

LOUISIANA DEPARTMENT OF AGRICULTURE AND FORESTRY
AUDIT DIVISION



NEW RIVER SOIL AND WATER CONSERVATION DISTRICT

CONVENT, LOUISIANA

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REPORT NO. 03-23-38

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Release Date 10/20/04

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

LOUISIANA DEPARTMENT OF AGRICULTURE AND FORESTRY
AUDIT DIVISION

REPORT NO. 83-23-38

NEW RIVER SOIL AND WATER CONSERVATION DISTRICT
CONVENT, LOUISIANA

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LOUISIANA DEPARTMENT OF AGRICULTURE AND FORESTRY
AUDIT DIVISION

Board of Supervisors
New River Soil and Water Conservation District
P. O. Box 72
Convent, Louisiana 70723

Gentlemen:

We have audited the accompanying Balance Sheet of the New River Soil and Water Conservation District, as of June 30, 2003, and the related Statements of Revenue, Expenditures and Changes in Fund Balance for the year then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Our audit was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures, as we considered necessary. 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly in all material respects the financial position of the New River Soil and Water Conservation District as of June 30, 2003, and the results of its operations and changes in its fund balance for the year then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Sincerely,



Mark A. Tillman
Audit Director

MAT: bl

cc. State Soil and Water Conservation Committee
Legislative Auditor

LOUISIANA DEPARTMENT OF AGRICULTURE AND FORESTRY
AUDIT DIVISION

REPORT NO. 03-23-09

REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

Management of the New River Soil and Water Conservation District is responsible for the District's compliance with state and local regulations. As part of our audit, we selected and tested transactions and records to determine the extent to which the New River Soil and Water Conservation District complied with material laws and regulations of the State of Louisiana.

Our testing of transactions and records disclosed no instances of noncompliance.

EXHIBIT A

AUDITED-COMBINED BALANCE SHEET

	GENERAL FUND	SPCL. REVENUE FUND	GENERAL FIXED-ASSETS	FUND BALANCE SHEET	FUND BALANCE SHEET
ASSETS					
Cash	\$40,853.00	\$0.00		\$40,853.00	\$13,790.14
Accounts Receivable	\$0.00	\$0.00		\$0.00	\$0.00
Prely Cash	\$0.00	\$0.00		\$0.00	\$0.00
Certificates of Deposit	\$0.00	\$0.00		\$0.00	\$0.00
Due From Other Fund	\$0.00	\$0.00		\$0.00	\$0.00
Money Market	\$0.00	\$0.00		\$0.00	\$0.00
Savings	\$0.00	\$0.00		\$0.00	\$0.00
Prepaid Insurance	\$79.00	\$0.00		\$79.00	\$79.00
Prepaid Maintenance	\$0.00	\$0.00		\$0.00	\$0.00
Furniture & Equipment			\$0,040.24	\$0,040.24	\$0,040.24
TOTAL ASSETS	\$41,932.13	\$0.00	\$0,040.24	\$40,962.47	\$17,939.37
LIABILITIES					
Accounts Payable	\$0.00	\$0.00		\$0.00	\$0.00
Accrued Salaries	\$550.00	\$0.00		\$550.00	\$450.00
Accrued FICA	\$42.23	\$0.00		\$42.23	\$38.72
Accrued Retirement	\$0.00	\$0.00		\$0.00	\$0.00
Accrued Leave	\$1,268.24	\$0.00		\$1,268.24	\$350.00
Due To Other Fund	\$0.00	\$0.00		\$0.00	\$0.00
TOTAL LIABILITIES	\$1,860.47	\$0.00	\$0.00	\$1,860.47	\$888.72
FUND EQUITY					
Fund Balance-Res.-Group Insurance	\$2,207.18	\$0.00		\$2,207.18	\$041.14
Fund Balance-Res.-Other Insurance	\$79.00	\$0.00		\$79.00	\$79.00
Fund Balance-Res.-Maintenance	\$0.00	\$0.00		\$0.00	\$0.00
Fund Balance-Res.-Retirement	\$0.00	\$0.00		\$0.00	\$0.00
Fund Balance-Reserve	\$18,916.95	\$0.00		\$18,916.95	\$10,000.44
Investments - U.S. P. A.			\$0,040.24	\$0,040.24	\$0,040.24
TOTAL FUND EQUITY	\$19,203.13	\$0.00	\$0,040.24	\$19,172.39	\$17,050.00
TOTAL LIABILITIES & FUND EQUITY	\$41,932.13	\$0.00	\$0,040.24	\$40,962.47	\$17,939.37

The accompanying notes are an integral part of the statement.

EXHIBIT B

STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE

	GENERAL FUND 2001	SPECIAL REVENUE	TOTAL FUND 2000	TOTAL FUND 2001
REVENUE				
ICDP	\$0.00	\$0.00	\$0.00	\$0.00
IPM	\$0.00	\$24,000.00	\$0.00	\$0.00
St. Cl. Dining	\$0.00	\$0.00	\$68.47	\$0.00
Interest	\$48.41	\$0.00	\$0,048.47	\$0.00
Local	\$0,000.00	\$0.00	\$0,070.00	\$0,000.00
Miscellaneous	\$076.89	\$0.00	\$70.89	\$0.00
Rent	\$0.00	\$0.00	\$0.00	\$0.00
Registration	\$0.00	\$0,000.00	\$000.00	\$7,000.00
Savings	\$000.00	\$0.00	\$00,000.00	\$000.00
State Funds	\$00,000.00	\$0.00	\$00,000.00	\$00,000.00
Water Quality	\$0.00	\$0.00	\$7,000.00	\$0.00
TOTAL REVENUE	\$0,000.00	\$24,000.00	\$00,000.00	\$00,000.00
EXPENDITURES				
Adjustments - (not related)	\$0.00	\$0.00	\$000.00	\$0.00
Area Meeting	\$000.00	\$0.00	\$0,000.00	\$000.00
Awards, Contracts, Promotions	\$1,000.00	\$000.00	\$0,000.00	\$000.00
Bank Charges	\$000.00	\$0.00	\$0,000.00	\$0.00
Board Meetings-per diem	\$0,000.00	\$0.00	\$0,000.00	\$000.00
Board Meetings- mileage	\$000.00	\$0.00	\$000.00	\$000.00
Board Lunch/fees	\$0.00	\$0.00	\$0,000.00	\$0.00
Dues & Subscriptions	\$0,000.00	\$0.00	\$0,000.00	\$0,000.00
Equipment Purchase	\$000.00	\$0.00	\$000.00	\$000.00
Field Materials/Supplies	\$000.00	\$0.00	\$000.00	\$0.00
How-Thru Funds	\$0.00	\$0.00	\$0.00	\$0.00
Insurance-group health	\$0.00	\$0.00	\$000.00	\$000.00
Insurance-other	\$000.00	\$0.00	\$000.00	\$000.00
Insurance-employment	\$000.00	\$0.00	\$000.00	\$000.00
Maintenance & Repair	\$0.00	\$0.00	\$000.00	\$0.00
Miscellaneous	\$000.00	\$0.00	\$0,000.00	\$000.00
Office Supplies	\$000.00	\$0.00	\$000.00	\$000.00
Plants	\$0.00	\$0,000.00	\$000.00	\$0,000.00
Postage	\$000.00	\$0.00	\$000.00	\$000.00
Rent	\$0.00	\$0.00	\$000.00	\$0.00
Supplies & Losses	\$000.00	\$0.00	\$000.00	\$000.00
Salaries	\$0,000.00	\$0.00	\$00,000.00	\$0,000.00
TRC	\$0,000.00	\$0.00	\$0,000.00	\$0,000.00
Travel	\$0.00	\$0.00	\$0,000.00	\$0.00
Telephone	\$0,000.00	\$0.00	\$0,000.00	\$0,000.00
Taxes	\$000.00	\$0.00	\$000.00	\$000.00
TOTAL EXPENDITURES	\$0,000.00	\$0,000.00	\$00,000.00	\$0,000.00
Excess (deficiency) of Revenue over Expenditures	\$0,000.00	\$00,000.00	\$00,000.00	\$00,000.00

The accompanying notes are an
integral part of this statement.

EXHIBIT C

STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE

	GENERAL FUND 2000	SPEC. REVENUE FUNDS	TOTAL FUND 2000	TOTAL FUND 2000
Fund Balance-Unreserved Beginning of the Year	\$10,000.00	\$0.00	\$10,000.00	(\$1,000.00)
Change (Volatility) of Revenue over Expenditures	(\$8,373.40)	\$00,000.00	\$00,000.00	\$17,000.00
Less: Prior Period Adjustment/Transfers	\$00,000.00	(\$00,000.00)	\$00.00	\$000.00
Less: Establish F. B.-Reserved for Other Insurance	\$0.00	\$0.00	\$0.00	\$0.00
Less: Establish F. B.-Reserved for Maintenance	\$0.00	\$0.00	\$0.00	\$0.00
Fund Balance-Unreserved End of the Year	<u>\$10,000.00</u>	<u>\$0.00</u>	<u>\$10,000.00</u>	<u>\$10,000.00</u>
OTHER FINANCING SOURCES				
Fund Balance-Reserved for Group Insurance (Beg. Balance)	\$041.14	\$0.00	\$041.14	\$1,407.00
Plus: Paid-in-by Supervisors	\$7,000.00	\$0.00	\$7,000.00	\$0,000.00
Less: Paid-out by District	(\$6,000.00)	\$0.00	(\$6,000.00)	(\$6,415.00)
Less: Prior Period Correction	\$0.00	\$0.00	\$0.00	\$0.00
Fund Balance-Reserved for Group Insurance (Ending Balance)	<u>\$1,041.14</u>	<u>\$0.00</u>	<u>\$1,041.14</u>	<u>\$0.00</u>
Fund Balance-Reserved for Other Insurance (Beg. Balance)	\$70.00	\$0.00	\$70.00	\$000.00
Plus: Paid-in	\$011.00	\$0.00	\$011.00	\$040.00
Less: Paid-out	(\$011.00)	\$0.00	(\$011.00)	(\$000.00)
Fund Balance-Reserved for Other Insurance (Ending Balance)	<u>\$70.00</u>	<u>\$0.00</u>	<u>\$70.00</u>	<u>\$70.00</u>
Fund Balance-Reserved for Maintenance (Beg. Balance)	\$0.00	\$0.00	\$0.00	\$0.00
Plus: Paid-in	\$0.00	\$0.00	\$0.00	\$0.00
Less: Paid-out	\$0.00	\$0.00	\$0.00	\$0.00
Fund Balance-Reserved for Maintenance (Ending Balance)	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>

The accompanying notes are an
integral part of this statement.

LOUISIANA DEPARTMENT OF AGRICULTURE AND FORESTRY
AUDIT DIVISION

REPORT NO. 03-23-18

NEW RIVER SOIL AND WATER CONSERVATION DISTRICT

CONVENT, LOUISIANA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Louisiana Legislature created the New River Soil and Water Conservation District. The District primarily assists farmers and other land users in the wise use of their lands and the prevention of erosion of farm and urban land and the pollution of waters in the state. The governing board of supervisors administers the operations and responsibilities of the District in accordance with Louisiana Statutes. The board is comprised of five members.

In April 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November, 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification and subsequent pronouncements are recognized as generally accepted accounting principles for state and local governments.

The financial statements of the New River Soil and Water Conservation District are prepared in accordance with the standards established by the GASB. GASB Codification Section 2100 established criteria for determining the governmental reporting entity to be the New River Soil and Water Conservation District. The accompanying statements present information only as to the transactions of the District.

A. FUND ACCOUNTING

The financial statements of the New River Soil and Water Conservation District

LOUISIANA DEPARTMENT OF AGRICULTURE AND FORESTRY
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REPORT NO. 03-23-39

are presented as if the accounts were organized on the basis of funds and account groups, each of which would be considered a separate accounting entity. Since the District has financial resources, which are required to be accounted for in other funds, a general fund and a special revenue fund were both employed.

During the fiscal year ending June 30, 2003, the New River Soil and Water Conservation District began receiving funds, which it considers Special Revenue Funds and the financial records have been prepared accordingly.

B. FIXED ASSETS

Fixed assets used in the governmental fund type operations are accounted for in the General Fixed Assets account group, rather than the Governmental Fund. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

This account group is not a "fund." It is concerned with the measurement of financial position, not with measurement of operations.

C. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The records are maintained on a cash basis and the accompanying financial statements have been converted to a modified accrual basis of accounting using the following practices:

(1) Revenue

State funds are recorded when the District is entitled to the funds.

Newsletter sponsors and equipment rental are recorded in the year earned.

Interest income on time deposits is recorded when the deposits have matured and the income is available.

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AUDIT DIVISION

REPORT NO. 01-21-09

Rents and royalties are recorded in the year earned.

Subsequently all other revenues are recorded when received.

(2) Expenditures

Expenditures were recognized in the accounting period in which the liabilities are both measurable and incurred.

D. BUDGETARY PRACTICES

A budget was submitted to the Office of Soil and Water Conservation, Louisiana Department of Agriculture and Forestry. State Funding for the year was based upon the allocation procedures established in the program rules and regulations.

E. ANNUAL AND SICK LEAVE

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. Unused annual and sick leave accumulates without limit. The number of hours of unused annual leave for which an employee may receive a lump sum payment upon termination from District employment may not exceed 300 hours.

At June 30, 2000 (fiscal close), the New River Soil and Water Conservation District had accumulated and vested \$1,259.25, in leave privileges, required to be accrued under SFAS 43. Current year expenditures for salary and leave privileges total \$23,832.25.

**F. PENSION PLAN
SOCIAL SECURITY BENEFITS**

Substantially all employees of the New River Soil and Water Conservation District

LOUISIANA DEPARTMENT OF AGRICULTURE AND FORESTRY
AUDIT DIVISION

REPORT NO. 03-23-03

are members of the Social Security System. The Employee contribution was 7.65% of gross salary from July 1, 2002, through June 30, 2003. The District contributed an additional 7.65% of gross salary from July 1, 2002, through June 30, 2003. The District does not guarantee the benefits granted by the Social Security System.

2. CHANGES IN GENERAL FIXED ASSETS

The General Fixed Assets of the New River Soil and Water Conservation District had a net decrease of \$,04, for the year ended June 30, 2003.

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ASST DIVISION

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4. COMPENSATION PAID TO BOARD MEMBERS

The schedule of compensation paid to the New River Soil and Water Conservation District Supervisors is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the New River Soil and Water Conservation District Supervisors is included in the general administrative expenditures of the General Fund. Members of the governing board receive compensation pursuant to Louisiana Revised Statute 3:1297.

PER DIEM/MILEAGE PAID TO BOARD MEMBERS
FOR THE YEAR ENDING JUNE 30, 2008

BOARD MEMBER	MEETINGS REIMBURSED	PER DIEM	MILEAGE	TOTAL AMOUNT
William DeLaune	11	\$ 385.00	\$211.18	\$ 596.18
W. P. Duplessis	12	\$ 428.00	\$198.00	\$ 626.00
Osane Steppis	10	\$ 350.00	\$ 76.41	\$ 426.41
James Smith	12	\$ 428.00	\$175.00	\$ 603.00
Donald Stein	11	\$ 385.00	\$ 76.32	\$ 461.32
	TOTALS	\$1,981.00	\$734.91	\$2,694.91

TOTAL NUMBER OF BOARD MEETINGS DURING THE YEAR WAS 12.



LOUISIANA DEPARTMENT OF AGRICULTURE & FORESTRY
BOB ODOM, COMMISSIONER



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June 10, 2004

Mr. W. P. Duplessis
 Chairman, New River SWCD
 P.O. Box 70
 Corwain, LA 70723

Division of Wildlife
 DEPUTY COMMISSIONER

Assistant
 COMMISSIONER

Agriculture &
 Environmental Sciences
 Wildlife Management II
 P.O. Box 3000
 Baton Rouge, LA 70803
 (504)382-3370
 Fax: (504)382-3300

Agribusiness
 Services
 Marketing Services
 P.O. Box 3000
 Baton Rouge, LA 70803
 (504)382-3347
 Fax: (504)382-3377

Animal Health
 Services
 Trazor Service
 P.O. Box 3000
 Baton Rouge, LA 70803
 (504)382-3363
 Fax: (504)382-3333

Feeds
 Paul G. Fry
 P.O. Box 3000
 Baton Rouge, LA 70803
 (504)382-3360
 Fax: (504)382-3333

Management
 Services
 Staffing
 P.O. Box 3000
 Baton Rouge, LA 70803
 (504)382-3360
 Fax: (504)382-3377

Marketing
 Services
 P.O. Box 3000
 Baton Rouge, LA 70803
 (504)382-3377
 Fax: (504)382-3360

Soil & Water
 Conservation
 Staffing S. Fryer
 P.O. Box 3000
 Baton Rouge, LA 70803
 (504)382-3360
 Fax: (504)382-3377

Dear Mr. Duplessis:

Attached is the New River SWCD audit report for the year ending June 30, 2003. Please be advised that during the recent audit, the state auditor found that the following management practices should be implemented. He discussed these practices with the district secretary, Ms. Gayle Houston during the audit.

- (1) Cash Receipts Journal – A cash receipts journal should be maintained which records all funds the district receives by funding source and to which account it is deposited. If a special revenue account is necessary it should be maintained in such a manner as to record all receipts by type (funding source). Each journal should be maintained recording all funds received each month with monthly and year-to-date totals.
- (2) A Cash Disbursements Journal – A cash disbursements journal should also be maintained recording all disbursements made by the district. All expenditures should be recorded by category and from which account paid with monthly and year-to-date totals.
- (3) These two journals should be used to assist in monitoring the district budget. This will help to assure that the revenue needed and the type and amount of expenditures being made are supporting and complying with the budget.
- (4) Bank Account Reconciliation – A monthly reconciliation for each bank account should be maintained. It should reflect all deposits in transit and outstanding checks to enable you to reconcile the bank statement to the district books.
- (5) Invoices – Invoices should be kept in a folder, file, etc. When an invoice is paid, record on it the check number, date check was written and the amount of the check. Keep invoices by check number in ascending order.
- (6) Travel Vouchers – Travel vouchers, except regular monthly board meetings, are to be completely filled in. Both sides of the travel vouchers are required to be filled in. Break down travel and expenditures by date and attach all necessary receipts to the travel voucher.

(7) New Payroll (after January 2014) – When you receive the invoice from LDWF billing the district for payroll, reconcile the invoice to the timesheets you have submitted for this invoice. When reconciled, attach the timesheets to the invoice, mark it as being reconciled and file it.

Your board's implementation of these management recommendations is requested. Within forty-five (45) days please provide this office in writing the action the New River Soil and Water Conservation board has taken to implement these recommendations.

I encourage you and your district staff to request assistance from this office any time the board feels we can assist your district in meeting its administrative and program responsibilities.

Sincerely,



Bradley E. Moore
Executive Director

BCS:lr
Attachment
cc: Dennis Tate



New River Soil and Water Conservation District
P.O. Box 70
Corvett, Louisiana 70723
(504) 962-2328

July 20, 2004

Bradley E. Spizer
Executive Director, LIDAF / QSWC
P.O. Box 2034
Baton Rouge, LA 70821

Dear Mr. Spizer:

The board reviewed your letter concerning the audit report for the year ending June 30, 2003. Please be advised that all management practices recommended by the state auditor are being implemented as requested.

These recommendations are appreciated and will be very helpful in record's management and for future audits.

Thank you for your continued support and assistance.

Sincerely,

W.P. Duplessis

