

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

**Independent Accountants' Report on  
Applying Tier 3 Agreed-Upon Procedures**

**For the Year Ended  
June 30, 2020**



**STATE OF NEW MEXICO**  
**CORONADO SOIL AND WATER CONSERVATION DISTRICT**  
JUNE 30, 2020  
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**STATE OF NEW MEXICO  
CORONADO SOIL AND WATER CONSERVATION DISTRICT  
OFFICIAL ROSTER  
JUNE 30, 2020**

**Board of Supervisors**

<u>Name</u>	<u>Title</u>
Lynn Montgomery	Chairman
Alfredo Baca	Vice Chairman
Orlando Lucero	Secretary-Treasurer
Kathleen Groody	Supervisor
Charles Torres	Supervisor

**Administration**

Carolyn Kennedy	District Manager
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**STATE OF NEW MEXICO**  
**CORONADO SOIL AND WATER CONSERVATION DISTRICT**  
 SCHEDULE OF CAPITAL PROJECTS  
 YEAR ENDED JUNE 30, 2020

<u>Project Number</u>	<u>Project Name</u>	<u>Amount Awarded</u>	<u>Amount Received</u>	<u>Amount Expended</u>	<u>Amount Reverted</u>	<u>Remaining Balance</u>	<u>Authorizing Legislation</u>
A2605	Reservoir improvements	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ -</u>	Laws of 2016, Ch. 81/Sec. 30, Par. 3 7/1/2016 - 6/30/2020



## **INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES**

Board of Supervisors  
Coronado Soil and Water Conservation District  
and  
Brian S. Colón, Esq.  
New Mexico State Auditor  
Santa Fe, New Mexico

I have performed the procedures enumerated below which were agreed to by the State of New Mexico 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 and compliance relating to its state-funded capital outlay 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, 2020. The District is responsible for its reporting and compliance as described above. 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.

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

### **1. REVENUE DETERMINATION**

#### **Procedures**

Verify the local public body's revenue calculation and tier determination documented on the form provided at [www.osanm.org](http://www.osanm.org) under "Tier System Reporting Main Page".

#### **Findings**

The Association's revenue calculation was determined to be operating revenues of \$14,018 and state capital outlay revenues of \$40,000. The tier determination was determined to be Tier 3.

## **2. STATE CAPITAL OUTLAY**

### **Procedures**

- 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 charged with oversight per the terms of the agreement and verify that the amounts in the status report agree with the general ledger and other supporting documentation.

### **Findings**

All amounts disbursed were agreed to contractor invoices with no exceptions. Each disbursement was properly approved. The District performed procurement procedures in accordance with the New Mexico Procurement Code. Verification of the physical existence of the capital asset was not possible because expenditures were mostly for engineering services. Status reports were reported to the fiscal agent.

### **Procedure**

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.

### **Procedure**

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

**Findings**

The project is not complete therefore this procedure is not applicable.

**Procedure**

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 agreement did not require a separate bank account or fund, therefore this step is not applicable.

**Procedure**

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**

Reimbursement requests were properly supported by costs incurred with no exceptions.

**Procedures**

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 all required content detailed in Section 2.2.2.10(L) NMAC.

**Findings**

Nothing else was noted.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. I was not engaged to, and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's financial reporting and compliance for state-funded capital outlay as described above. Accordingly, I do not express such an opinion or conclusion. 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 State of New Mexico Coronado Soil and Water Conservation District, the New Mexico Office of the State Auditor, the New Mexico Legislature, and the New Mexico 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.

*James L. Hartogensis, CPA LLC*

Albuquerque, New Mexico  
October 4, 2020



**STATE OF NEW MEXICO  
CORONADO SOIL AND WATER CONSERVATION DISTRICT  
SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED JUNE 30, 2020**

**Current Year Findings**

None.

**STATE OF NEW MEXICO  
CORONADO SOIL AND WATER CONSERVATION DISTRICT  
STATUS OF PRIOR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2020**

**Prior Year Finding**

**Current Year Status**

None.

**STATE OF NEW MEXICO**  
**CORONADO SOIL AND WATER CONSERVATION DISTRICT**  
EXIT CONFERENCE  
YEAR ENDED JUNE 30, 2020

The report contents were discussed at an exit conference held on October 19, 2020, with the following in attendance:

**Coronado Soil and Water Conservation District**

Carolyn Kennedy	District Manager
Lynn Montgomery	Chairman

**James L. Hartogenesis, CPA LLC**

James Hartogenesis, CPA, CGFM	Principal
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