance finding.
- c) From the original and final approved budgets and general ledger, prepare a schedule of revenues and expenditures – budget and actual on the budgetary basis used by the local public body (cash, accrual or modified accrual basis) for each individual fund.

Results:

- a) Verified through the minutes and correspondence that the original budget was approved by the District's governing body and DFA-LGD.
- b) Total actual expenditures did not exceed the final budget at the total fund level, the legal level of budgetary control.
- c) A schedule of revenues and expenditures to budget and actual was prepared from the DFA-LGD approved budget and the Districts records on the cash budgetary basis, the basis used by the District revealed no exceptions.

**Other
Procedures**


If information comes to the IPA'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 or illegal acts. Based on the information and documentation provided to us, the District expended \$150,723 of Federal Awards.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion, on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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


Albuquerque NM
November 17, 2015

State of New Mexico
Ciudad Soil and Water Conservation District
Proprietary Fund
Schedule of Revenues, Expenses Budget and Actual (non-GAAP Budgetary Basis)
For the year ended June 30, 2015

	Original Approved Budget	Final Approved Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
State Allotments	\$ 12,000	\$ 14,741	\$ 14,741	\$ -
State Grants	-	117,842	117,842	-
Federal Grants	165,744	157,811	157,811	-
Private Funding	19,450	73,340	73,340	-
Miscellaneous Revenue	-	900	900	-
Miscellaneous Revenue	-	1	1	-
Total revenues	<u>197,194</u>	<u>364,635</u>	<u>364,635</u>	<u>-</u>
Expenses:				
Salaries	36,878	39,583	39,606	(23)
Workers compensation insurance	1,228	1,366	1,366	-
Milage and per diem				-
Fees and services		90		90
Telephone		450	450	-
Supplies	175	192	192	-
Auto and gas	3,867	3,093	3,093	-
Advertising and public relations	500	2,780	2,780	-
Audit expense	3,210	2,598	2,598	-
Insurance and bonding				-
Dues and board fees	30	10	10	-
Field supplies	1,000	998	998	-
Postage	150	151	151	-
Training	225	79	79	-
Contractual services	119,865	325,588	325,588	-
Cost sharing expenses	2,565	28,366	28,366	-
Legal notices	100	291	291	-
Depreciation		368	368	-
Travel/meetings				-
Miscellaneous	12,429	26	26	-
Miscellaneous				-
Total operating expenses	<u>\$ 182,222</u>	<u>\$ 406,029</u>	<u>405,962</u>	<u>67</u>
Excess revenues (loss) over expenditures			<u>\$ (41,327)</u>	<u>\$ (67)</u>

DEPARTMENT OF FINANCE AND ADMINISTRATION (DFA)
 LOCAL GOVERNMENT DIVISION (LCD)
 BUDGET AND FINANCE BUREAU
 SOIL AND WATER CONSERVATION DISTRICT
 QUARTERLY YEAR TO DATE FINANCIAL REPORT

PLEASE SUBMIT TO LOCAL GOVERNMENT DIVISION NOT LATER
 THAN ONE MONTH AFTER THE CLOSE OF EACH QUARTER.
 I HEREBY CERTIFY THAT THE CONTENTS IN THIS
 REPORT ARE TRUE AND CORRECT TO THE BEST OF
 MY KNOWLEDGE.

[Signature]

Soil and Water Conservation District: Ciudad SWCD
 Period Ending: 06/30/15

YEAR TO DATE TRANSACTIONS PER BOOKS QUARTERLY REPORT

Fund #	FUND	CASH BALANCE PER BOOKS July 1, 2014 (2)	REVENUES TO DATE (3)	NET TRANSFERS (4)	EXPENDITURES TO DATE (5)	BOOK BALANCE END OF PERIOD (6)	ADD: OUTSTANDING CHECKS (7)	LESS: DEPOSITS IN TRANSIT (8)	ADJUSTMENTS (9)	ADJUSTED BALANCE END OF PERIOD (10)	BALANCE PER BANK STATEMENTS (11)	DIFFERENCE (12)
101	GENERAL FUND	\$ 72,079.00	364,634	-	405,939	30,775	58,657	-	(9)	89,432	89,432	(0)
218	INTERGOVERNMENTAL GRANTS	-	-	-	-	-	-	-	-	-	-	-
299	OTHER	\$ 171.00	-	-	90	81	-	-	-	81	81	(0)
400	DEBT SERVICE	-	-	-	-	-	-	-	-	-	-	-
	GRAND TOTAL	\$ 72,250	\$ 364,634	\$ -	\$ 406,029	\$ 30,856	\$ 58,657	\$ -	\$ -	\$ 89,513	\$ 89,513	\$ (0)

NOTE: DETAIL PAGES will complete the Recap except for Cash Per Books on July 1.

*USER NOTES: (Please describe what any reserve requirements are used for.)

Reserve funds will be used to support District activities and personnel during times of low funding. We aim to keep a minimum of \$50,000 in the checking account at all times for pre-payment of contractors and operating expenses necessary to keep the District functioning.

SWCD:
Ciudad SWCD

Period Ending: 6/30/2015

REVENUES	CURRENT QUARTER	YEAR TO DATE	APPROVED BUDGET	% OF BUDGET
General Fund 101				
Total Property Tax Production To Date	0	0	0	
Total Interest From Bank Accounts and CDs	0	0	0	
Hazardous Fuels Income	0	0	0	
Grass Seed and or Tree Sales	0	0	0	
Book Sales	0	0	0	
Rent Revenue	0	0	0	
Brush Control Materials	0	0	0	
Terrain Management Reviews	450	900	900	
State Allotments	737	14741	14741	1
Miscellaneous	0	1	1	
Private Funding	47700	73340	73340	1
Federal Funding	23990	157811	157811	1
State Funding	95944	117842	117842	1
Administrative Funding	0	0	0	
TOTAL GENERAL FUND REVENUES	\$ 168,821	\$ 364,634	\$ 364,634	1
Intergovernmental Grants 218				
State or University Grants	0	0	0	
Federal Grants	0	0	0	
State Grants	0	0	0	
Local Grants	0	0	0	
Private Grants	0	0	0	
Legislative Funding	0	0	0	
Miscellaneous (e.g. NMDA)	0	0	0	
TOTAL GRANT REVENUES	\$ -	\$ -	\$ -	
Other 299				
Contract Services	0	0	0	
Educational Income	0	0	0	
Charges for Services	0	0	0	
Capital Outlay Funded	0	0	0	
Project Income-Conservation & Environmental	0	0	0	
Emergency Watershed Protection Program	0	0	0	
Project Income - Reloan Program	0	0	0	
Project Expenses Income	0	0	0	
Silent Auctions	0	0	0	
Miscellaneous	0	0	0	
OTHER FUND 299 FROM DETAIL TAB	0	0	0	
TOTAL OTHER 299	\$ -	\$ -	\$ -	
Debt Service 400				
General Obligation Bonds	0	0	0	
General Obligation - (Property Tax)	0	0	0	
Investment Income	0	0	0	
Other - Misc	0	0	0	
Revenue Bonds	0	0	0	
Bond Proceeds	0	0	0	
Revenue Bonds - GRT	0	0	0	
Investment Income	0	0	0	
Revenue Bonds - Other	0	0	0	
Miscellaneous (NMFA, BOF, etc.)	0	0	0	
Investment Income	0	0	0	
Loan Revenue	0	0	0	
TOTAL DEBT SERVICE REVENUES	\$ -	\$ -	\$ -	
GRAND TOTALS REVENUES- CURRENT QTR	\$ 168,821	\$ 364,634	\$ 364,634	1

NOTE: If this report is for the first quarter YEAR TO DATE will be the same as the CURRENT QUARTER.

SWCD:
Ciudad SWCD

Period Ending: 6/30/2015

EXPENDITURES	CURRENT QUARTER	YEAR TO DATE	APPROVED BUDGET	% OF BUDGET
GENERAL FUND 101				
Personnel Services, (Salaries and Benefits)	10,359	39,583	39,583	1
Mileage and Per Diem	0	0	0	
Vehicle Expense (Insurance, gas, maintenance)	1,614	3,093	3,093	1
Office Furniture and Equipment	0	0	0	
OfficeSupplies and Other Expenses	0	192	192	1
Vehicle Expense (Insurance, gas, maintenance)	0	0	0	
Advertising and Public Relations (e.g. newsletter)	944	2,780	2,780	1
Annual Audit/Financial Report Expenses	0	2,598	2,598	1
Dues and Board Fees	0	10	10	1
Field Supplies & Equipment	72	998	998	1
Postage Expense	50	151	151	1
Cost Sharing Expense	0	28,366	28,366	1
Training, Workshops & Education expense	79	79	79	1
Contractual Fees and Other Services (Comm. Proj.)	166,069	325,588	325,588	1
Miscellaneous (e.g. Meetings)	0	26	26	1
Legal Notices	129	291	291	1
State Liability / WC Insurance	187	1,366	1,366	1
Telephone & Internet Expense	60	450	450	1
Depreciation Expense	368	368	368	1
	0	0	0	
	0	0	0	
	0	0	0	
	0	0	0	
Total General Fund Expenditures	\$ 179,930	\$ 405,939	\$ 405,939	1
Intergovernmental Grants Expenditures 218				
State or University Grants	0	0	0	
Federal Grants	0	0	0	
State Grants	0	0	0	
Local Grants	0	0	0	
Private Grants	0	0	0	
Legislative Funding	0	0	0	
Other	0	0	0	
Total Grant Expenditures	\$ -	\$ -	\$ -	
Other Expenditures 299				
Loan Payments	0	0	0	
Capital Outlay Expenses/Capital Projects	0	0	0	
Conservation and Environmental Control Expenses	0	0	0	
Bonding	0	0	0	
All Other Insurance	0	0	0	
Loan Program Expenses including Loan Repayments	0	0	0	
Miscellaneous Expenses	23	90	90	1
OTHER FUND 299 FROM DETAIL TAB	0	0	0	
Total Other Expenditures	\$ 23	\$ 90	\$ 90	1
Debt Service 400				
Bond Payments Principal	0	0	0	
Bond Payments- Interest	0	0	0	
Other Debt Service	0	0	0	
Total Debt Service Expenditures	0	0	0	
TOTAL EXPENDITURES Current Quarter	\$ 179,953	\$ 406,029	\$ 406,029	1

NOTE: If this report is for the first quarter YEAR TO DATE will be the same as the CURRENT QUARTER.

State of New Mexico
Ciudad Soil and Water Conservation District
Schedule of Findings and Responses
June 30, 2015

PRIOR YEAR FINDINGS:

None

CURRENT YEAR FINDINGS:

None

State of New Mexico
Ciudad Soil and Water Conservation District
Exit Conference
June 30, 2015

Exit Conference

An exit conference was held on December 1, 2015.

Representing Ciudad Soil and Water Conservation District were:

J. Steven Glass, Chairman
Jennifer Moss, District Fiscal Administrator

Representing the firm of Fidel A. Bernal, P.C. was:

Fidel A. Bernal, CPA
Vanessa Bernal, Office Manager