

**STATE OF NEW MEXICO**  
**SANTA FE-POJOAQUE SOIL AND WATER CONSERVATION**  
**DISTRICT**

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

**YEAR ENDED June 30, 2013**

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**STATE OF NEW MEXICO**  
**SANTA FE-POJOAQUE SOIL AND WATER CONSERVATION DISTRICT**

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**June 30, 2013**

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STATE OF NEW MEXICO

SANTA FE-POJOAQUE SOIL AND WATER CONSERVATION DISTRICT

Official Roster

June 30, 2013

Name

Title

Board of Directors

Alfredo Roybal

Chairman

Jose Varela-Lopez

Vice-Chairman

Jose Carlos Ortiz

Secretary- Treasurer

Shelley Winship

Member

Staff

Clara Dubois

Administrative Assistant

**JOSEPH M. SALAZAR**  
**CERTIFIED PUBLIC ACCOUNTANT**  
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Española, New Mexico 87532  
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**INDEPENDENT ACCOUNTANTS' REPORT**  
**ON APPLYING AGREED UPON PROCEDURES**

Alfredo Roybal, Chairman  
Santa Fe-Pojoaque Soil and Water Conservation District  
and  
Honorable Hector H. Balderas  
New Mexico State Auditor

We have performed the procedures enumerated below for the Santa Fe-Pojoaque Soil and Water Conservation District (District) for the year ended June 30, 2013, solely to assist the District in demonstrating compliance with the Provisions of Laws of 2007, Chapter 42 and Laws of 2011 Chapter 183 as set forth in the accompanying Projects Schedule-Summary and Detail, Exhibits A. The District was determined to be a Tier 3 entity under the Audit Act Section 12-6-3 (B) NMSA 1978 and Section 2.2.2.16 NMAC. The procedures were agreed to by the District through the Office of the New Mexico State Auditor. The Santa Fe-Pojoaque Soil and Water Conservation District management is responsible for the organization's accounting records. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the America 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 representations regarding the sufficiency of the procedures described below either for the purposes for which this report has been requested or for any other purpose. Our procedures and findings are as follows:

The Contractor shall request and review all state funded capital outlay awards, joint powers agreements, correspondences and other relevant documentation for the capital outlay award funds expended by the recipient that meet the Tier 3 criteria.

**1. The Contractor shall test all state funded capital outlay expenditures to:**

**Procedures**

- a) Determine that 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 disbursement 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 agreements and amounts in the status reports agree with the general ledger and other supporting documentation.

### **Findings**

- a) We determined that amounts recorded as disbursed agreed to adequate supporting documentation and we verified that amounts, payees, dates and descriptions agreed to the vendors invoice
- b) We determined that disbursement were properly authorized and approved in accordance with budget, legal requirements and established policies and procedures.
- c) We determined 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) We determined that physical observation was not feasible since the work is for plan and design work.
- e) We verified that status reports were submitted to the state agency per terms of the agreement and amounts on the status report agree with accounting records and other supporting documentation.

## **2. Procedures**

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 intended to be funded in advance but on a cost reimbursement basis.

**3. Procedures**

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 is complete and determined that there is no unexpended balance. The project was on a cost reimbursement basis therefore no monies need to revert.

**4. Procedures**

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**

Since the project was approved on a cost reimbursement basis, no separate fund or bank account was required.

**5. Procedures**

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**

We determined that two agreements existed. One was between New Mexico State University (NMSU) who provided the project funding and the District. The second was between the District and the US Department of Agriculture, Natural Resources Conservation Service (NRCS). That agreement states that the District will reimburse the NRCS for all cost associated with the rehabilitation planning and design for Santa Cruz Dam, Site 1. We determined that NRCS incurred costs prior to the District submission of requests for funding from NMSU and subsequent reimbursement to NRCS.

6. **Procedures**

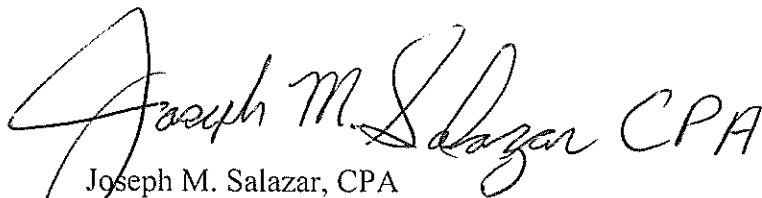
If information comes to the IPA's attention (regardless of materiality) indicating any fraud, illegal acts, noncompliance, or any internal control deficiencies, such instances must be disclosed in the report as required by Section 12-6-6 NMSA 1978. The finding must include the required contents per Section 2.2.2.1-(1) (3) (C) NMAC.

**Findings**

No exceptions or information were noted as a result of applying the procedures described above (regardless of materiality) indicating fraud, illegal acts, or any internal control deficiencies.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records. 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 Santa Fe-Pojoaque Soil and Water Conservation District, the New Mexico State Auditor's Office and the DFA-Local Government Division and is not intended to be and should not be used by anyone other than those specified parties.

  
Joseph M. Salazar, CPA  
November 8, 2013

State of New Mexico  
 Santa Fe-Pojoaque Soil and Water Conservation District  
 Agreed Upon Procedures  
 Schedule of Capital Outlay Award  
 June 30, 2013

Capital Outlay Project No.	Award Amount	Amount Requested/ Recieved in Prior Fiscal Years	Amount Requested/ Recieved in Current Fiscal Year	Total Amount Expended
14889	<u>\$150,000</u>	<u>\$120,644</u>	<u>\$ 29,356</u>	<u>\$150,000</u>

Note:

The Santa Fe-Pojoaque Soil and Water Conservation District was appropriated \$150,000 in the Laws of 2007, Chapter 42, Section 81, Subsection 33 to plan, design and construct upgrades to the Santa Cruz site 1 flood control dam in the Santa Fe-Pojoaque Soil and Water Conservation District. The Laws of of 2011, Chapter 183 Section 75 extended the project period for the appropriation through June 30, 2013.



**STATE OF NEW MEXICO  
SANTA FE-POJOAQUE SOIL AND WATER CONSERVATION DISTRICT**

**Schedule of Findings and Responses**

**YEAR ENDED JUNE 30, 2013**

**No Audit findings noted**

STATE OF NEW MEXICO  
SANTA FE-POJOAQUE SOIL AND WATER CONSERVATION DISTRICT

Exit Conference

YEAR ENDED JUNE 30, 2013

Exit Conference

The report contents were discussed at an exit conference held November 8, 2013 with the following in attendance:

Santa Fe-Pojoaque Soil and Water Conservation District

Jose Carlos Ortiz, Secretary-Treasurer

Clara Dubois, Administrative Assistant

Accounting Firm

Joseph M. Salazar, CPA

