

## Audit Rule 2020

### Summary of proposed key changes:

2.2.2.7 (C) NMAC: Joint powers agreement have been added to the definition of agency.

2.2.2.7 (M) NMAC: Definition of report has been clarified.

2.2.2.8 (A) NMAC: The firm profile due date has been changed from the 1st business day in January to the 5th business day in January.

2.2.2.8 (L) (1) NMAC: This section has been deleted.

2.2.2.8 (L) (2) NMAC: This section (which is now section (1)) has been expanded to include the 12-6-6 letter and applies to directly or sub contracted IPA's.

2.2.2.8 (L) (3) NMAC: This section (now section 2) has been modified to be specific to requests for contracts made by the state auditor.

2.2.2.8 (M) NMAC: This section has been updated to accommodate making final payments to IPA's in the case an audit report cannot be publicly released due to ongoing law enforcement investigations.

2.2.2.9 (A) (5) NMAC: This section has been updated to indicate the late audit notification sent by the IPA to OSA, with the reason for the late report, is subject to audit confidentiality requirements.

2.2.2.9 (B) (3) NMAC: This section contains updates regarding the report addressee and electronic schedules.

2.2.2.9 (B) (4) NMAC: This section has been updated to include information about the 5 day waiver per 12-6-5 NMSA 1978.

2.2.2.10 (A) (1) NMAC: This section has been updated to include a reference regarding the agency responsibility to provide requested audit documentation.

2.2.2.10 (D) (4) NMAC: This section has been updated to comply with the most recent version of GAGAS.

2.2.2.10 (H) (1) NMAC: This section has been updated to indicate certain communications are confidential.

2.2.2.10 (L) (1) NMAC: This section has been updated to clarify prior year finding number format.

2.2.2.10 (L) (1) (f) NMAC: This section has been updated to clarify that AUP reports are not required to include a summary of audit results.

2.2.2.10 (M) (3) NMAC: This section has been updated to clarify that agencies may submit draft copies of financial statements in certain situations prior to the release of the audit report.

2.2.2.10 (N) (2) NMAC: This section has been modified to include the word "alleged" and clarifies how a notification shall be made to OSA.

2.2.2.10 (X) NMAC: This section has been deleted.

2.2.2.10 (BB) NMAC: This section has been deleted.

2.2.2.10 (CC) (8) NMAC: This section has been added regarding referring readers of state agency reports to the state-wide CAFR for the state's OPEB liability. (Now BB)

2.2.2.11 NMAC: This entire section has been repealed.

2.2.2.12 (A) (17) NMAC: This section has been deleted. It is no longer necessary due to the updates made to 2.2.2.10 (M).

2.2.2.12 (C) (3) (d) NMAC: This section has been deleted and may be replaced with a schedule to specifically address risks associated with school activity funds.

2.2.2.12 (F) NMAC: This section has been deleted.

2.2.2.12 (G) (3) NMAC: (Now F) the requirement to submit the electronic version of the schedule of asset management costs has been removed.

2.2.2.14 (A) NMAC: This section has been modified to comply with the most recent version of GAGAS.

2.2.2.15 (A) (4) NMAC: This section has been modified to reference referrals to appropriate law enforcement authorities.

2.2.2.15 (B) (8) NMAC: This section was modified to clarify exit conference information required to be included in the report.

2.2.2.15 (B) (13) NMAC: This section has been updated to accommodate making final payments to IPA's in the case a special audit report cannot be publicly released due to ongoing law enforcement investigations.

2.2.2.16 (A) NMAC: This section has been modified to clarify how to determine the correct type of financial reporting for a local public body.

2.2.2.16 (C) NMAC: This section has been updated to state current tier certifications will not be accepted if prior year compliance has not been achieved.

2.2.2.16 (E) NMAC: This section has been added to reference statutory compliance regarding providing requested AUP engagement documentation.

2.2.2.16 (F) (2) NMAC: (now G) This section has been updated to accommodate making final payments to IPA's in the case an AUP report cannot be publicly released due to ongoing law enforcement investigations.

2.2.2.16 (G) (2) NMAC: (now H) This section has been updated to indicate the late AUP notification sent by the IPA to OSA, with the reason for the late report, is subject to audit confidentiality requirements.