

**STATE OF NEW MEXICO
CORONADO SOIL AND WATER
CONSERVATION DISTRICT**

**Independent Accountants' Report on
Applying Agreed-Upon Procedures**

**For the Year Ended
June 30, 2015**

James L. Hartogenesis, CPA LLC

Certified Public Accountants

STATE OF NEW MEXICO
CORONADO SOIL AND WATER
CONSERVATION DISTRICT
JUNE 30, 2015
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**STATE OF NEW MEXICO
CORONADO SOIL AND WATER
CONSERVATION DISTRICT
OFFICIAL ROSTER
JUNE 30, 2015**

Board of Supervisors

<u>Name</u>	<u>Title</u>
Lynn Montgomery	Chair
Alfred Baca	Vice Chair
Patricia Bolton	Secretary/Treasurer
Marvin Mendelow	Supervisor
Gary Miles	Supervisor

Administration

Carolyn Kennedy	District Manager
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**INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES**

Board of Supervisors
Coronado Soil and Water
Conservation District
and
Honorable Timothy Keller
New Mexico State Auditor
Santa Fe, New Mexico

We have performed the procedures enumerated below which were agreed to by the Coronado Soil and Water Conservation District (the "District") and the New Mexico State Auditor (the specified parties), solely to assist users in evaluating the District's financial reporting relating to its capital outlay award and its compliance with Section 12-6-3(B) NMSA 1978 and Section 2.2.2.16 NMAC, as of and for the year ended June 30, 2015. The District is responsible for its financial reporting as described above. 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.

In accordance with Tier 3 of the Audit Act – Section 12-6-3 B (3) NMSA 1978 and Section 2.2.2.16 NMAC, our procedures and associated findings are as follows:

1. Test all state-funded capital outlay expenditures:
 - a) Determine that the amount recorded as disbursed agrees to adequate supporting documentation. Verify that amount, payee, date and description agree to the purchase order, contract, vendor's invoice and canceled check, as appropriate.
 - b) Determine that the cash disbursements were properly authorized and approved in accordance 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 and State Purchasing Regulations (Section 13-1-28 through 13-1-199 NMSA 1978 and 1.4.1 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:

100% of capital outlay disbursements were tested. For all disbursements that were tested, the amount recorded as disbursed agreed to adequate supporting documentation, and the amount, payee, date and description agreed to the purchase order, contract, vendor's invoice and canceled check, where applicable. Procurement for the project was tested, and it was noted that 3 bids were received, and the vendor with the highest evaluation was selected, in compliance with the New Mexico Procurement Code and State Purchasing Regulations. Because the capital outlay award was for engineering services, the procedure for testing for physical existence of the asset is not an applicable procedure. Formal status reports were not required under the capital outlay agreement, therefore this procedure is also not applicable.

2. If the project was funded in advance, 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 funded in advance, therefore this procedure is not applicable.

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

Findings:

The project was not funded in advance, therefore this procedure is not applicable.

4. 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 award agreement.

Findings:

The capital outlay award did not require a separate bank account, therefore this procedure is not applicable.

5. Determine whether reimbursement requests were properly supported by costs incurred by the recipient. Determine whether the costs were paid by the local public body prior to the request for reimbursement.

Findings:

10 out of 10 reimbursement requests were tested and were properly supported by costs incurred by the District, and all costs were incurred by the District prior to the request for each reimbursement.

6. If information comes to the IPA's attention (regardless of materiality) indicating any fraud, illegal acts, noncompliance, or any internal control deficiencies, such instances must be disclosed 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(l)(3)(C) NMAC.

Findings:

Nothing noted.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the District's financial reporting to the State Auditor as described above. 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 Coronado Soil and Water Conservation District, New Mexico Office of the State Auditor, the New Mexico Legislature, and the New Mexico Department of Finance and Administration and is not intended to be and should not be used by anyone other than those specified parties.

James L. Hartogensis, CPA LLC

James L. Hartogensis, CPA LLC
Albuquerque, New Mexico
August 8, 2015

**SCHEDULE OF
CAPITAL PROJECTS**

STATE OF NEW MEXICO
CORONADO SOIL AND WATER CONSERVATION DISTRICT
SCHEDULE OF CAPITAL PROJECTS
Year Ended June 30, 2015

<u>Project Number</u>	<u>Project Name</u>	<u>Amount Awarded</u>	<u>Amount Received</u>	<u>Amount Expended</u>	<u>Remaining Balance</u>	<u>Legislation/ Effective Dates</u>
13-1910	Coronado SWCD Reservoirs Renovate	\$ 75,000	\$75,000	\$75,000	\$ -	Laws of 2013, Ch. 226/Section 42 7/1/2013 - 6/30/2017

**STATE OF NEW MEXICO
CORONADO SOIL AND
WATER CONSERVATION DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2015**

Current Year Findings

None.

STATE OF NEW MEXICO
CORONADO SOIL AND
WATER CONSERVATION DISTRICT
STATUS OF PRIOR YEAR FINDINGS
YEAR ENDED JUNE 30, 2015

Prior Year Findings

None.

**STATE OF NEW MEXICO
CORONADO SOIL AND
WATER CONSERVATION DISTRICT
EXIT CONFERENCE
YEAR ENDED JUNE 30, 2015**

The report contents were discussed at an exit conference held on August 12, 2015 with the following in attendance:

Coronado Soil and Water Conservation District

Patricia Bolton	Secretary/Treasurer
Carolyn Kennedy	District Manager

James L. Hartogenesis, CPA LLC

James Hartogenesis, CPA, CGFM	Principal
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