

Conservation District  
Performance Evaluations  
by  
Legislative Audit

# District Funding from State Revenues

Appropriation Legislation by Governor

Funding Approval from State Legislature

Financial Distribution by State Agency

# Why We Met the Joint Legislative Audit Committee

or

What Went Wrong

and

How We Fixed It



## Arkansas Division of Legislative Audit

- n The Legislative Joint Auditing Committee, through the Division of Legislative Audit, provides for the impartial auditing, independently of the executive branch of state government, of state and local government entities in Arkansas.
- n The Committee meets on a monthly basis to review various financial and compliance audits of governmental entities prepared by the Division of Legislative Audit and private certified public accountants.
- n The Legislative Joint Auditing Committee is composed of 36 regular members and up to 8 ex-officio members of the General Assembly.
- n 16 Senators
- n 20 Representatives
- n Ex-officio officers:
  - Speaker of the House
  - President Pro Tempore of the Senate
  - Immediate past Co-Chairmen of the Legislative Joint Auditing Committee
  - Co-Chairmen of Legislative Council
  - Vice Co-Chairmen of Legislative Council

# Guidelines for Conducting Agreed-Upon Procedures For Arkansas Soil & Water Conservation Districts

## n AGREED-UPON PROCEDURES

### n Cash and Investments

n A. Perform a proof of cash for the year and reconcile year-end bank balances to book balance.

n B. Agree the proof of cash ending balances to the book balances within 5% or \$500, whichever is greater.

n C. Review cancelled checks for two signatures.

### n Receipts

n A. Agree the deposits per the proof of cash for the year with the deposits per the journal within 5% or \$500, whichever is greater.

n B. Select one month and agree cash receipts to the validated deposits.

n C. Select 10 items on deposit slips and agree to cash receipts.

## n Disbursements

- n A. Agree the disbursements per the proof of cash for the year with the disbursements per the journal within 5% or \$500, whichever is greater.
- n B. Review supporting documentation for all property, plant and equipment disbursements.
- n C. Analyze all payroll and travel disbursements.
- n D. Validate employee pay rates.
- n E. Analyze all credit card disbursements.
- n F. Select twenty (20) disbursements and determine if they were adequately documented.
- n Personnel Information
- n Select four (4) timesheets and validate approval by board of director and review for completeness.
- n Validate leave accrual rates for employees.
- n Recalculate and validate leave balances for those four timesheets selected above.

n Proof of Match

n A. Validate the match requirement is met.

n B. Select three (3) match receipts and compare to supporting documentation

n Inventory

n A. Review inventory listing of district owned equipment for date of purchase and serial number of each item.

n B. Select two (2) items to locate and validate existence and serial number.

Site Visit Checklist  
Conservation District Annual Review

Review Date 27-Apr-07

FY Reviewed	Quarter: 1st	2nd	3rd	4th
FY Reviewed	Quarter: 1st	2nd	3rd	4th

Conservation District Name: \_\_\_\_\_  
 Location: \_\_\_\_\_  
 Contact Person: \_\_\_\_\_

CD Documents On File and Current	Yes / No
Annual Financial Report	<input type="checkbox"/>
Prior Years Goals and Accomplishments	<input type="checkbox"/>
Plan of Work	<input type="checkbox"/>
Employee Performance Review and Evaluation	<input type="checkbox"/>
Meeting Minutes with Monthly Financial Report	<input type="checkbox"/>
Financial Records using " Quick Books " accounting program	<input type="checkbox"/>
Match Funding " Proof of Match " Form	<input type="checkbox"/>
Well and Surface Water Local Income Distribution (not applicable in some districts)	<input type="checkbox"/>
Directors Attendance Records for Local, Area, and State Meetings	<input type="checkbox"/>
Annual (even yrs.) or Biennial (odd yrs.) Budget	<input type="checkbox"/>
Employee Personnel Policy	<input type="checkbox"/>
Employee Job Description	<input type="checkbox"/>
Previous Years Annual Review by ANRC	<input type="checkbox"/>
District Cooperators Assistance Log	<input type="checkbox"/>
Beaver Report (not applicable in some districts)	<input type="checkbox"/>
Thistle Report	<input type="checkbox"/>
Equipment and Property Inventory ( if applicable )	<input type="checkbox"/>
<hr/>	
District Activities and Reports Due Date List (Suggested: to aid new employees)	<input type="checkbox"/>
Internal Control Checklist (Suggested: for board administration and new director training)	<input type="checkbox"/>



CD Expense Review

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Original CD Expense Invoices (bills):

date      number                      name                      amount

Directors  
Review  
Yes / No


Cancelled Expense Checks (payments):

Postings

ck. number      date      ck.stub & bk.st.                      name                      ck. amount

Correct  
Yes / No


CD Employee Time, Leave, and Pay Review:

Employee name:

Beginning date of employment:

Number of hours worked in a normal work week:

Length of Pay Period:

Earned leave per pay period:                      annual:    sickness:

Is compensation time allowed:

Holiday calendar used:

Time sheets and leave records examined:  
work dates ( from > thru )                      pay period

Directors  
Review  
Yes / No


Is the previous rate, amount of change and current rate of pay stated in CD minutes ?

date of minutes referenced:

salary amount: \$    per:

Yes / No

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Payroll calculations reviewed:

pay date    pay period    ck. number                      net amount

Directors  
Review  
Yes / No


Payroll checks reviewed:

Are pay periods posted on checks ?

Are dual signatures used ?

Are checks in date and check number sequence to the time sheets ?

Yes / No


Postings:

bk. statement    ck. stub    ck. number    pay date    pay period    ck. amount

Original Bank Statements and Reconciliations Reviewed:

bank name:

statement date reviewed

reconciled ck. stub

Directors  
Review  
Yes / No


Travel and Reimbursement Expense Reviewed:

Postings:

bk. statement

ck. stub

ck. number

name

ck. amount

Directors  
Review  
Yes / No


Yes / No

Does CD check book contain signed blank checks ? ( If found list check numbers :

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Income Receipts Matched to Bank Deposits:

Income Receipts:

receipt number

date

purpose

name

cash, ck., other

amount

<u>deposit number</u>	<u>date</u>	Bank Deposits: <u>purpose or name</u>	<u>cash or check</u>	<u>amount</u>
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Cash Funds Reviewed:

Is petty cash kept on hand ?	Yes / No
If " Yes," explain:	<input style="width: 80px; height: 20px;" type="text"/>

Credit Cards Reviewed:

Does the CD hold or use credit cards ?	Yes / No
Card or company name:	<input style="width: 80px; height: 20px;" type="text"/>
<u>monthly statements reviewed:</u>	Director Review Yes / No
	<input style="width: 80px; height: 20px;" type="text"/>
	<input style="width: 80px; height: 20px;" type="text"/>
	<input style="width: 80px; height: 20px;" type="text"/>

Minutes and Monthly Financial Reports Reviewed:

Months Reviewed:                      minutes

financial report

Directors  
Signature  
Yes / No


Dates of CD meetings since last review:

Are CD minutes emailed to ANRC on a " timely " basis ?

Yes / No

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Do the minutes reflect that directors have reviewed and approved financial reports ,  
personnel time sheets , payroll, travel, and previous meetings minutes ?

Yes / No

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Summary:

<http://www.legaudit.state.ar.us/AuditReports/Performance/2007/SoilandWaterUpdate2007.pdf>

**Performance Audit UPDATE**

# Arkansas Razorbacks

