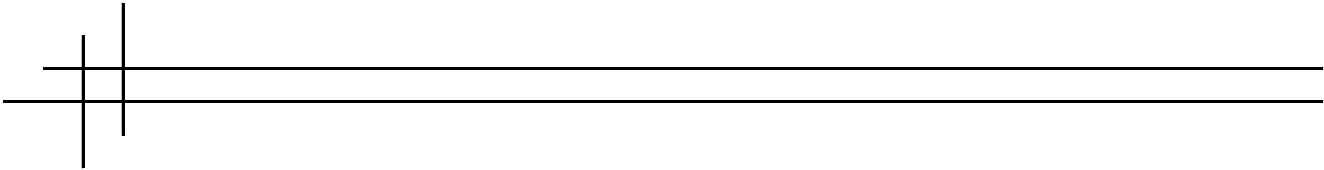


Roosevelt Soil and Water Conservation District
Portales, New Mexico

Independent Accountants' Report on
Applying Agreed-Upon Procedures
June 30, 2015

De'Aun Willoughby CPA, PC
Certified Public Accountant
Clovis, New Mexico



Roosevelt Soil and Water Conservation District
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Roosevelt Soil and Water Conservation District

Official Roster

June 30, 2015

BOARD OF SUPERVISORS

Mike Cone	Chairperson
Mitzi Miller	Vice-Chairperson
George Hay	Secretary
Rick Ledbetter	Treasurer
Gene Massey	Supervisor
Don Sanders	Supervisor
Quinten Carnes	Supervisor

De'Aun Willoughby CPA, PC

Certified Public Accountant

225 Innsdale Terrace, Clovis, NM 88101

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Independent Auditor's Report on Applying Agreed Upon Procedures

Mr. Tim Keller
State Auditor of the State of New Mexico
Board Members of Roosevelt Soil and Water Conservation District

We have performed the procedures enumerated below for Roosevelt Soil and Water Conservation District (District), for the year ended June 30, 2015. The District was determined to be a Tier 4 entity under the Audit Act, Section 12-6-3 B (4) NMSA 1978. The procedures were agreed to by the District through the Office of the New Mexico State Auditor. The District'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, 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 findings are as follows:

1. Cash

- 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.
- 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:

The District has four checking accounts. All checking account's bank reconciliations have been performed on a timely basis and are on-hand.

The bank reconciliations tested were for the month ended June 30, 2015. The bank balances on the bank reconciliations agreed with the bank statements and the reconciled balances on the bank reconciliations agreed with the general ledger. The reconciled balances agreed with the DFA report for June 30, 2015. The reconciled balances total \$154,672.

Because bank accounts did not exceed the uninsured limits as of June 30, 2015 pledged collateral is not required for any of the banks where the monies are held.

2. Capital Assets

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

Results:

The District does have and is maintaining a inventory list and did take a physical inventory.

3. Revenue

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

- 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:

Analytical review and test of actual revenue compared to budgeted revenue for the year for each type of revenue revealed no exceptions.

The accounting basis is cash basis as required. The revenue deposited was classified correctly and recorded in the correct period and the amount recorded in the general ledger agreed with the amount deposited.

4. Expenditures

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

- 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:

The test sample of 23 expenditures were recorded. We verified that amount, payee, date and description agreed to the vendor's invoice, purchase order, contract and canceled check, as appropriate.

We verified that disbursements were properly authorized and approved in compliance with the budget, legal requirements and established policies and procedures.

We verified 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) and found none that were violated.

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:

- 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:

There were no journal entries made in the general ledger.

6. Budget

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

- 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 review of the minutes indicated that the original budget was approved by the Board of Supervisors and that the original budget had not been adjusted.

The total of actual expenditures did not exceed the final budget at the fund level, the legal level of budgetary control.

We prepared schedules of revenues and expenditures – budget and actual on the budgetary basis used by the local public body. These schedules were prepared from the original and final approved budgets and general ledger.

Other

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(I)(3)(C) NMAC.

Results:

There was no other information that came to our attention.

We were not engaged to and did not conduct an audit or examination of the subject matter, the objective of which would be the expression of an opinion on the District's compliance with results of procedures required of a Tier 4 examination. 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 management, the board members, the Office of the State Auditor, the Department of Finance and Administration, and the New Mexico State Legislature and is not intended to be and should not be used by anyone other than these specified parties.

DeAnn Willoughby CPA PC

Clovis, New Mexico
December 1, 2015

Roosevelt Soil and Water Conservation District

General Fund

Statement of Revenues, Expenditures, and Changes in Cash Balance -

Budget and Actual (Non GAAP Basis)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
Revenues				
NMSU Funding	\$ 10,000	\$ 10,000	\$ 11,483	\$ 1,483
Grants	0	0	604	604
Grass Seed Commission	50,000	50,000	25,720	(24,280)
Tree and Windbreak Sales	0	0	18,227	18,227
Miscellaneous	0	0	75	75
Total Revenues	60,000	60,000	56,109	(3,891)
Expenditures				
Advertising and Public Relations	200	200	915	(715)
Awards	0	0	102	(102)
Bonding	600	600	591	9
Computer Expense	0	0	1,182	(1,182)
Consulting	0	0	0	0
Contract Labor	0	0	750	(750)
Dues & Subscriptions	1,500	1,500	600	900
Education Programs	2,000	2,000	1,336	664
Election Expense	500	500	268	232
Fair Booth	0	0	107	(107)
Field Supplies	0	0	0	0
Insurance	1,500	1,500	810	690
Travel	2,500	2,500	1,618	882
Miscellaneous	1,000	1,000	294	706
Payroll	25,000	25,000	17,326	7,674
Postage	250	250	55	195
Professional Fees	12,000	12,000	8,046	3,954
Registration Fees	3,500	3,500	1,075	2,425
Supplies	0	0	735	(735)
Supervisor Meetings	2,500	2,500	5,281	(2,781)
Taxes	0	0	1,394	(1,394)
Training and Meetings	0	0	27	(27)
Trees and Windbreak Supplies	10,000	10,000	7,967	2,033
Total Expenditures	63,050	63,050	50,479	12,571
Excess (Deficiency) of Revenues Over Expenditures	(3,050)	(3,050)	5,630	8,680
Cash Balance Beginning of Year	34,306	34,306	34,306	0
Cash Balance End of Year	\$ 31,256	\$ 31,256	\$ 39,936	\$ 8,680

Roosevelt Soil and Water Conservation District

Building Fund

Statement of Revenues, Expenditures, and Changes in Cash Balance -

Budget and Actual (Non GAAP Basis)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
Revenues				
Rental Income	74,226	74,226	74,226	0
Other	0	0	6	6
Total Revenues	<u>74,226</u>	<u>74,226</u>	<u>74,232</u>	<u>6</u>
Expenditures				
Dues and Subscriptions	0	0	145	(145)
Insurance	3,500	3,500	4,313	(813)
Office	0	0	198	(198)
Payroll	0	0	7,256	(7,256)
Repairs and Maintenance	17,000	17,000	6,057	10,943
Supplies	0	0	378	(378)
Utilities	18,000	18,000	14,341	3,659
Debt Service				
Principal	40,000	40,000	30,000	10,000
Interest	5,000	5,000	4,617	383
Total Expenditures	<u>83,500</u>	<u>83,500</u>	<u>67,305</u>	<u>16,195</u>
Excess (Deficiency) of Revenues Over Expenditures	(9,274)	(9,274)	6,927	16,201
Cash Balance Beginning of Year	<u>56,162</u>	<u>56,162</u>	<u>56,162</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 46,888</u>	<u>\$ 46,888</u>	<u>\$ 63,089</u>	<u>\$ 16,201</u>

Roosevelt Soil and Water Conservation District

LEPA Fund

Statement of Revenues, Expenditures, and Changes in Cash Balance -

Budget and Actual (Non GAAP Basis)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
Revenues				
Principal Received on LEPA Loans	33,000	33,000	19,165	(13,835)
Interest Income	2,000	2,000	1,959	(41)
Total Revenues	<u>35,000</u>	<u>35,000</u>	<u>21,124</u>	<u>(13,876)</u>
Expenditures				
Debt Service				
Principal	32,500	32,500	13,491	19,009
Interest	2,500	2,500	2,546	(46)
Total Expenditures	<u>35,000</u>	<u>35,000</u>	<u>16,037</u>	<u>18,963</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	5,087	5,087
Cash Balance Beginning of Year	<u>46,044</u>	<u>46,044</u>	<u>46,044</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 46,044</u>	<u>\$ 46,044</u>	<u>\$ 51,131</u>	<u>\$ 5,087</u>

Roosevelt Soil and Water Conservation District

Weather Modification Fund

Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Non GAAP Basis)

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual (Budgetary Basis)	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
Revenues				
Other	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Consulting Fees	<u>3,016</u>	<u>3,016</u>	<u>2,500</u>	<u>516</u>
Total Expenditures	<u>3,016</u>	<u>3,016</u>	<u>2,500</u>	<u>516</u>
Excess (Deficiency) of Revenues Over Expenditures	(3,016)	(3,016)	(2,500)	516
Cash Balance Beginning of Year	<u>3,016</u>	<u>3,016</u>	<u>3,016</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 516</u>	<u>\$ 516</u>

Roosevelt Soil and Water Conservation District
Schedule of Findings and Responses
June 30, 2015

Prior Year Audit Findings

Status

2010-001	Late Audit Report	Resolved
2010-002	Annual Physical Inventory	Resolved
2010-004	Quarterly Financial Reports	Resolved
2010-007	Internal Controls Over Revenues	Resolved
2012-001	Anti-Donation Violation	Resolved

Current Year Audit Findings

None

Exit Conference

An exit conference was held on December 1, 2015. Those present were Mitzy Miller, Vice-Chairperson, George Hay, Secretary and Quinten Carnes, Supervisor and De'Aun Willoughby, CPA.