



# **OFFICE OF THE STATE AUDITOR**

**Hector H. Balderas**

**STATE OF NEW MEXICO**

**HIDALGO**

**SOIL AND WATER CONSERVATION DISTRICT**

**FINANCIAL STATEMENTS**

**Fiscal Year Ended June 30, 2006**

**(With Independent Auditor's Report Thereon)**

**8022**

STATE OF NEW MEXICO  
HIDALGO SOIL AND WATER CONSERVATION DISTRICT

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JUNE 30, 2006

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STATE OF NEW MEXICO  
HIDALGO SOIL AND WATER CONSERVATION DISTRICT

OFFICIAL ROSTER  
JUNE 30, 2006

<u>Board of Supervisors</u>	<u>Position</u>
Stanfrnd Jones	Chairperson
Charles Siepel	Vice-Chairperson
Sylvia Dominguez	Secretary/Treasurer
David Ramos	Supervisor
Kris Massey	Supervisor
Walter Anderson	Supervisor
Jay Peterson	Supervisor
<u>District Personnel</u>	<u>Title</u>
Hollie Jones	Administrative Assistant



# OFFICE OF THE STATE AUDITOR

Hector H. Balderas

## INDEPENDENT AUDITOR'S REPORT

Mr. Kris Massey, Chairman  
and Members of the Board of Supervisors  
Hidalgo Soil and Water Conservation District  
405 Duncan Highway  
 Lordsburg, NM 88045

We have audited the accompanying financial statements of the governmental activities, the general fund and the respective budgetary comparison of the Hidalgo Soil and Water Conservation District (District) as of and for the year ended June 30, 2006, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the District as of June 30, 2006, and the respective changes in financial position, thereof and the budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The District has not presented the Management's Discussion and Analysis required by *GASB Statement No. 34* that the Governmental Accounting Standards Board has

determined is necessary to supplement, although not required to be part of, the basic financial statements.

In accordance with *Government Auditing Standards*, we have also issued a report dated January 31, 2007 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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* and should be considered in assessing the results of our audit.

*Office of the State Auditor*

OFFICE OF THE STATE AUDITOR  
January 31, 2007

STATE OF NEW MEXICO  
 HIDALGO SOIL AND WATER CONSERVATION DISTRICT  
 STATEMENT OF NET ASSETS  
 JUNE 30, 2006

	Governmental Activities
<b>Assets</b>	
Cash	\$ 64,269
Interest receivable	197
Capital assets, net	<u>-</u>
Total assets	<u>64,466</u>
<b>Liabilities</b>	
Accounts payable	<u>-</u>
Total liabilities	<u>-</u>
<b>Net Assets</b>	
Invested in capital assets	-
Unrestricted	<u>64,466</u>
Total net assets	<u><u>\$ 64,466</u></u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
HIDALGO AND WATER CONSERVATION DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

Exhibit 2

	Governmental Activities
<b>Program Expenses:</b>	
Conservation:	
Salaries	\$ 3,494
Travel	705
Office supplies	12
Postage	131
Legal notices	219
Awards	43
Dues	875
Bond	134
Education	710
Election	302
Events	536
Depreciation	-
Total program expenses	7,161
<b>Program Revenues:</b>	
Operating grants	-
Total program revenues	-
Net program (expense) revenue	(7,161)
<b>General Revenues:</b>	
NMDA allotment	9,447
Interest	1,130
Total general revenues	10,577
Change in net assets	3,416
Net assets at beginning of year	61,050
Net assets at end of year	\$ 64,466

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
HIDALGO SOIL AND WATER CONSERVATION DISTRICT  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2006

Exhibit 3

	General Fund
<b>Assets</b>	
Cash	\$ 64,269
Interest receivable	197
Total assets	\$ 64,466
<b>Liabilities and fund balance</b>	
<b>Liabilities:</b>	
Accounts payable	\$ -
Total liabilities	-
Fund balance:	
Unreserved, undesignated	64,466
Total fund balance	64,466
Total liabilities and fund balance	\$ 64,466

The notes to the financial statements are an integral part of this statement.



STATE OF NEW MEXICO  
 HIDALGO SOIL AND WATER CONSERVATION DISTRICT  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	<u>General Fund</u>
<b>Revenues</b>	
State allocation	\$ 9,447
Interest	1,130
<b>Total revenues</b>	<u>10,577</u>
<b>Expenditures</b>	
Conservation:	
Current:	
Salaries	3,494
Travel	705
Office supplies	12
Postage	131
Legal notices	219
Awards	43
Dues	875
Bond	134
Education	710
Election	302
Events	536
<b>Total expenditures</b>	<u>7,161</u>
<b>Net change in fund balance</b>	3,416
<b>Fund balance beginning of year</b>	<u>61,050</u>
<b>Fund balance end of year</b>	<u>\$ 64,466</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
HIDALGO SOIL AND WATER CONSERVATION DISTRICT  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	General Fund			Variance
	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
<b>Revenues</b>				
State allocation	\$ 9,285	\$ 9,285	\$ 9,447	\$ 162
Interest	552	552	933	381
Reimbursement - booklets	-	-	-	-
Total revenues	<u>9,837</u>	<u>9,837</u>	<u>\$ 10,380</u>	<u>\$ 543</u>
Cash balance budgeted	12,038	12,038		
Total revenues and cash balance	<u>\$ 21,875</u>	<u>\$ 21,875</u>		
<b>Expenditures</b>				
Conservation:				
Postage	\$ 300	\$ 300	\$ 131	\$ 169
Office Supplies	1,000	1,000	12	988
Legal notices	400	400	219	181
Surety bond	200	200	134	66
Mileage & per diem	1,200	1,200	705	495
Dues	875	875	875	-
Conservation education	3,500	3,500	710	2,790
County fair	200	200	35	165
Local sponsor events	1,000	1,000	501	499
Salaries	4,000	4,000	3,494	506
Capital Outlay - equipment	8,000	8,000	-	8,000
Election	1,000	1,000	302	698
Miscellaneous	200	200	43	157
Total expenditures	<u>\$ 21,875</u>	<u>\$ 21,875</u>	<u>\$ 7,161</u>	<u>\$ 14,714</u>

The notes to the financial statements are an integral part of the statement.

STATE OF NEW MEXICO  
HIDALGO SOIL AND WATER CONSERVATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2006

**I. Summary of Significant Accounting Policies**

**A. Reporting Entity**

The Hidalgo Soil and Water Conservation District (District) is organized under the provisions of the Soil and Water Conservation District Act (73-20-25 through 73-20-49 NMSA 1978). The District is a governmental subdivision of the state, a public body corporate and politic, organized for control and prevention of flood, sediment, and soil erosion damage, and to further the conservation, development and beneficial use of water and soil resources. The governing body of the District consists of five elected supervisors, four of whom must be landowners in the District. Two additional supervisors may be appointed to the District board. Supervisors serve a term of three years and continue in office until a successor is elected or appointed.

The financial reporting entity as defined by GASB 14 consists of the primary government, organizations for which the primary government is financially accountable, and other organizations whose exclusion from the financial reporting entity would cause the financial statements to be misleading.

A primary government is any state government or general-purpose local government and the organizations comprising its legal entity. Although the District is organized as a subdivision of the State and administratively attached to the New Mexico State University, Department of Agriculture, the statutory powers of the District establish it as a primary government with a separate corporate and legal identity. The District has no component units, financially dependent affiliates, nor is it legally liable for actions of other agencies.

The financial reporting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). To enhance the usefulness of the financial statements, the significant policies of the District are summarized below.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets) report information on all of the nonfiduciary activities of the primary government.

STATE OF NEW MEXICO  
HIDALGO SOIL AND WATER CONSERVATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2006

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. However, the District does not have any fiduciary or business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function, or segment, are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, expenditures related to claims and judgments, if any, are recorded only when payment is due.

Interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current

STATE OF NEW MEXICO  
HIDALGO SOIL AND WATER CONSERVATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2006

fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The District reports the following major governmental funds:

The general fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

As a general rule, the effect of interfund activity, if applicable, has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

**D. Assets, Liabilities, Net Assets and Fund Balance**

1. Cash and Cash Equivalents

The District's cash and cash equivalents consist of demand deposits and short term investments (certificates of deposit) with original maturities of six months or less from the date of acquisition.

State statutes authorize the District to invest in obligations of the U.S. Treasury, repurchase agreements, and certificates of deposit. Investments for the government, if applicable, are reported at fair value.

2. Capital Assets

Capital assets, which include property, equipment (including software), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by state law as assets with an initial cost of \$5,000 and an estimated useful life of more than one year. The total amounts spent for construction, if any, are capitalized and reported in the government-wide

STATE OF NEW MEXICO  
HIDALGO SOIL AND WATER CONSERVATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2006

financial statements. For donations, the government values these capital assets at the estimated fair value of the item at the date of acquisition. The cost of normal maintenance and repairs that do not add to the value or extend the life of the asset are not capitalized. There was no infrastructure required to be capitalized and depreciated under GASB Statement No. 34.

Property and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

Computer equipment      5 years

3. Compensated Absences

The District's employee does not receive any vacation or sick leave.

4. Net Assets and Fund Balance

The difference between the District's assets and liabilities is its net assets. The District's net assets consist of three components – invested in capital assets, which is the cost of capital assets, net of accumulated depreciation, unrestricted nets assets, and restricted net assets- wherein the constraints are placed on net asset use either by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District currently had no restricted net assets or fund balance reservations at fiscal year end.

**II. Stewardship, Compliance and Accountability**

**A. Budgetary Information**

The budget is prepared on a basis that differs from accounting principles generally accepted in the United States of America (GAAP). GAAP basis revenues and expenditures include accrued amounts. The revenues and expenditures reported in the budgetary comparisons are generally recorded on the cash basis. The District uses the following procedures to establish the budgeted amounts reflected in the budgetary comparisons:

STATE OF NEW MEXICO  
HIDALGO SOIL AND WATER CONSERVATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2006

1. Prior to April 1, the Budget Committee submits to the District Board of Supervisors a proposed revenue and expenditure budget for the fiscal year beginning July 1.
2. The Board reviews the budget proposal and makes any necessary adjustments.
3. Prior to June 1, the Board approves the budget by passing a resolution.

4. Prior to June 20, the approved budget is submitted to the State of New Mexico, Department of Finance and Administration, Local Government Division (DFA-LGD) for approval by the first Monday of September. The Board receives notice of the approved budget.

The legal level at which actual expenditures may not exceed budgeted expenditures is at the total fund level. The Board can revise its budget with the approval of DFA-LGD. Encumbrance accounting is not utilized by the District.

**B. Reconciliation of Non-GAAP Budgetary Basis to GAAP Basis Financial Statements.**

		General Fund
Non-GAAP revenues (Exhibit 5)	\$	10,380
Prior year receivables		-
Current year receivables		197
GAAP revenues (Exhibit 4)	\$	10,577
Non-GAAP expenditures (Exhibit 5)	\$	7,161
Prior year payable		-
Current year payable		-
GAAP expenditures (Exhibit 4)	\$	7,161

STATE OF NEW MEXICO  
HIDALGO SOIL AND WATER CONSERVATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2006

**III. Detailed Notes on all Funds**

**A. Cash**

As of June 30, 2006, the District had a carrying amount of deposits of \$64,269. The bank balances for deposits were \$65,066. The difference between the carrying amount and the bank balance of deposits is due to outstanding checks of \$797. The total bank balances of \$65,066 consisted of the following:

<u>Western Bank</u>	
Demand and money market	\$ 36,080
Less: FDIC coverage	<u>(36,080)</u>
Amount uninsured	<u><u>\$ -0-</u></u>
<u>Western Bank</u>	
Certificate of Deposit	\$ 28,986
Less: FDIC coverage	<u>(28,986)</u>
Amount uninsured	<u><u>\$ -0-</u></u>

*Custodial Credit Risk* – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk. As of June 30, 2006, none of the District's bank balances were exposed to custodial credit risk.

**B. Capital Assets**

Capital asset activity for the year ended June 30, 2006 was as follows:



STATE OF NEW MEXICO  
HIDALGO SOIL AND WATER CONSERVATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2006

	6/30/05	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	6/30/06
Equipment	\$2,049	\$	-	\$	-
					\$2,049
Less: Accumulated Depreciation	(2,049)	-	-	-	(2,049)
Capital assets, net	\$	-	\$	-	\$

Depreciation expense was charged to the conservation function.

**Other Information**

**A. Risk Management**

The District is exposed to various risks of loss due to torts, theft or damage of assets, errors and omissions and natural disasters. The District's supervisors and employees are covered by an errors and omissions liability policy purchased by the New Mexico State University, Department of Agriculture, to which the District is administratively attached. The limits for this policy are \$1,050,000 for each wrongful act and \$1,050,000 for the policy aggregated. The District is required to obtain a corporate surety bond on behalf of persons responsible for District assets. The District currently maintains a \$20,000 surety bond as well as commercial property coverage. The District has not sustained any losses during the last several years and is not a defendant in any lawsuit.

**B. Related Party Transactions**

The current Administrative Assistant Hollie Jones is the daughter in law of a current Supervisor Stanfrd Jones who was Chairman of the Board of Supervisors until June 30, 2006. The District paid the Administrative Assistant \$836 in wages for the year ended June 30, 2006. The former Administrative Assistant Marlene Siepel is wife of Vice-Chairman Charles Siepel who has retired as of June 30, 2006. Marlene Siepel retired in May 2006. The District paid her \$2,392 in wages for the year ended June 30, 2006.



# **OFFICE OF THE STATE AUDITOR**

**Hector H. Balderas**

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*

Mr. Kris Massey, Chairman  
and Members of the Board of Supervisors  
Hidalgo Soil and Water Conservation District  
405 Duncan Highway  
 Lordsburg, NM 88045

We have audited the accompanying financial statements of the governmental activities, the general fund and the respective budgetary comparison of the Hidalgo Soil and Water Conservation District (District) as of and for the year ended June 30, 2006 and have issued our report dated January 31, 2007. 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.

## Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the District's ability to record, process, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and responses as items 06-01 and 06-02.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation

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to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that none of the reportable conditions described above is a material weakness.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings and responses as item 06-02.

This report is intended solely for the information and use of management, the New Mexico Office of the State Auditor, the New Mexico State University - Department of Agriculture, New Mexico Department of Finance and Administration, the state legislature and grantors and is not intended to be and should not be used by anyone other than these specified parties.

*Office of the State Auditor*

OFFICE OF THE STATE AUDITOR

January 31, 2007

STATE OF NEW MEXICO  
HIDALGO SOIL AND WATER CONSERVATION DISTRICT

SCHEDULE OF FINDINGS AND RESPONSES  
JUNE 30, 2006

STATUS OF PRIOR YEAR AUDIT FINDINGS

None.

CURRENT YEAR AUDIT FINDINGS

**06-01. Overpayment of Wages**

Condition

During our audit of payroll expenditures, we calculated hours from all (13) timesheets for the FY06 and noted that in one instance there was an error which resulted in overpayment of \$72 to an Administrative Assistant.

Criteria

Good accounting practice requires payroll expenditures to be calculated accurately. Good internal control requires the person approving the timesheet to check the accuracy of it.

Effect

The District overpaid the District Clerk due to error in timesheet.

Cause

The board failed to provide adequate oversight of approval process of timesheet and therefore the payroll expenditure.

Recommendation

Check timesheets for accuracy when a board member approves it.

District's Response

The District agrees with finding and will be more careful in future.

STATE OF NEW MEXICO  
HIDALGO SOIL AND WATER CONSERVATION DISTRICT

SCHEDULE OF FINDINGS AND RESPONSES  
JUNE 30, 2006

**06-02. Incorrect Reporting to the Department of Finance and Administration**

Condition

The amount of total net withdrawals as per bank statements, and the total expenditures as per monthly financial report presented to the Board every month and submitted to the Department of Finance and Administration every quarter, did not agree. The expenditure amount was understated by \$902.15 in the report for the year ending June 30, 2006.

Criteria

Good accounting practice requires that the total of withdrawals from bank accounts agrees with the total of expenditures. In addition, the Operations Handbook for Soil and Water Conservation Districts, State of New Mexico, Financial Records Management Section, Chapter 2, item 3 pertaining to Quarterly Reports implies that the District should submit *accurate* quarterly reports to the DFA.

Effect

The District is not in compliance by submitting inaccurate quarterly reports to DFA. Because of the understated expenditures, it is difficult to determine if line item expenditures were within or over the budget. Due to understated expenditures, the financial statements were out of balance.

Cause

The reports are prepared from the information recorded in the bank ledger; however, there is no reconciliation procedure in place which would ensure each item is accurately posted to the financial report and/or to the correct line item.

Recommendation

The District needs to maintain its accounting records by combining the manual bank ledger and the monthly financial report in to a spreadsheet or maintain the record using accounting software such as Quick-Books.

STATE OF NEW MEXICO  
HIDALGO SOIL AND WATER CONSERVATION DISTRICT

SCHEDULE OF FINDINGS AND RESPONSES  
JUNE 30, 2006

Management's Response

The District agrees with finding. These errors were due to misunderstanding in the way reports were made due to new Administrative Assistant. A revised report will be sent to DFA.

STATE OF NEW MEXICO  
HIDALGO SOIL AND WATER CONSERVATION DISTRICT

EXIT CONFERENCE  
JUNE 30, 2006

Financial Statement Preparation

The accompanying financial statements were prepared by the Office of the State Auditor. However, the contents remain the responsibility of the District.

Exit Conference

On January 31, 2007 an exit conference was held at the District Office with Mr. Stanfird Jones, Supervisor for the District and Ms. Hollie Jones, Administrative Assistant of the Hidalgo Soil and Water Conservation District. Representing the Office of the State Auditor was Sanjay Bhakta, Audit Supervisor.