

SAN JUAN COUNTY PARTNERSHIP, INC.
(A NONPROFIT ORGANIZATION)
FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION
YEARS ENDED June 30, 2012 and 2011
WITH
REPORT OF CERTIFIED PUBLIC ACCOUNTANT

DALE GERBER, CPA P.C.

Certified Public Accountant



*" Working together with people of all ages
and cultures, to develop community wellness
and prevention awareness. "*



December 19, 2012

Dear Friends of San Juan County Partnership, Inc.,

The fiscal reporting in this audit is reflective of the quality programming provided by the Partnership. As budgeting continues to be a challenge, we consistently implemented evidence-based programs that reflect the mission of our organization. A few years ago, we realized that the coming years would pose a challenge to providing programs on reduced budgets; we prepared for that by being prudent in our spending. As a result, we have been able to utilize carryover funding to bring us through difficult budget times.

Some of our programs that are notable and have higher visibility in our communities are:

- The Housing Assistance program, providing resources and financial assistance to those who are homeless or at imminent risk of homelessness, San Juan County residents who have also found themselves in hard economic times.
- The Positive Community Norms campaign continues to produce positive outcomes in recognition, correction of misperception, raising community spirit and changes in youth risk behaviors.
- Our AmeriCorps members develop professionally while they provide a tremendous number of hours and personal commitment in serving the community. Members receive education awards at the end of their service that can be used to further their education or to pay student loans.
- The 21st Century Community Learning Centers in Aztec provided a safe place for children after school in this program that fosters academic success through tutoring and homework assistance. Helping children succeed in school, increases attendance and decreases tardiness and behavior issues. The program helps children feel good about themselves, which is the cornerstone of prevention.
- Our Tobacco Usage Prevention and Control Program provided secondhand smoke education to Native American populations in the Navajo and Jicarilla Apache Nations. The information our staff provided was welcomed; the message reached a great number of residents.

San Juan County Partnership is recognized as one of the leading prevention programs in the state and is called upon to provide input on statewide initiatives. It is our pleasure to work with residents, Partnership members, our dedicated Board of Directors, other organizations and tribal and local government entities in fulfilling our purpose.

Sincerely,

A handwritten signature in cursive script that reads "Pamela Drake".

Pamela Drake
Executive Director

SAN JUAN COUNTY PARTNERSHIP, INC

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SAN JUAN COUNTY PARTNERSHIP, INC

OFFICIAL ROSTER

June 30, 2012

Jenniffer Valora	Chairperson/Executive Committee
Jessica Polatty	Vice-Chairperson/Executive & Finance Committee
David Baker	Secretary/Treasurer Executive & Finance Committee
Shane Chance	Finance Committee
Chief Mike Kovacs	Member
Bob Campbell	Member
George DiRe	Member
Stormy Max	Member
Mike Renaud	Partnership Member Chairperson
Jaime Kerr	Member
Pamela Anderson	Executive Director

FINANCIAL SECTION

DALE GERBER, CPA PC

Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT

BOARD OF DIRECTORS,
SAN JUAN COUNTY PARTNERSHIP, INC.

We have audited the accompanying statements of financial position of San Juan County Partnership, Inc., (a nonprofit organization) as of June 30, 2012 and 2011, and the related statements of unrestricted activities, functional expenses, and cash flows, for the years then ended. These financial statements are the responsibility of San Juan County Partnership, Inc. management. Our responsibility is to express an opinion 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 the 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of San Juan County Partnership Inc, as of June 30, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2012 on our consideration of San Juan County Partnership Inc internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 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.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Wale Steuber CPA PC

Farmington, New Mexico
November 9, 2012

San Juan County Partnership Inc
Statement Of Financial Position
June 30, 2012 and 2011

	2012	2011
ASSETS		
Current Assets:		
Cash and Equivalents	\$ 179,534	\$ 345,915
Government Contract Receivables	243,251	224,943
Total Current Assets	422,785	570,858
Property and Equipment:		
Computers and Equipment	20,821	18,868
Vehicles	45,824	45,824
	<u>66,645</u>	<u>64,692</u>
Less Accumulated Depreciation	59,430	53,288
Net Book Value	7,215	11,404
Total Assets	\$ 430,000	\$ 582,262
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts Payable	\$ 56,368	\$ 54,106
Accrued Expenses	2,632	3,587
Accumulated Compensated Absences	16,241	19,656
Total Current Liabilities	75,241	77,349
Net Assets:		
Unrestricted	354,759	504,913
Total Net Assets	354,759	504,913
Total Liabilities and Net Assets	\$ 430,000	\$ 582,262

See Accompanying Notes.

San Juan County Partnership Inc
Statement Of Unrestricted Activities
For the Years Ended June 30, 2012 and 2011

	2012	2011
Unrestricted Support and Revenues:		
Support:		
Grants and Contracts	\$ 1,251,356	\$ 1,481,532
Revenues:		
Interest Income	24	65
Donated Rent - San Juan College	23,581	21,461
Other Program Revenues	17,699	9,147
Total Unrestricted Revenues	41,304	30,673
Total Unrestricted Support and Revenues	1,292,660	1,512,205
Expenses:		
Program Expenses:		
21st Century Learning	193,819	180,305
Substance Abuse Prevention	619,034	922,569
Housing Assistance	306,097	395,330
Community Prevention & Wellness	272,500	117,794
Total Program Expenses	1,391,450	1,615,998
Supporting Services:		
Management and General	51,364	40,532
Total Expenses	1,442,814	1,656,530
Increase (Decrease) in Unrestricted Net Assets	(150,154)	(144,325)
Net Assets, Beginning	504,913	649,238
Net Assets, Ending	\$ 354,759	\$ 504,913

See Accompanying Notes.

San Juan County Partnership Inc
Statement Of Functional Expenses
For the Year Ended June 30, 2011
With Comparative Totals for the Year Ended June 30, 2010

	Supporting Services					2010 Total
	21st Century Learning	Substance Abuse Prevention	Housing Assistance	Community Prevention & Wellness	Management & General	
Salaries	\$ 141,764	\$ 405,026	\$ 130,338	\$ 10,592	\$ -	\$ 687,720
Payroll Taxes	10,845	38,726	9,972	810	-	60,353
Employee Benefits	8,487	42,762	8,611	1,769	17	61,646
Program Services	11,341	-	-	-	-	11,341
Program Expenses	702	174,509	228,333	100,197	21,732	525,473
Travel	700	19,353	2,198	1,749	833	24,833
Supplies	239	4,872	2,422	389	905	8,827
Bank Charges	-	-	-	-	34	34
Insurance	930	9,926	431	-	817	12,104
Professional Services	1,098	167,715	2,914	-	2,548	174,275
Communication	1,109	7,201	4,426	337	1,276	14,349
Rent	1,717	25,353	2,746	1,717	3,202	34,735
Training	1,148	18,812	1,985	-	417	22,362
State Planning Meeting	-	-	-	-	-	-
Depreciation	-	-	-	-	6,670	6,670
Postage	15	1,516	28	170	2,081	3,810
Vehicle Expense	210	6,798	926	64	-	7,998
Totals	\$ 180,305	\$ 922,569	\$ 395,330	\$ 117,794	\$ 40,532	\$ 1,656,530
						\$ 1,789,985

San Juan County Partnership Inc
Statement Of Cash Flows
For the Years Ended June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Cash Flow from Operating Activities:		
Increase (Decrease) in Net Assets	\$ (150,154)	\$ (144,325)
Adjustments to Reconcile Net Income to		
Net Cash Provided (Used) by Operating Activities:		
Depreciation	9,021	6,670
Changes in Operating Assets and Liabilities:		
Accounts Receivable	(18,308)	47,254
Accounts Payable	2,262	(24,063)
Accrued Expenses	(4,370)	(3,049)
Net Cash Provided (Used) by Operating Activities	<u>(161,549)</u>	<u>(117,513)</u>
Cash Flows From Investing Activities:		
Loss on Disposal of Equipment	-	1,782
Purchases of Fixed Assets	(4,832)	(1,744)
Net Cash Provided (Used) by Investing Activities	<u>(4,832)</u>	<u>38</u>
Net Increase (Decrease) in Cash	(166,381)	(117,475)
Cash at the Beginning of the Year	<u>345,915</u>	<u>463,390</u>
Cash at the End of the Year	<u>\$ 179,534</u>	<u>\$ 345,915</u>

See Accompanying Notes.

SAN JUAN COUNTY PARTNERSHIP, INC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED June 30, 2012 and 2011

1. Summary of Significant Accounting Policies

This summary of significant accounting policies of San Juan County Partnership Inc is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

A. Organization

San Juan County Partnership, Inc. was established and incorporated in 1993 as a nonprofit organization under the laws of the State of New Mexico to facilitate providing a complete range of health and welfare services to the community of San Juan County.

Funding is provided principally by government grants through the State of New Mexico Children Youth and Families Department, the U.S. Department of Health & Human Services, Department of Education, Housing & Urban Development, and the Department of Justice. Other funding is received from San Juan County, membership fees, subcontract services, and contributions. San Juan County Partnership, Inc. operates under an elected Board of Directors.

The Organization operates several programs related to their exempt purpose as follows:

21st Century Learning

This program offers after school enrichment programs to include study skills, parental involvement, coordinate resources at each school, perform program evaluation and prepare performance data, and attend all required meetings by the New Mexico Public Education Department. Funding is provided by the U.S. Department of Education.

Substance Abuse Prevention

This program provides a wide diversity of individual programs that prevent, reduce, and remediate drug and alcohol related behaviors in the community. Activities include, but are not limited to, designing prevention programs, policy development, public presentations, and monitoring program results and outcomes.

SAN JUAN COUNTY PARTNERSHIP, INC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED June 30, 2012 and 2011

1. Summary of Significant Accounting Policies

A. Organization (continued)

Substance Abuse Prevention (continued)

Some of the individual programs include OSAP, AmeriCorps, Meth Prevention, Total Community Approach, and local underage substance abuse prevention programs. Funding is provided by Federal, State, and local sources.

Housing Assistance

This program includes payments for eligible individuals for assistance with housing and utility charges. Funding is provided from the U.S. Department of Housing and Urban Development, and New Mexico Mortgage Finance Authority.

Community Prevention & Wellness

This program provides coordination of community health activities including development and participation in the Community Health Council, and assessment and planning. Funding is provided by Federal and local grants.

B. Income Taxes

San Juan County Partnership, Inc. is exempt from income tax under Section 501(C)(3) of the Internal Revenue Code. There was no unrelated business income.

C. Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. As of June 30, 2012 and 2011, cash consisted of demand deposits and brokered money market account.

D. Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

SAN JUAN COUNTY PARTNERSHIP, INC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED June 30, 2012 and 2011

1. Summary of Significant Accounting Policies (cont.)

E. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

F. Property and Equipment

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated assets are placed in service. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Normal maintenance and repairs are expensed as incurred. Assets costing \$500 and over are capitalized and depreciated on the straight line method over their estimated useful life of five to seven years.

G. Financial Statement Presentation and Basis of Accounting

This summary of significant accounting policies of San Juan County Partnership Inc is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

The accompanying financial statements have been prepared in conformity with the standards codification adopted by the Financial Accounting Standards Board, *Financial Statements of Not-For-Profit Entities*. All the net assets of the Organization are classified as unrestricted. The accompanying financial statements have been prepared on the accrual basis of accounting.

SAN JUAN COUNTY PARTNERSHIP, INC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED June 30, 2012 and 2011

2. Concentrations of Risk

The bank accounts of San Juan County Partnership, Inc. at Wells Fargo Bank, and Fidelity Investments are secured by the Federal Deposit Insurance Corporation (F.D.I.C.) up to \$250,000. At June 30, 2012, all deposits were covered by F.D.I.C.

3. Government Contract Receivables

The amount of receivables recognized in the financial statements from government contracts consist of revenue earned but not received as of June 30 from state, federal and other grant and contract providers. Claims for services are subject to denial by the providers and may be appealed by San Juan County Partnership Inc. No allowance for doubtful accounts has been provided based on the history and ageing of accounts. All receivables are considered fully collectable.

4. Amount Held in Trust for Others

San Juan County Partnership acts as fiscal agent for other organizations. The financial position and results of operations for these Organizations are not included in the Partnership's financial statements. As of June 30, 2012 and 2011 the following funds were held for other organizations and are included in accounts payable on the statement of financial position.

	<u>2012</u>	<u>2011</u>
San Juan Step	\$1,811	\$16,278
Shiprock Skate Park	3,072	-
Wonderings	3,833	-
CCH	40	-
Healthy Infant Practices	46	46
Mane Focus	192	192
Total	<u>\$ 8,994</u>	<u>\$16,516</u>

5. Retirement Plan

On June 1, 2011 the Organization terminated its earlier 403b qualified employee retirement plan, and adopted a new simplified employee pension-individual retirement plan (SEP). The new plan requires the Organization to contribute 1% of employee gross wages to eligible employees who have performed services in at least the previous 90 days up to the maximum statutory legal limit. Contributions vest to the employee immediately upon contribution. For the years ending June 30, 2012 and 2011 the Organization incurred an expense of \$2,614 and \$886.

SAN JUAN COUNTY PARTNERSHIP, INC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED June 30, 2012 and 2011

6. Contingencies and Commitments

The Organization receives financial assistance from federal and state sources in the form of grants and contracts. The funds received are generally limited to specific compliance requirements as specified in the grant agreement. The agencies reserve the right to review the scope of the audit and conduct a follow-up review if deemed necessary. Any disallowed claims resulting from such audits could become a liability of the Organization. The Organization, however, believes that liability resulting from disallowed claims, if any, will not have a material effect on the financial position.

For the year ended June 30, 2012, the Organization received approximately 93% percent of its support and revenues from contracts with Federal and State agencies.

7. Accumulated Compensated Absences

Accumulated compensated absences consist of employee paid time off earned, but not used. As of June 30, 2012 and 2011 accumulated compensated absences are valued at the employee current rate of pay of \$16,241 and \$19,656, respectively. This amount has been recorded in the statement of financial position as a liability.

8. Leases

San Juan County Partnership has entered into a lease agreement with San Juan College for the use and occupancy of office space used as their administrative and program headquarters. The lease terms provide for renewal each year. For years ending June 30, 2012 and 2011, the annual fair market rental value of the office is estimated at \$36,554 and \$34,735, and is recorded as an expense. During the years ending June 30, 2012 and 2011 the Partnership paid San Juan College \$12,974 and \$13,274, and San Juan College's contribution of \$23,581 and \$21,461, respectively, is recorded as donated rent revenue. The Partnership provides educational and community wraparound services for San Juan College in return for office space.

9. Subsequent Events

Subsequent events of the Organization have been evaluated through November 9, 2012, the date of financial statement issuance. No events were found that would require disclosure or would affect the financial statements as of June 30, 2012.

**COMPLIANCE AND INTERNAL CONTROL
STRUCTURE REPORTS**

DALE GERBER, CPA PC
Certified Public Accountant

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

Board of Directors
San Juan County Partnership, Inc.

We have audited the financial statements of San Juan County Partnership, Inc. (a nonprofit organization) as of and for the year ended June 30, 2012, and have issued our report thereon dated November 9, 2012. 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.

Compliance

As part of obtaining reasonable assurance about whether San Juan County Partnership Inc'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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered San Juan County Partnership Inc's internal control over financial reporting as a basis for designing our audit procedures for the purpose of

expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the San Juan County Partnership Inc's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal controls over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected on a timely basis.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

This report is intended for the information of the Board of Directors, management, State of New Mexico, and federal awarding agency, and is not intended to be and should not be used by anyone other than those specified parties.

Wale Herber CPA PC

Farmington, New Mexico
November 9, 2012

DALE GERBER, CPA PC

Certified Public Accountant

**INDEPENDENT AUDITORS REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR
PROGRAM AND ON INTERNAL CONTROLS OVER COMPLIANCE
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
San Juan County Partnership, Inc.

Compliance

We have audited San Juan County Partnership Inc compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of San Juan County Partnership Inc major federal programs for the year ended June 30, 2012. San Juan County Partnership Inc's major federal programs are identified in the summary of auditor's results section. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of San Juan County Partnership Inc's management. Our responsibility is to express an opinion on San Juan County Partnership Inc's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and *OMB Circular A-133* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about San Juan County Partnership Inc's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of San Juan County Partnership Inc's compliance with those requirements.

In our opinion, San Juan County Partnership Inc complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

Internal control Over Compliance

Management of San Juan County Partnership Inc is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered San Juan County Partnership Inc's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of San Juan County Partnership Inc's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than those specified parties.

Walter Dewker CPA PC

Farmington, New Mexico
November 9, 2012

SAN JUAN COUNTY PARTNERSHIP, INC.

SCHEDULE OF FINDINGS
Year Ending June 30, 2012

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

Type of auditor's report issued Unqualified

Internal control over financial reporting:

Material weaknesses identified No

Deficiencies identified that are
considered to be material weaknesses No

Noncompliance material to financial statements noted No

Federal Awards:

Internal control over major programs:

Material weaknesses identified No

Deficiencies identified that are
considered to be material weaknesses No

Type of auditor's report issued on compliance for
major programs Unqualified

Any audit findings disclosed that are required to be reported
in accordance with section 510 (a) of Circular A-133 No

Identification of major programs:

U.S. Department of Housing and Urban Development:

Tenant Based Assistance CFDA # 14.228

Supportive Housing 14.235

Homeless Prevention and Rapid Re-housing 14.257

Tenant Based Assistance 14.239

Homeless Prevention 14.231

Dollar threshold used to distinguish between
Type A and Type B programs \$300,000

Auditee qualified as low-risk auditee Yes

SAN JUAN COUNTY PARTNERSHIP, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2012

SECTION II - FINANCIAL STATEMENT FINDINGS

No reportable findings.

SAN JUAN COUNTY PARTNERSHIP, INC.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2012**

SECTION III - MAJOR FEDERAL AWARD FINDINGS

Information on the major federal program:

U.S. Department of Housing & Urban Development:

Tenant Based Assistance	CFDA #	14.228
Supportive Housing		14.235
Homeless Prevention and Rapid Re-housing		14.257
Tenant Based Assistance		14.239
Homeless Prevention		14.231

No Findings reportable.

SUPPLEMENTAL INFORMATION

SAN JUAN COUNTY PARTNERSHIP, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDING June 30, 2012**

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>CFDA/Pass- Through Grantor's Number</u>	<u>Agency or Pass Through Number</u>	<u>Expenditures</u>
U.S. DEPARTMENT OF JUSTICE:			
Direct:			
Second Chance for New Mexico Youth Collaborative	16.726	n/a	\$ <u>177,028</u>
 U.S. DEPARTMENT OF URBAN DEVELOPMENT:			
Direct Programs:			
Office of Community Planning & Development:			
Supportive Housing Agreement	14.235	NM-501-REN-SJCP-2010	52,326 *
 Passed through Local Agency:			
City of Farmington:			
Tenant Based Rental Assistance Program	14.228	11-88847C	22,593 *
Mortgage Finance Authority:			
Homeless Prevention and Rapid Re-housing (ARRA)	14.257	09-08-SJC-HPR-001	122,486 *
Homeless Prevention	14.231	11-01-SJC-RAP-001	20,044 *
Home Investment Partnership Program, Tenant Based Rental Assist.	14.239	11-01-SJC-RAP-001	<u>58,805</u> *
Total Department of Urban Development			<u>276,254</u>
 U.S. DEPARTMENT OF EDUCATION:			
Passed through State of New Mexico:			
21 st Century/T.G.I.F.	84.287C	09-924-P527-0185	<u>163,600</u>
 U.S. DEPARTMENT OF HEALTH:			
Direct Programs:			
Drug Free Community Support	93.276	5H79SP016377-04	117,851
Sober Truth on Preventing Underage Drinking Act	93.243	5H79SP015502-04	43,978
 Passed through State or Local Governments:			
Office of Substance Abuse Prevention/Dept of Health:			
Tobacco Use Prevention (ARRA)	93.723		27,740
SGF: Substance Abuse	93.959		75,000
SAPT Block Grant-Prevention	93.959		<u>140,024</u>
Total Department of Health			<u>404,593</u>

SAN JUAN COUNTY PARTNERSHIP, INC.

* Major Program

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDING June 30, 2012**

Federal Grantor/ Pass-Through Grantor/ Program Title	CFDA/Pass- Through Grantor's Number	Agency or Pass Through Number	<u>Expenditures</u>
(Continued)			
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE:			
Passed through State of New Mexico:			
Americorps	94.006	12-690-13799-1	68,961
Total Federal Awards			<u>\$1,090,436</u>

BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of San Juan County Partnership, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB circular a-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

* Major Program