

NEW MEXICO OFFICE OF THE STATE AUDITOR
 REPORT REVIEW GUIDE FOR USE BY IPAs
 AUDITS FOR THE FISCAL YEAR ENDING **JUNE 30, 2021**

This review guide should be used for all agencies subject to the Audit Act that require an annual financial and compliance audit.

AGENCY NAME:			AGENCY NUMBER/FISCAL YEAR:		
NAME OF AUDITING FIRM:			NAME OF AUDIT MANAGER:		
DATE REPORT SUBMITTED TO STATE AUDITOR:			Was the audit report submitted by the due date? <p style="text-align: center;">Yes <input type="checkbox"/> No <input type="checkbox"/></p> If not, the compliance finding is reported on p. _____. - RECs, CES' & Independent Housing Authorities due Sept. 30 - Hospitals and Special Hospital Districts due Oct. 15 - Higher Education, state agencies not specifically named elsewhere, district courts, district attorneys, the New Mexico Finance Authority, the New Mexico Lottery Authority, and other agencies with June 30 fiscal year-ends that are reported as component units in the state ACFR due Nov. 1 - Schools Districts, TRD, CYFD, DOH, DOT, HSD, GSD, ECECD, and Component Appropriation Funds (State General Fund) due Nov. 15 - PED, PERA, ERB and RHCA due the Wednesday before Thanksgiving, Nov. 24th - Counties, Los Alamos Incorporated County, workforce investment boards, councils of governments, and the New Mexico Mortgage Finance Authority due Dec. 1 - Local Public Bodies including municipalities due Dec. 15 - Other fiscal year end not 6/30 due 5 months after the end of fiscal year - Component unit separate report by different IPA from primary government (PG) due 15 days before PG due date, unless some other applicable due date requires the report to be submitted earlier - New Mexico Statewide ACFR due Dec. 31		
OPINION(S) RENDERED ON FINANCIAL STATEMENTS:				DATE OF OPINION:	
Please list the number of findings for each category below, write N/A if there are no findings related to the category listed.					
TOTAL NUMBER OF FINDINGS:	Material Weaknesses:	Significant deficiencies:	Material non-compliance:	Other non-compliance:	Findings that do not rise to the level of a significant deficiencies:
Is this report a ACFR that the agency plans to submit to GFOA?				Yes <input type="checkbox"/> No <input type="checkbox"/>	
Please indicate here there is a waiver to reporting a finding for a late audit report due to the impact of the delayed release of the 2021 Compliance Supplement Addendum, or to the utilization of a Federal extension or grace period. Please also indicate the Federal program that was impacted:					
Please describe any special circumstances that the IPA is aware of relating to this report (ex. deadline for submission of the report to external parties, etc.):					
Were representatives of the agencies governing authority and top management, which may include representatives of any component units, if applicable, present at the exit conference as required by 2.2.2.10(M)(1) NMAC? If not, the compliance finding is reported on p. ____.				Yes <input type="checkbox"/> No <input type="checkbox"/>	

Objective:

The objectives of the review are to: (1) ensure that audit reports meet applicable governmental auditing, accounting and financial reporting standards, reporting requirements for single audits, and the New Mexico Administrative Code 2.2.2 Requirements for Contracting and Conducting Audits of Agencies; and (2) identify any follow-up audit or reporting work needed.

Instructions:

The audit manager or the employee in charge of the audit firm’s quality control system is required to complete this review guide. You are required to answer all of the questions in the review guide. Insert page number references for all ‘yes’ answers. Submit comments to explain all ‘no’ answers, unusual circumstances, or why a reporting standard was not complied with. **Pursuant to 2.2.2.9(B)(1) NMAC, the report will not be accepted by the Office of the State Auditor if the review guide is incomplete, or if the report is unfinished or contains an excessive amount of errors and omissions.** This review guide does not contain every auditing, accounting and financial reporting standard or requirement applicable to a financial audit. Agencies and auditing firms are required to ensure that all applicable auditing, accounting and financial reporting standards, laws and regulations are complied with during the preparation of the audit reports, financial statements, notes and schedules.

Key to Abbreviations:

2.2.2 NMAC	<i>Requirements for Contracting and Conducting Audits of Agencies (Audit Rule 2021)</i>
ACFR	Annual Comprehensive Financial Report
AAG GAS	<i>AICPA Audit and Accounting Guide - Government Auditing Standards and Single Audits (April 1, 2020 version)</i>
AAG SLV	<i>AICPA Audit and Accounting Guide – State and Local Governments (April 1, 2020 version)</i>
AU-C	<i>U. S. Auditing Standards – AICPA (Clarified)</i>
GAGAS	<i>Government Auditing Standards 2018 Revision (Yellow Book)</i>
GASB	<i>Governmental Accounting Standards Board</i>
GASB Cod.	<i>GASB Codification</i>
GAQC	Government Audit Quality Center of the AICPA
IPA	Independent Public Accountant
NMAC	<i>New Mexico Administrative Code</i>
Office	Office of the New Mexico State Auditor
RSI	Required Supplementary Information
SAS	AICPA Statement on Auditing Standards
SI	Supplementary Information
Uniform Guidance	<i>Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</i>

Required Documents, Important Communications, and Items of Note	
Note that the auditor should submit an electronic copy of the report in OSA-Connect to the Office with the following items included for review: (1) the signed management representation letter; and (2) a completed report review guide. If these items are not submitted together, the report will not be accepted or considered received by the Office. (2.2.2.9(A)(3) NMAC)	Noted _____
Please note that after the Office reviews the final version of the audit report, the Office will authorize the audit firm to submit the following electronic files in OSA-Connect within five business days: (1) the electronic version of the final report labeled “final” in searchable PDF format pursuant to 2.2.2.9(B)(3) NMAC (2) the electronic Excel version of the completed Summary of Findings report; and (3) the electronic version of the schedule of assets management costs for investing agencies, if applicable (all available at https://www.saonm.org).	Noted _____

<p>(b) .24 Is the report addressed to the State Auditor, the entity and governing body (if applicable)?</p>	<p>YES____ NO____ N/A____ Comments: Page Ref:</p>
<p>(c) .25 & .38 Before the introductory paragraph, is the subtitle “Report on the Financial Statements” inserted, and does the introductory paragraph:</p> <p>(i) identify the entity whose financial statements have been audited;</p> <p>(ii) state that the financial statements have been audited;</p> <p>(iii) identify the title of each statement that the financial statements comprise; and</p> <p>(iv) specify the date or period covered by each financial statement that the financial statements comprise?</p>	<p>YES____ NO____ N/A____ Comments: Page Ref:</p>
<p>(d) Was the “Report on the Financial Statements” paragraph of the report modified as follows (modifications in bold) to address the requirements of the 2021 Audit Rule? Note that the example language below is for an unmodified opinion.</p> <p>We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of [the agency], as of and for the year ended June 30, 20XX, and the related notes to the financial statements which collectively comprise [the agency’s] basic financial statements as listed in the table of contents.</p>	<p>YES____ NO____ N/A____ Comments: Page Ref:</p>
<p>(e) .26-.28 Does a section with the heading “Management’s Responsibility” follow the introductory paragraph, and include the following:</p> <p>An explanation that management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error?</p>	<p>YES____ NO____ N/A____ Comments: Page Ref:</p>
<p>(f) .29 Does a section with the heading “Auditor’s Responsibility” follow that includes statements that:</p> <p>.30 the responsibility of the auditor is to express an opinion on the financial statements based on the audit;</p> <p>.31 the audit was conducted in accordance with auditing standards generally accepted in the United States; issued by the Comptroller General of the United States; and those standards require that the auditor plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement?</p>	<p>YES____ NO____ N/A____ Comments: Page Ref:</p>

<p>.32 Does the “Auditor’s Responsibility” section also include the following statements?</p> <ul style="list-style-type: none"> (i) An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements; (ii) The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control, and accordingly, no such opinion is expressed. (iii) An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as the overall presentation of the financial statements. <p>.33 Does the “Auditor’s Responsibility” section state that the auditor believes that the audit evidence the auditor has obtained is sufficient and appropriate to provide a basis for the auditor’s opinion?</p>	<p>Page Ref:</p>
<p>(g) .34-.36 Does a section with the heading “Opinion” follow, that includes a language, when expressing an unmodified opinion on the financial statements, similar to the following:</p> <p>In our opinion, the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of [the agency] as of June 30, 20XX, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.</p>	<p>YES_____ NO_____ N/A_____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(h) .38 Does the following section appear with the subheading “Other Matters” and include the following statements regarding Required Supplementary Information (RSI) when the auditor applied specified procedures and no material departures from the prescribed guidelines were identified per AU-C 730.07-.08:</p> <ul style="list-style-type: none"> (i) Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis and additional RSI (if applicable) on pages XX-XX, be presented to supplement the basic financial statements (AU-C 730.08a); (ii) Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in 	<p>YES_____ NO_____ N/A_____</p> <p>Comments:</p>

<p>an appropriate operational, economic, or historical context (AU-C 730.08b);</p> <p>(iii) The auditor has applied certain limited procedures to the RSI in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to the auditor’s inquiries, the basic financial statements, and other knowledge the auditor obtained during the audit of the basic financial statements (AU-C 730.08ci);</p> <p>(iv) The auditor does not express an opinion or provide any assurance on the information because the limited procedures do not provide the auditor with sufficient evidence to express an opinion or provide any assurance (AU-C 730.08cii).</p> <p>(v) If the auditor is unable to complete the RSI procedures, or if some of the RSI is omitted, or if the RSI departs materially from the prescribed guidelines, or if the auditor has unresolved doubts about whether the RSI is measured or presented in accordance with the prescribed guidelines, were the applicable statements from AU-C 730.08(d) to (g) included?</p> <p>(vi) If all the RSI was omitted, did the “other-matter” paragraph include the statements required by AU-C 730.09(a) to (c)?</p>	<p>Page Ref:</p>
<p>(i) Continuing under the subheading “Other Matters,” do the following paragraphs regarding Supplemental Information (SI) appear below the RSI paragraph, and include the following statements pursuant to AU-C 725.09?</p> <p>(i) .09a the audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise [the agency]’s basic financial statements;</p> <p>(ii) .09b the SI [list schedules] is presented for purposes of additional analysis and is not a required part of the basic financial statements;</p> <p>(iii) .09c the SI [list schedules] is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the basic financial statements;</p> <p>(iv) .09d the SI has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America;</p> <p>(v) .09e if the auditor issues an unmodified opinion on the financial statements and the auditor has concluded that the SI is fairly stated, in all material respects, in relation to the</p>	<p>YES_____ NO_____ N/A_____</p> <p>Comments:</p>

<p>financial statements as a whole, a statement that, in the auditor’s opinion, the SI [list schedules] is fairly stated, in all material respects, in relation to the basic financial statements as a whole; .09f. and following – if the auditor issues a qualified opinion on the financial statements, or an adverse or disclaimer of opinion on the financial statements, did the IPA include the applicable statements from either AU-C 725.09(f) or 725.11?</p>	<p>Page Ref:</p>
<p>(i) Are all of the SI schedules required by 2.2.2.10(A)(2)(e) NMAC, including combining and individual fund financial statements for all non-major funds, and any other SI schedules required by the Audit Rule included in the AU-C 725 opinion; and are the schedules properly identified in the AU-C 725 paragraph as noted in the table of contents?</p>	<p>YES____ NO____ N/A____ Comments: Page Ref:</p>
<p>(ii) For Housing Authorities, is the Financial Data Schedule (FDS) included in the supplemental information section, and did the auditor include the FDS in the AU-C 725 opinion paragraph? (HUD UFRS II (C) Special Rules for Certain PHAs and 2.2.2.12.(B)(5)(a)(iii) NMAC)</p>	<p>YES____ NO____ N/A____ Comments: Page Ref:</p>
<p>(iii) For a Single Audit (\$750,000 or more of federal money expended), is the Schedule of Expenditures of Federal Awards specifically mentioned in the AU-C 725 opinion paragraph? [Uniform Guidance 200.515, AAG GAS 7.06]</p>	<p>YES____ NO____ N/A____ Comments: Page Ref:</p>
<p>(j) Continuing under the subheading “Other Matters,” if applicable, does a paragraph regarding Other Information (OI) appear below the SI paragraphs, pursuant to AU-C 720.A2 & A13? The auditor is not required to make reference to the other information in the auditor’s report on the financial statements. However, the auditor may include another-matter paragraph disclaiming an opinion on the other information. An example of such a paragraph follows: “The [accompanying other information] has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.”</p>	<p>YES____ NO____ N/A____ Comments: Page Ref:</p>
<p>(k) The subheading “Other Reporting Required by Government Auditing Standards” should appear next in the report, pursuant to AU-C 700.37 and .A32. See also AAG SLV Chapter 16, Appendix A, Example A-1. An example paragraph follows:</p> <p>In accordance with Government Auditing Standards, we have also issued our report dated XX/XX/XX on our consideration of [the agency]’s 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 in considering [the agency]’s internal control over financial reporting and compliance.</p>	<p>YES____ NO____ N/A____ Comments: Page Ref:</p>

<p>(l) Does the report include the manual or printed signature of the auditor's firm? AU-C 700.39</p> <p>(m) Does the report include the name of the city and state where the auditor practices? AU-C 700.40</p>	<p>YES____ NO____ N/A____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(2) Dating the Audit Report – Has the independent auditor's report been dated after the audit documentation was reviewed; after the financial statements and notes were prepared; and management asserted that they have taken responsibility for the financial statements? (AU-C 700.41)</p>	<p>YES____ NO____ N/A____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>B. Yellow Book Requirement</p>	
<p>(1) Unmodified GAGAS compliance statement – If the auditor (a) followed unconditional and applicable presumptively mandatory GAGAS requirements, or (2) followed unconditional requirements, and documented justification for any departures from applicable presumptively mandatory requirements and achieved the objectives of those requirements through other means, is there a statement that the audit was conducted in accordance with auditing standards generally accepted in the United States of America and with standards applicable to financial audits contained in <i>Government Auditing Standards</i> issued by the Comptroller General of the United States? (AU-C 700.42; GAGAS 2.17 (a))</p>	<p>YES____ NO____ N/A____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(2) Modified GAGAS compliance statement – (1) If the auditor performed the audit in accordance with GAGAS except for specific applicable requirements that were not followed, or (2) because of significance of the departures(s) from the requirements, the auditor was unable to and did not perform the audit in accordance with GAGAS, did the auditor use the “modified GAGAS compliance statement” described at GAGAS 2.17(b)?</p>	<p>YES____ NO____ N/A____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>C. Other Independent Auditor Report Requirements</p>	
<p>(1) Emphasis-of-a Matter and Other-Matter paragraphs AU-C 706.A14 Is an Emphasis-of-a-Matter paragraph included if any of the following apply?</p> <p>(a) Subsequent Events and Subsequently Discovered Facts;</p> <p>(b) The Auditor's Consideration of an Entity's Ability to Continue as a Going Concern;</p> <p>(c) Consistency of Financial Statements; or</p> <p>(d) Special Considerations – Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks</p> <p>(e) Emphasis paragraph required per 2.2.2.12 (A) (10) NMAC for state agencies DA's DC's and certain educational institutions.</p>	<p>YES____ NO____ N/A____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(2) If the budgetary comparisons for the general and major special revenue funds were unavailable because they are “mixed in with other budget information” (for example in organization or program budgets), the resulting budgetary comparison with a different perspective must be shown as RSI. When that is the case, the RSI budgetary comparison schedules must be opined on. If applicable, was this presented correctly? (GASBS 41, 2.2.2.10(A)(2)(c) NMAC)</p>	<p>YES____ NO____ N/A____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(3) If the report presents comparative financial statements did the auditor include the prior year's audit opinion in the current year Independent Auditors' Report as required by AU-C 700.A.49?</p>	<p>YES____ NO____ N/A____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>3. Does the annual financial and compliance audit report include the following?</p>	
<p>A. Does the Management's Discussion and Analysis (MD&A) precede the basic financial statements as required supplementary information? (GASBS</p>	<p>YES____ NO____</p> <p>Comments:</p>

34.8)? Are the following elements included in the MD&A, if relevant? (GASBS 34.11 as amended by GASBS 37.4-.5)	Page Ref:
(1) The brief discussion of the basic financial statements, including the relationships of the statements to each other, and the significant differences in the information they provide (GASBS 34.11(a))	YES____ NO____ N/A____ Comments: Page Ref:
(2) The condensed financial information derived from the government-wide financial statements comparing the current year to the prior year (GASBS 34.11(b))	YES____ NO____ N/A____ Comments: Page Ref:
(3) The analysis of the government's overall financial position and results of operations, including reasons for significant changes from the prior year (GASBS 34.11(c))	YES____ NO____ Comments: Page Ref:
(4) The analysis of balances and transactions of individual funds and the reasons for significant changes in fund balances or fund net position and whether fund resources are available for future use (GASBS 34.11(d), as amended by GASBS 63.8)	YES____ NO____ Comments: Page Ref:
(5) The analysis of significant variations between original and final budget amounts and between final budget amounts and actual budget results for the general fund (GASBS 34.11 (e))	YES____ NO____ N/A____ Comments: Page Ref:
(6) A description of significant capital assets and long-term debt activity including commitments made for capital expenditures, changes in credit ratings, and debt limitations affecting the financing of planned facilities and services (GASBS 34.11(f))	YES____ NO____ N/A____ Comments: Page Ref:
(7) If applicable, a discussion of the modified approach as described at GASBS 34.11(g)	YES____ NO____ N/A____ Comments: Page Ref:
(8) A description of currently known facts, decisions, or conditions that are expected to have a significant effect on net position or results of operations (GASBS 34.11(h), as amended by GASBS 63.8)	YES____ NO____ N/A____ Comments: Page Ref:
(9) If applicable, do comments in the MD&A distinguish between information pertaining to the primary government and that of its component units, and when appropriate, does the MD&A refer readers to the component unit's separately issued financial statements? (GASBS 34.10)	YES____ NO____ N/A____ Comments: Page Ref:
B. Government-wide Financial Statements (GASBS 34.12-.63) - Do the government-wide financial statements meet the following requirements?	
(1) Do the Government-wide financial statements exclude information about fiduciary activities, including component units that are fiduciary in nature; distinguish between the primary government and its discretely presented component units; and distinguish between governmental activities and business-type activities of the primary government as required by GASB 34.12?	YES____ NO____ N/A____ Comments: Page Ref:
(2) Do the Government-wide financial statements contain separate rows and columns for each of the following: a) governmental activities; b) business-type activities, and 3) discretely presented component units (GASBS 34.14-.15)	YES____ NO____ N/A____ Comments: Page Ref:
(3) Do the Government-wide financial statements include a total column for the primary government? (GASB 34.14)	YES____ NO____ N/A____ Comments: Page Ref:
(4) Are bond premiums and bond discounts amortized in the government-wide financial statements? (GASBS 34.87 and 34.146)	YES____ NO____ N/A____ Comments: Page Ref:
C. Statement of Net Position	
(1) Are assets and liabilities presented in the order of their relative liquidity? (GASB 34.31)	YES____ NO____ N/A____ Comments:

	Page Ref:
(2) Is the name of the financial statement “Statement of Net Position”? Is net position displayed in the following components: net investment in capital assets; restricted (distinguishing between major categories of restrictions); and unrestricted? (GASBS 63.8.)	YES _____ NO _____ N/A _____ Comments: Page Ref:
(3) Does the net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets? If there are deferred outflows or resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt, are they also included in this component of net position? If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, is the portion of the debt or deferred inflows of resources that is attributable to the unspent amount included in same net position component as the unspent amount (restricted or unrestricted)? (GASBS 63.9)	YES _____ NO _____ N/A _____ Comments: Page Ref:
(4) Does the restricted component of net position consist of restricted assets reduced by liabilities and deferred inflows of resources related to those assets? (GASBS 63.10)	YES _____ NO _____ N/A _____ Comments: Page Ref:
(5) Are interfund receivables and payables eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities? (GASBS 34.58)	YES _____ NO _____ N/A _____ Comments: Page Ref:
(6) If permanent endowments or permanent fund principal amounts are included in restricted net position, are the expendable and nonexpendable components of restricted net position presented? (GASB 34.35 as amended by GASBS 61.12 and GASBS 63.8 and 10)	YES _____ NO _____ N/A _____ Comments: Page Ref:
(7) Are all items previously required to be reported as assets or liabilities properly classified as outflows/inflows of resources? (GASBS 65)	
a. If the agency had a current refunding or an advance refunding resulting in defeasance of debt, or a change in the provisions of a lease resulting from a refunding by the lessor of tax-exempt debt (including an advance refunding), did the agency account for the transaction pursuant to GASBS 65.5 to 65.7?	YES _____ NO _____ N/A _____ Comments: Page Ref:
b. If the agency received resources or recorded a receivable associated with imposed non-exchange revenue transactions (property taxes or fines) before the period when (1) the property taxes were levied; or (2) before the period when the resources were first permitted to be, or required to be used, did the agency report deferred inflows of resources pursuant to GASBS 65.9?	YES _____ NO _____ N/A _____ Comments: Page Ref:
c. If the agency received resources related to government-mandated or voluntary non-exchange transactions before the time requirements were met, but after all other eligibility requirements were met, did the agency report the resources as deferred inflow of resources pursuant to GASBS 65.10?	YES _____ NO _____ N/A _____ Comments: Page Ref:
d. If the agency had sales of future revenues, did the agency account for the related transactions pursuant to GASBS 65.12 to 65.13?	YES _____ NO _____ N/A _____ Comments: Page Ref:
e. Are prepaid insurance costs related to the issuance of debt reported as an asset and recognized as an expense in a systematic and rational manner over the duration of the related debt? Were other debt issuance costs recognized as an expense in the period incurred? (GASBS 65.15)	YES _____ NO _____ N/A _____ Comments: Page Ref:

f. If the agency had any initial direct costs of operating leases or sale-leaseback transactions, did the agency account for those transactions pursuant to GASBS 65.16 to 65.18?	YES _____ NO _____ N/A _____ Comments: Page Ref:
g. If the agency had acquisition costs related to insurance activities did the agency account for those costs pursuant to GASBS 65.19 to 65.20?	YES _____ NO _____ N/A _____ Comments: Page Ref:
h. If the agency is a lender that received loan origination points, did the agency report the origination points as a deferred inflow of resources as required by GASBS 65.22? Did the lender report direct loan origination costs pursuant to GASBS 65.22?	YES _____ NO _____ N/A _____ Comments: Page Ref:
i. If the agency had commitment fees (fees charged for entering into an agreement that obligates the government to make or acquire a loan or to satisfy an obligation of the other party under a specified condition), did the agency report the commitment fees pursuant to GASBS 65.23?	YES _____ NO _____ N/A _____ Comments: Page Ref:
j. If the agency purchased a loan or a group of loans did the agency:	
(1) Record the initial investment in the purchased loan or group of loans at the purchase price, pursuant to GASBS 66.5 and	YES _____ NO _____ N/A _____ Comments: Page Ref:
(2) Recognize as an expense or revenue any fees paid or any fees received in the period that the loan(s) were purchased pursuant to GASBS 65.24?	YES _____ NO _____ N/A _____ Comments: Page Ref:
k. If the agency participates in mortgage banking activities: (1) did the agency account for loan origination fees and costs pursuant to GASBS 65.26; and (2) did the agency account for fees relating to loans held for sale pursuant to GASBS 65.27?	YES _____ NO _____ N/A _____ Comments: Page Ref:
l. If the agency has business-type activities or enterprise funds that meet all of the criteria below, did the agency account for its regulated operations according to GASBS 65.29? (1) Rates are established by or are subject to approval by an independent third-party regulator or by its own governing board empowered by statute or contract to establish rates. (2) The regulated rates are designed to recover the specific regulated business-type activity's costs of providing the regulated services. (3) It is reasonable to assume that the rates are set at levels that will recover the regulated business-type activity's costs and can be charged to and collected from customers. (GASBS 62.476)	YES _____ NO _____ N/A _____ Comments: Page Ref:
(8) In determining which elements meet the criteria for a major fund, did the agency include deferred outflows of resources with assets and deferred inflows of resources with liabilities? (GASBS 65.32-.33)	YES _____ NO _____ N/A _____ Comments: Page Ref:
(9) Has the term "deferred" been limited to items reported as deferred outflows of resources or deferred inflows of resources? (GASB 65.31)	YES _____ NO _____ N/A _____ Comments: Page Ref:
(10) Is the Statement of Net Position in balance? Is the sum of assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources, equal to net position? If a balance sheet format is presented do assets, plus deferred outflows of resources, equal liabilities, plus deferred inflows of resources, plus net position? (GASBS 63.8)	YES _____ NO _____ N/A _____ Comments: Page Ref:
D. Statement of Activities	
(1) Is a net (expense) revenue format used to report each of the government's functions? Does the Statement of Activities report Expenses, Program Revenues, Net Program [Expense] Revenues, General Revenues, Special Items, Transfers, Changes in Net Position, Net Position-Beginning, and Net Position-Ending? Are general	YES _____ NO _____ N/A _____ Comments:

revenues, contributions to term and permanent endowments, contributions to permanent fund principal, special and extraordinary items, and transfers reported separately after total net expenses of the government's functions? (GASBS 34.38-.62 and Example B-1 through B-3 as amended by GASBS 63)	Page Ref:
(2) Does the Statement of Activities separately report the following three categories of program revenues: charges for services; program-specific operating grants and contributions; and program-specific capital grants and contributions? (GASBS 34.48 as amended by GASBS 37.12)	YES_____ NO_____ N/A_____ Comments: Page Ref:
(3) Are general revenues reported after total net expense of the government's functions? Are all taxes reported by the specific type of tax such as sales, property, franchise and income taxes? Are other nontax revenues like interest, grants and contributions) that do not qualify as program revenues included as general revenues? (GASBS 34.52)	YES_____ NO_____ N/A_____ Comments: Page Ref:
(4) In the Statement of Activities, are all governmental activities expenses reported by function, except for those that meet the criteria to be reported as special or extraordinary items? (GASBS 34.41) In the Statement of Activities are all business-type activities expenses reported by different identifiable activity as required by GASB 37.10(b)?	YES_____ NO_____ N/A_____ Comments: Page Ref:
(5) Is depreciation expense reported as a direct expense by function in the Statement of Activities unless the asset is essentially used by all functions? (GASBS 34.44)?	YES_____ NO_____ N/A_____ Comments: Page Ref:
(6) If the agency sold mortgage loans with the servicing retained, did the agency recognize transferor servicing fees related to the mortgage loans that were sold, in accordance with the updated requirements of GASBS 66.6 and 62.460 (as superseded)?	YES_____ NO_____ N/A_____ Comments: Page Ref:
(7) Is a prior period adjustment (correction of an error in previously issued financial statements) reflected as an adjustment to the opening balance of net position pursuant to GASBS 62.61? Were the following line items included on the face of the financial statement: Beginning net position, Restatement, Beginning net position as restated, and Ending net position?	YES_____ NO_____ N/A_____ Comments: Page Ref:
(8) Does Total Net Position reported on the Statement of Net Position agree to Ending Net Position reported on the Statement of Activities for the governmental activities and the business-type activities?	YES_____ NO_____ N/A_____ Comments: Page Ref:
(9) Do the beginning-of-the period net position (government-wide, proprietary, fiduciary fund statements) and/or fund balances in the governmental fund financial statements tie to the respective prior year audit end-of-the-period balances? (Except when one of the following exceptions applies: (1) there was a prior period adjustment for the correction of an error; (2) the beginning net position was adjusted for the cumulative effect of a change to a new accounting principle; or (3) there was a change in the reporting entity [like a different number of component units]).	YES_____ NO_____ N/A_____ Comments: Page Ref:
E. Governmental Fund Financial Statements (GASBS 34.64-.65, .78-.90 as amended by GASBS 54 and 63). See GASB 34.138 as amended by GASBS 63.8 and GASBS 84.14 for a description of which financial statements pertain to reports using the Business Type Activity model (BTA):	
(1) Does the Balance Sheet-Governmental Funds contain the following sections: Assets, plus deferred outflows of resources (if applicable), equals Liabilities plus deferred inflows of resources (if applicable), plus fund balance? (GASBS 63.12) Is fund balance classified as: Non-spendable, Restricted, Committed, Assigned, and Unassigned (as	YES_____ NO_____ N/A_____ Comments:

applicable)? Do either the financial statements or the notes disclose the purpose for which amounts are non-spendable, restricted, committed, or assigned? (GASBS 34.83-.84 as amended by GASBS 63.12 and GASBS 54)	Page Ref:
(2) A liability for compensated absences should not be reported in the governmental fund balance sheet unless it was actually due and payable at year end for payments due to retired or terminated employees, but not paid until shortly after year-end. Does the liability for compensated absences meet these requirements? (GASB Cod. Sec. C 60.111)	YES_____ NO_____ N/A_____ Comments: Page Ref:
(3) Is there an accompanying reconciliation of Total Fund Balance from Balance Sheet – Governmental Funds to the Total Net Position on the Statement of Net Position, (Governmental Activities Column only)? Do all of the reconciling amounts agree with the financial statements and notes? (GASBS 34.77 & .85 as amended by GASBS 63.8)	YES_____ NO_____ N/A_____ Comments: Page Ref:
(4) Does the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds have the correct descriptions: (Revenues, Expenditures, Excess (deficiency) of revenues over expenditures, Other Financing Sources (Uses), Special and extraordinary items (if applicable), Net Change in Fund Balances, Beginning Fund Balance and Ending Fund Balance? Does the column presentation correspond to the columns in the Balance Sheet-Governmental Funds presentation? (GASBS 34.86-.89, illustration C-2)	YES_____ NO_____ N/A_____ Comments: Page Ref:
(a) Are the revenues presented by major revenue source classifications as detailed in GASB Cod. Sec 1800.131 and NCGAS 1.110: taxes, licenses and permits, intergovernmental revenues, charges for services, fines and forfeits, and miscellaneous?	YES_____ NO_____ N/A_____ Comments: Page Ref:
(b) Are intergovernmental revenues from federal sources and state sources presented separately as required by 2.2.2.10(C) NMAC?	YES_____ NO_____ N/A_____ Comments: Page Ref:
(c) Are expenditures classified by character (current, capital outlay, debt service, and intergovernmental) as required by NCGAS 1.115) and at a minimum by function as required by GASBS 34.87? See GASBS 34 illustration C-2.	YES_____ NO_____ N/A_____ Comments: Page Ref:
(d) Are debt issuance costs like underwriter fees that were paid out of debt proceeds reported as expenditures? Are attorney fees, rating agency fees or bond insurance paid from existing resources reported as expenditures when the liability is incurred? (GASB 34.87)	YES_____ NO_____ N/A_____ Comments: Page Ref:
(e) Is the face amount of long-term debt (including capital leases), bond premium or discount, payments to bond escrow agents for refundings, transfers, and sale of capital assets (unless the sale qualifies as a special item) reported as “Other Financing Sources and Uses” as required by GASBS 34.88-.89 and GASBS 37.16?	YES_____ NO_____ N/A_____ Comments: Page Ref:
(f) If there were any restatements due to the correction of an error in a prior period or due to the cumulative effect of a change to a new accounting principle, was the fund balance-beginning “adjusted” per GASBS 62.61 or 62.76 as amended by GASBS 63.8? In such an adjustment, the OSA prefers to see the following presented: Fund balance-beginning, restatement, fund balance-beginning as restated, Fund balance-ending.	YES_____ NO_____ N/A_____ Comments: Page Ref:
(5) Is there a Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances- Governmental Funds (net change in fund balances for total governmental funds) to the Statement of Activities (change in net position for governmental activities) at the	YES_____ NO_____ N/A_____ Comments:

<p>bottom of the fund financial statements or in an accompanying schedule immediately following the statement? Were all of the reconciling amounts fully explained in the reconciliation or the notes to the financial statements? Do all of the reconciling amounts agree with the financial statements and notes? (GASBS 34.77 and 34.90 as amended by GASBS 63.8)</p>	<p>Page Ref:</p>
<p>F. Proprietary Fund Financial Statements (GASBS 34.66-.68, .91-.105 as amended by GASBS 62 and 63) See GASBS 34.138 for a description of which financial statements pertain to reports using the Business Type Activity model.</p>	
<p>(1) Is there a Statement of Net Position – Proprietary Funds (or Balance Sheet – Proprietary Funds) that reflects the following descriptions: current and noncurrent assets; current and noncurrent liabilities; net position; net investment in capital assets; restricted (indicate for what), unrestricted; and total net position? (GASBS 34.91a, 34.98 and illustration D-1 as amended by GASBS 63.8)</p>	<p>YES_____ NO_____ N/A_____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(2) Are assets with use restrictions (defined in GASBS 34.34 as amended by GASBS 46) reported as restricted assets? (GASBS 34.99 and 63.10)</p>	<p>YES_____ NO_____ N/A_____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(3) Is there a Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds that reflects the following descriptions: operating revenues and total operating revenues; operating expenses and total operating expenses; operating income (loss), nonoperating revenues and expenses “income (loss) before contributions and transfers,” capital contributions, additions to the principal of permanent and term endowments, special and extraordinary items, and transfers, “change in net position,” net position-beginning, and total net position-ending? (GASBS 34.91b, 34.100, and illustration D-3 as amended by GASBS 63) Is any prior period adjustment (correction of an error in previously issued financial statements) reflected as an adjustment to the opening balance of net position pursuant to GASBS 62.61? Were the following line items included on the face of the financial statement: Net position-beginning, Restatement, Net position-beginning as restated, and Net position-ending?</p>	<p>YES_____ NO_____ N/A_____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(4) Do the proprietary fund financial statements include a single column for all internal service funds displayed to the right of the total enterprise funds column? (GASBS 34.96)</p>	<p>YES_____ NO_____ N/A_____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(5) Are proprietary fund revenues reported by major source and are revenues that are used as security for revenue bonds identified? Are revenues presented net: (1) with discounts and allowances parenthetically disclosed on the face of the statement or in the notes; or (2) with the discounts and allowances reported directly beneath the revenue amount? (GASBS 34.100 and the related footnote 41 as amended by GASBS 48 and 63)</p>	<p>YES_____ NO_____ N/A_____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(6) If the agency has permanent endowments or permanent fund principal amounts, are the applicable amounts presented as two components of “restricted net position” expendable and nonexpendable? (GASBS 34.35 as amended by GASBS 61.12 and GASBS 63.8)</p>	<p>YES_____ NO_____ N/A_____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(7) Net position and changes in net position in the proprietary fund financial statements for total enterprise funds usually equal the net position and changes in net position of business-type activities in the government-wide statement of activities. However, there may sometimes be differences caused by the reclassification of internal</p>	<p>YES_____ NO_____ N/A_____</p> <p>Comments:</p>

<p>(2) Does the Budget column include the required fund balance (if prepared on accrual or modified basis) or prior year cash balance if prepared on a cash basis (or fund balance on the cash basis) necessary to balance the budget? (2.2.2.10(Q)(1) NMAC)</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(3) If actual expenditures exceeded budgeted expenditures at the legal level of budgetary control, is that fact reported in a finding and disclosed in the notes? The IPA should consult with the agency's budgetary oversight entity to confirm that the agency is not in compliance with budgetary requirements before writing a finding for budgeted expenditures exceeding budgeted revenues. (GASBS 34.131; GASBS 37.19; 2.2.2.10(Q)(2) NMAC)</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(4) Are the differences between the budgetary basis and GAAP basis revenues and expenditures for each individual fund reconciled on the face of the budgetary comparison or in the notes to the financial statements? (GASBS 34.131; 2.2.2.10(Q)(2) NMAC)</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(5) For colleges and universities only - were the three required budgetary comparisons presented after the notes in the format approved by the NM Higher Education Department as noted in 2.2.2.12(E)(2) NMAC?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(6) For colleges and universities only: is a reconciliation of actual revenue <u>and</u> expense amounts on the budgetary basis to the GAAP basis financial statements disclosed on the budgetary comparisons or in the notes to the financial statements? The reconciliation is required only at the "rolled up" level of Unrestricted and Restricted – All Operations and should include revenues <u>and</u> expenses. (2.2.2.12 (E)(2) NMAC)</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(7) For colleges and universities only: Did the auditor compare the financial statement budget comparison to the college or university's September 15th budget submission to HED, and write a finding if the HED budget submission did not tie to the financial statement comparison (except for [1] adjustments made by the college or university after September 15th and [2] audit adjustments? [2.2.2.12(E)(2) NMAC])?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>Fiduciary Fund and Component Unit Financial Statements- Are all fiduciary funds of the primary government, as well as component units that are fiduciary in nature included in the fiduciary fund financial statements? Did the auditor evaluate the agency's relationship(s) with other parties to identify potential unreported fiduciary activities?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(1) Is the Statement of Fiduciary Net Position used to report the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position of pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and custodial funds? GASBS 84.20</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(2) Are liabilities other than those to beneficiaries recognized in accordance with existing accounting standards using the economic resources measurement focus as required by GASBS 84.21 (except for entities where the government reports a pension or OPEB plan described in 84.22)?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(3) If the government reports a pension plan or an OPEB plan in a pension (or other employee benefit) trust fund, did they report the plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position in accordance with Statement 67 or Statement 74, as applicable? GASBS 84.22</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(4) Is there a statement of changes in fiduciary net position that is used to report additions to and deductions from pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and custodial funds, as applicable? GASBS 84.23</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>

<p>(5) Except for entities that apply paragraph 24 (see below) or are required to apply paragraph 25 (see below), does the statement of changes in fiduciary net position disaggregate additions by source including, if applicable, separate display of:</p> <ul style="list-style-type: none"> a. Investment earnings b. Investment costs (including investment management fees, custodial fees, and all other significant investment-related costs) c. Net investment earnings (investment earnings minus investment costs)? GASBS 84.23 	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(6) Paragraph 24 Did the government report a single aggregated total for additions and a single aggregated total for deductions of custodial funds in which resources, upon receipt, are normally expected to be held for three months or less? GASBS 84.24</p> <ul style="list-style-type: none"> a. An example of a custodial fund addition description is property taxes collected for other governments. An example of a custodial fund deduction description is property taxes distributed to other governments 	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(7) Paragraph 24, con't. If the government reported a single aggregated total for additions and a single aggregated total for deductions of custodial funds, do the descriptions of the aggregated totals of additions and deductions indicate the nature of the resource flows? GASBS 84.24</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(8) Paragraph 25 When reported in the fiduciary fund financial statements of a primary government, a fiduciary component unit should include the combined information of its own component units that are fiduciary component units. That combined information should be aggregated with the primary government's fiduciary funds based on the classifications provided in paragraphs 15–18. GASBS 84.25</p> <p>Is the combined information from the fiduciary component unit aggregated with the primary government's fiduciary funds based on the classifications provided in GASBS 84.15-18?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(9) Does the Statement of Changes in Fiduciary Net Position shown in the basic financial statements include information about the additions to, deductions from, and net increase (or decrease) for the year in net position for each applicable fiduciary fund type except for agency funds? The Statement of Changes in Fiduciary Net Position should be presented for all fiduciary fund types, and appear after the Statement of Fiduciary Net Position and just before the notes. (GASB 34 Paragraph 109 and example E-2, as amended by GASBS 63, and GASBS 84.23-25)</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>J. Notes to the Financial Statements</p>	
<p>(1) Do the notes include a Summary of Significant Accounting Policies with disclosures for each of the twelve items listed below? (GASB Cod. Sec. 2300.106(a))</p>	
<p>(a) Is there a description of the government-wide financial statements including an explanation that fiduciary funds and fiduciary component units are excluded? GASB Cod. Sec. 2300.106(a)(1) and 2200.111?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(b) Is a brief description of the component units, their relationship to the primary government and information about how the separate reports for individual component units can be obtained included with other information required by GASB Cod. Sec. 2300.106(a)(2), GASB Cod. 2600.126, and GASBS 90.9?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref</p>

(c) Has the government acquired a majority of the equity interest in a legally separate organization (for example, through acquisition of voting stock of a corporation or acquisition of interest in a partnership) as required by GASBS 90.5?	YES _____ NO _____ N/A _____ Comments: Page Ref:
i. If so, is the acquisition reported as an investment (if it meets the definition of an investment) and not as a component unit as required by GASBS 90.5?	YES _____ NO _____ N/A _____ Comments: Page Ref:
(d) Is this a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund that holds a majority equity interest in a legally separate organization that meets the definition of an investment? GASBS 90.6	YES _____ NO _____ N/A _____ Comments: Page Ref:
i. If so, is that majority equity interest measured in accordance with the requirements paragraph 64 of Statement 72? GASBS 90.6	YES _____ NO _____ N/A _____ Comments: Page Ref:
(e) Is the government accountable for the legally separate organization (i.e. it is not an investment) and reporting the legally separate organization as a component unit? GASBS 90.7	YES _____ NO _____ N/A _____ Comments: Page Ref:
(f) If the financial statements were prepared using the current financial resources measurement focus, is the asset representing the government's equity interest limited to amounts appropriately reported under the current financial resources measurement focus? GASBS 90.8	YES _____ NO _____ N/A _____ Comments: Page Ref:
(g) GASBS 90.9 i. If a government acquires a 100 percent equity interest in a legally separate organization that is reported as a component unit in accordance with paragraphs 7 and 8, is the component unit measuring its assets, deferred outflows of resources, liabilities, and deferred inflows of resources in accordance with the provisions of paragraphs 29–42, 44, and 45 of Statement No. 69, <i>Government Combinations and Disposals of Government Operations</i> , as amended, at the date on which the government acquires the 100 percent equity interest? GASBS 90.9	YES _____ NO _____ N/A _____ Comments: Page Ref:
ii. Do the measurement provisions include the net resources exchanged to complete the acquisition of the 100 percent equity interest plus the balances of any equity interest asset and deferred outflow of resources recognized prior to the completion of the acquisition in accordance with paragraph 8? GASBS 90.9	YES _____ NO _____ N/A _____ Comments: Page Ref:
iii. Is the net position acquired equal to the net position of the component unit after measuring assets, deferred outflows of resources, liabilities, and deferred inflows of resources in accordance with the provisions of paragraphs 29–36 of Statement 69? GASBS 90.9	YES _____ NO _____ N/A _____ Comments: Page Ref:
(h) Is the primary government performing the duties of the governing board? If so, are they treated as the voting majority? GASBS 97.4	YES _____ NO _____ N/A _____ Comments: Page Ref:
(i) Is the financial burden criterion applicable? GASBS 97.5	YES _____ NO _____ N/A _____ Comments: Page Ref:
(j) Has GASBS 97 paragraphs 4 and 5 been implemented, and have all requirements of these paragraphs been considered?	YES _____ NO _____ N/A _____ Comments: Page Ref:

<p>(k) Do the descriptions of activities accounted for in each column (major funds, internal service funds, and fiduciary fund types) consist of: (1) a description that is specific to the particular government rather than general descriptions that could describe any government as required by GASBS 38.6; (2) disclose what kind of fund type each fund is (general, special revenue, capital projects, debt service, enterprise, internal service, custodial, private purpose trust fund, etc.); and (3) the activities accounted for in each column? (GASB Cod. Sec. 2300.106(a)(3) and 1300.103)</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(l) Is the measurement focus and basis of accounting used in the government-wide statements disclosed as required by GASB Cod. Sec. 2300.106(a)(4)? Does the description include deferred inflows of resources and deferred outflows of resources, if applicable? GASB Cod. Sec. 1600.103 - .104</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(m) Are the revenue recognition policies used in fund financial statements, disclosed as required by GASB Cod. Sec. 2300.106(a)(5) and 1600.106-.115 and .130 and .138?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(i) Is the period of availability disclosed? (GASBS 33.30 and GASB Cod. Sec. 2300.106(a)(5))</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(ii) If derived tax revenues (such as sales taxes, gas taxes, motor vehicle taxes, etc.) are included in revenues, was the revenue recognized net of estimated refunds and uncollectible amounts, in the period when the exchange transaction occurred or when the resources were received, whichever occurs first? (GASBS 33.16 and 33.30(a)). Is the use of the term deferred to deferred outflows of resources or deferred inflows of resources? (GASBS 65.31)</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(iii) If grant revenue is included in the agency revenues, was the grant revenue recognized when the eligibility requirements were met? [GASBS 33.19 to 33.25 and 33.30(d)]? Note that according to GASBS 33.98, grant revenue recognition should not be delayed until purpose restrictions are met. Purpose restrictions are not the same as the eligibility criteria.</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(iv) Do the fund financial statements exclude from revenue the portion of these nonexchange transactions that are not available in accordance with GASBS 33.29 (as amended by GASBS 34.79) and GASBS 33.30? Was excluded revenue reclassified as “deferred inflow of resources?” pursuant to GASBS 65.30.</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(v) If the agency received a portion of another government’s derived tax revenues (income taxes, sales taxes) or imposed non-exchange revenues (property taxes, fines & penalties) did they follow the accounting guidance for government-mandated and voluntary nonexchange transactions per GASBS 36.13?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(n) Is the policy for eliminating internal activity in the government-wide statement of activities disclosed as required by GASB Cod. Sec. 2300.106(a)(6) and 2200.152?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(o) Is the basis upon which the inventory amount is stated disclosed in the notes and the method for determining the cost (where practical)? (GASB Cod. Sec. 2300.106(a)(7))</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(p) Is the policy for capitalizing assets and estimating useful lives disclosed as required by GASB Cod. Sec. 2300.106(a)(8) and 1400.102 and .104?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>

(i) Does the capital asset policy disclosure state that the capitalization threshold is \$5,000 per 12-6-10 NMSA 1978? (2.2.2.10(W)(1) NMAC)	YES _____ NO _____ N/A _____ Comments: Page Ref:
(ii) If the agency uses the infrastructure-modified approach is there a description of that approach? (GASB Cod. Sec. 2300.106(a)(8))	YES _____ NO _____ N/A _____ Comments: Page Ref:
(q) Are the types of transactions included in program revenues and the policy for allocating indirect expenses to functions disclosed as required by GASB Cod. Sec. 2300.106(a)(9) and 2200.135-.140 and .142?	YES _____ NO _____ N/A _____ Comments: Page Ref:
(r) Is the policy for defining operating and nonoperating revenues of proprietary funds disclosed as required by GASB Cod. Sec. 2300.106(a)(10) and P80.115?	YES _____ NO _____ N/A _____ Comments: Page Ref:
(s) Is the definition of cash and cash equivalents used in the statement of cash flows for proprietary funds disclosed as required by GASB Cod. Sec. 2300.106(a)(11) and 2450.106-.108?	YES _____ NO _____ N/A _____ Comments: Page Ref:
(t) Is the agency's policy disclosed regarding whether to first apply restricted or unrestricted resources when there is an expense for purposes for which both restricted and unrestricted net position are available? GASB Cod. Sec. 2300.106(a)(12) and 1800.157?	YES _____ NO _____ N/A _____ Comments: Page Ref:
(2) Do the notes include disclosures shown below for items (a) through (q) of GASB Cod. Sec. 2300.106 that apply to this entity?	
(a) Cash and Investment disclosures	
(i) Do the notes briefly describe the types of deposits and investments authorized by the New Mexico Constitution, New Mexico Statute charters, ordinance, resolution, grant or contract regulations, as applicable?	YES _____ NO _____ N/A _____ Comments: Page Ref:
(ii) Does the report include a list of individual deposit and investment accounts held by the agency that includes the name of depository, account name, type of deposit account or type of investment, etc.) account, account balance as of the balance sheet date, and the reconciled balance of the accounts as of the balance sheet date, as reported in the financial statements? (2.2.2.10(P)(3) NMAC and 12-6-5 NMSA 1978)	YES _____ NO _____ N/A _____ Comments: Page Ref:
(iii) If the agency's deposits and investments are exposed to one or more of the following risks: credit risk; custodial credit risk; concentration of credit risk; interest rate risk; or foreign currency risk, has the agency disclosed its investment policy(ies) related to the risk(s) to which the agency is exposed? If the agency is exposed to one of the above risks but has not formally adopted a deposit and/or investment policy to address risk, is that fact disclosed in the notes? GASB 40.6-17 as amended by GASBS 53.73 and .76, 59.6, 63.8, (superseded by 73 115-116), 74.9, and 79.4.	YES _____ NO _____ N/A _____ Comments: Page Ref:
(iv) If the government has deposits or investments exposed to foreign currency risk, did the government make the disclosures required by GASB 40.17?	YES _____ NO _____ N/A _____ Comments: Page Ref:
(v) If risk exposures for deposits or investments are significantly greater at the governmental and business-type activities level, individual major funds, nonmajor funds in the aggregate, or fiduciary fund types level than risk exposure at the entire primary government level, are the disclosures required by GASBS 40.5 included?	YES _____ NO _____ N/A _____ Comments: Page Ref:

<p>(b) Cash disclosures – Do the notes disclose the definition of custodial credit risk and the custodial credit risk of any deposit that was not covered by depository insurance as required by GASBS 40.8 and 2.2.2.10(P)(4)(c) NMAC, and as shown in GASBS 40 illustration 6?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(c) Investment Disclosures</p>	
<p>(i) Are investments disclosures organized by investment type as required by GASB 40.4?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(ii) If the agency has investments in the State Treasurer’s Local Government Investment Pool, are the interest rate risk and the current credit rating disclosed? See NM Office of the State Treasurer’s annual financial statements for the necessary information. (GASBS 40.7 as amended by GASBS 53.73 (b))</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(iii) Credit Quality Risk - For investments like debt securities, external investment pools, money market funds, bond mutual funds, and other pooled investments of fixed-income securities, did the agency disclose the credit quality ratings as required by GASBS 40.7 as amended by GASBS 53.73 (a)(1)?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(iv) Custodial Credit Risk - If the agency has investment securities (including securities under repurchase agreements) at the end of the period that are exposed to custodial credit risk (securities that are uninsured and not registered in the name of the government), do the notes disclose the information required by GASBS 40.9?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(v) Interest Rate Risk – Is interest rate information organized by investment type and amount using one of the following methods 1) segmented time distribution, 2) specific identification, 3) weighted average maturity, 4) duration, or 5) simulation model? Or, if the government had deposits or investments that required an assumption in either (1) debt investment pools such as bond mutual funds or (2) external bond investment pools that are not 2a7-like pools, is the disclosure information required by GASB 40.15 (as amended by GASB 59.6) included in the notes?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(vi) Concentration of Credit Risk - If the government had investments in any one issuer that totaled 5 percent or more of total investments in the agency or in any fund of the agency, did the government disclose that concentration as required by GASBS 40.11 as amended by GASBS 53.73(a)(6) and GASBS 40.12 as amended by GASBS 63.8, and 73.115-.116 ?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(d) Are significant contingent liabilities disclosed in accordance with GASB Cod. Sec. 1500.125 and claims and judgments disclosed in accordance with NCGAS 4?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(e) Is there recording and/or disclosure of events or transactions subsequent to the statement date, but before the financial statements are issued, that have a significant effect on the financial statements, pursuant to GASB Cod. Sec. 2250.109 to .116 and 2300.106(e).</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(f) Budgetary disclosure required by 2.2.2.NMAC</p>	
<p>(i) Do the notes disclose the legal level of budgetary control <u>and</u> the basis of accounting used to present the budgetary comparisons? For local governments the legal level of budgetary control is at the fund level. For school districts, the legal level of budgetary control is at the function level. For</p>	<p>YES _____ NO _____ N/A _____ Comments:</p>

state agencies the legal level of budgetary control is at the appropriation program level (A-Code, P-Code, R-Code, and Z-Code). (2.2.2.10(Q)(2) and 2.2.2.12.A(11) NMAC)	Page Ref:
(ii) If a budgetary comparison is not presented for an individual fund, do the notes explain the reason for not presenting the budgetary comparison? (GASB Cod. Sec. 2300.108)	YES _____ NO _____ N/A _____ Comments: Page Ref:
(g) Regarding required disclosure of annual pension costs and net pension obligations, GASBS 67 & 68, see GASBS Cod. P20 (for employers that participate in pension plans that are defined <i>benefit</i> pensions administered through trusts) and P21 (for employers that participate in pension plans that are defined <i>contribution</i> pensions that are administered through trusts). Did the auditee follow the correct guidance and make the correct disclosures?	YES _____ NO _____ N/A _____ Comments: Page Ref:
(h) If the agency is a department of the State of New Mexico, did the agency include the pension note disclosure referring the reader to the statewide ACFR required by 2.2.2.10(Y)(2) NMAC?	YES _____ NO _____ N/A _____ Comments: Page Ref:
(i) For agencies that participate in PERA, does the ending Net Pension Liability reported in the agency's statement of net position tie to the 2020 Net Pension Liability reported in the "Schedule of Pension Amounts (In Summation) by Employers Participating in PERA" included in the PERA Schedule of Employer Allocations and Pension Amounts June 30, 2020?	YES _____ NO _____ N/A _____ Comments: Page Ref:
(j) For agencies that participate in ERB, does the ending Net Pension Liability reported in the agency's statement of net position tie to the Net Pension Liability, June 30, 2020 reported in the "Schedule of Pension Amounts by Employer" included in the ERB Schedules of Employer Allocations and Pension Amounts by Employer June 30, 2020?	YES _____ NO _____ N/A _____ Comments: Page Ref:
(k) GASBS 75 - Is the required disclosure of other postemployment benefit (OPEB) cost and net OPEB obligations included in the notes as required by GASB Cod. Sec. 2300.106(g) and P50? If the employer participates in the cost-sharing employers plan the State of New Mexico RHCA, did the agency include note disclosure containing all the applicable requirements included in GASB Cod. Sec. P50? If the agency participates in a "sole and agent employers" plan, did the agency present the disclosures and RSI required by GASB Cod. Sec. P50.123 to .125?	YES _____ NO _____ N/A _____ Comments: Page Ref:
(l) For agencies that participate in RHCA, does the ending Net OPEB Liability reported in the agency's statement of net position tie to the Net OPEB Liability, June 30, 2020 reported in the "Schedule of Pension Amounts by Employer" included in the RHCA <i>Schedules of Employer Allocations and Pension Amounts by Employer June 30, 2020</i> ?	YES _____ NO _____ N/A _____ Comments: Page Ref:
(m) If the PERA, ERB and RHCA numbers do not agree to the relative issued Schedule of Employer allocations, do not tie out did the IPA add an explanation as to why not?	YES _____ NO _____ N/A _____ Comments: Page Ref:
(n) Does the disclosure regarding significant violations of finance-related legal or contractual provisions include the entity's actions to address the violations? (GASB Cod. Sec. 2300.106(h) and Sec. 1200.113)	YES _____ NO _____ N/A _____ Comments: Page Ref:
(o) Are debt service requirements to maturity disclosed in accordance with GASB Cod. Sec. 2300.106(i) and 1500.129 and GASBS 38.10 (a & b)? Are principal and interest requirements to maturity presented separate, for each of the five subsequent fiscal years and in five-year increments thereafter? Are interest requirements for	YES _____ NO _____ N/A _____ Comments:

variable-rate debt determined using the rate in effect at the financial statement date? Are the terms by which interest rates change for variable-rate debt disclosed?	Page Ref:
(p) Are obligations under capital and noncancelable operating leases disclosed in accordance with GASB Cod. Sec. 2300.106(j) and L20.124-.127, and GASBS 38.11? Did the agency disclose future minimum payments for each of the five subsequent fiscal years and in five-year increments thereafter for their obligations under capital and noncancelable operating leases?	YES____ NO____ N/A____ Comments: Page Ref:
(q) Are disclosures made about construction and other significant commitments including encumbrances (if applicable) as required by GASB Cod. Sec. 2300.106k and 1700.127c?	YES____ NO____ N/A____ Comments: Page Ref:
(r) Do the notes include disclosures about capital assets and long-term liabilities required by GASB Cod. Sec. 2300.106(l) and (m) and GASB 34.116 to 34.120 as amended by GASBS 63, and 88?	YES____ NO____ N/A____ Comments: Page Ref:
Is disclosure made of current period depreciation expense and the amounts charged to each of the functions in the statement of activities? (GASBS 34.117(d))	YES____ NO____ N/A____ Comments: Page Ref:
(s) Do the notes disclose deficit fund balances or net position of individual nonmajor funds as required by GASB Cod. Sec. 2300.106(n)?	YES____ NO____ N/A____ Comments: Page Ref:
(t) Are required disclosures made regarding interfund balances reported in the fund financial statements, pursuant to GASB Cod. Sec. 2300.106(o) and 2300.126: amounts due from other funds by individual major fund, nonmajor governmental funds in the aggregate, nonmajor enterprise funds in the aggregate, internal service funds in the aggregate, and fiduciary fund type; the purpose for interfund balances; and interfund balances that are not expected to be repaid within one year from the date of the financial statements?	YES____ NO____ N/A____ Comments: Page Ref:
(u) Are interfund transfers disclosures required by GASB Cod. Sec. 2300.127 included: amounts transferred from other funds by individual major fund, nonmajor governmental funds in the aggregate, nonmajor enterprise funds in the aggregate, internal services funds in the aggregate, and fiduciary fund type; a general description of the principal purposes of the government's interfund transfers; and the intended purpose and amount of significant transfers that do not occur on a routine basis or are inconsistent with the activities of the fund making the transfer.	YES____ NO____ N/A____ Comments: Page Ref:
(v) Is there disclosure of the nature and amount of significant transactions between the primary government and its component units? GASB Cod. Sec. 2300.106(p) and GASB 34.128?	YES____ NO____ N/A____ Comments: Page Ref:
(w) If the agency had donor-restricted endowments, is the required disclosure included: the amounts of net appreciation on investments of donor-restricted endowments that are available for authorization for expenditure by the governing board, and how those amounts are reported in net position; the state law regarding the ability to spend net appreciation; and the policy for authorizing and spending investment income, such as spending-rate or total-return policy. (GASB Cod. Sec. 2300.106(q), 2300.123 and GASB 34.121 as amended by GASBS 63.8)	YES____ NO____ N/A____ Comments: Page Ref:
(3) If any of the items shown below apply to this entity, have the required disclosures been included in the notes?	
(a) Are the entity's risk management activities disclosed as required by applicable standards including GASB Cod. Sec. 2300.107(a),	YES____ NO____ N/A____ Comments:

GASB Cod. Sec. C50.145, GASB Cod. Sec. C50.115, and GASB Cod. Sec. Po20.147?	Page Ref:
(b) Property Tax Revenue GASB Cod. Sec. 2300.107(b),	
(i) If property taxes are included in revenues, do the government-wide full accrual basis financial statements recognize property tax revenues net of estimated refunds and estimated uncollectible amounts, in the period for which the taxes are levied, even if the enforceable legal claim arises or the due date for payment occurs in a different period? (GASBS 33.17 and 33.18 as amended by GASBS 65.9)	YES_____ NO_____ N/A_____ Comments: Page Ref:
(ii) If the period of availability for property taxes exceeds 60 days did the government disclose the facts that justify the longer period? (NCGAI 3 paragraph 8 as amended by GASBI 5.4 and GASBS 38.7 and GASB Cod. Sec. P70.104)	YES_____ NO_____ N/A_____ Comments: Start Page Ref:
(iii) If the government excluded some revenue from appropriation for cash liquidity purposes, did the government disclose the restricted revenue as a designation of fund balance? (NCGAI 3 paragraph 10) superseded by GASBS 54.5	YES_____ NO_____ N/A_____ Comments: Page Ref:
(iv) Did the government disclose the details of the governmental unit's property tax calendar, lien dates, levy dates, due dates and collection dates? (P70 Property Taxes, NCGAI 3 paragraph 11) amended by GASBS 54.5	YES_____ NO_____ N/A_____ Comments: Page Ref:
(c) Is Segment Information disclosed for enterprise funds as required by GASB Cod. Sec. 2300.107(c) and 2500?	YES_____ NO_____ N/A_____ Comments: Page Ref:
(d) Do the notes include disclosure regarding short-term debt instruments and liquidity as required by GASB Cod. Sec. 2300.107(e) and .124 and GASBS 38.12 as amended by GASBS 88.4-.6? This disclosure pertains to short-term debt activity during the year resulting from borrowings like anticipation notes, use of lines of credit, and similar loans, and applies even if no short-term debt was outstanding at year-end. Disclosure should include a schedule of changes with beginning and end-of-year balances, increases, and decreases, and the purpose for which the debt was issued.	YES_____ NO_____ N/A_____ Comments: Page Ref:
(e) Are related party transactions disclosed as required by GASBS Cod. Sec. 2300.107(f), GASBS 56.5 and GASBS 62.54-57? Note that if the substance of a transaction is significantly different from its form because of the involvement of related parties, the financial statements should recognize the substance of the transaction rather than merely its legal form (GASBS 56.4) Disclosure regarding related party transactions includes: borrowing or lending on an interest-free basis or at a rate significantly above or below market rates; selling real estate at a price that differs significantly from the appraised value; exchanging property for similar property in a nonmonetary transaction; and making loans with no scheduled terms for when or how the loans will be repaid. (GASBS 56.5)	YES_____ NO_____ N/A_____ Comments: Page Ref:
(f) Do the notes contain the required disclosures for related organizations as required by GASB Cod. Sec. 2300.107(g) (organizations that the primary government (PG) appoints a voting majority of the board for, but is not financially accountable for) pursuant to GASBS 14.68? Disclosure includes the nature of the PG's accountability for the organization. The financial statements of the related organization should disclose the primary government that is accountable for it and describe its relationship with that	YES_____ NO_____ N/A_____ Comments:

<p>(l) Has disclosure regarding pension plans in both separately issued plan financial statements and employer statements disclosed in the notes as required by GASB Cod. Sec. 2300.107(m), been included? (See also Pe5 for defined benefit plans and Pe6 for defined contribution plans)</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(m) Has disclosure regarding postemployment benefit plans other than pension plans (OPEB) been made in the separately issued Plan and Employer reports in accordance with (GASB Cod. Sec. 2300.107(n), GASB Cod. Sec. Po50 and Po51 for Plans and GASB Cod. Sec. P50 for Employers)?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(n) If proprietary fund bond, tax, or revenue anticipation notes were excluded from fund or current liabilities was the appropriate disclosure included in the notes? (GASB Cod. Sec. 2300.107(o) and 2300.116)</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(o) If there are inconsistencies in amounts reported as due to or due from between component units that have different fiscal years, were the disclosures required by GASB Cod. Sec. 2300.107(p), 2600.120 and GASB 14.60 made?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(p) If the audit report is a separate report for a component unit, is there note disclosure identifying: the primary government in whose financial report the component unit is included and the component unit's relationship with the primary government as required by GASB Cod. Sec. 2300.107(q) and 2600.125 and GASB 14.65?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(q) If the audit report includes assets or liabilities measured at fair value in the Statement of Net Position, is there note disclosures identifying fair value measurements, the level of fair value hierarchy, and valuation techniques as required by GASB Cod. Sec.2300 (jjj) and GASB Cod. Sec. I50.141 to .142?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(r) If the agency made any reverse repurchase agreements, do the notes disclose the information required by GASB Cod. Sec. 2300.107(r)GASB Cod. Sec. I55.106 to .114?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(s) If the agency participated in securities lending transactions do the notes include the disclosures required by GASB Cod. Sec. 2300.107(s), GASB Cod. Sec. I60.109-.114?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(t) If the government has special assessment debt and related activities, are the disclosures required by GASB Cod. Sec. 2300.107(t) and GASBS 6.20 and 6.21 included in the notes?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(u) If the government has demand bonds outstanding, are the disclosures required by GASB Cod. Sec. 2300.107(u) and D30.111-112 included in the notes?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(v) A government should disclose the following information about its asset retirement obligations (ARO's), except for its minority share of an ARO as described in GASBS 83 paragraphs 17 and 22: (i) A general description of the ARO's and associated tangible capital assets, as well as the source of the obligations (whether they are a result of federal, state, or local laws or regulations, contracts, or court judgments), (ii) The methods and assumptions used to measure the liabilities, (iii) The estimated remaining useful life of the associated tangible capital assets, (iv) How any legally required funding and assurance provisions associated with ARO's are being met; for example, surety bonds, insurance policies, letters of credit, guarantees by other entities, or trusts used for funding and assurance, and</p>	<p>YES _____ NO _____ N/A _____ Comments:</p>

<p>(v) The amount of assets restricted for payment of the liabilities, if not separately displayed in the financial statements. (GASBS 83.27)</p> <p>Was the correct note disclosure made for the ARO, if applicable? (GASB Cod. 2300.107(v) A10 Certain Asset Retirement Obligations, paragraph 125)</p>	<p>Page Ref:</p>
<p>f. If an ARO or portions thereof has been incurred by a government but is not yet recognized because it is not reasonably estimable, the government should disclose that fact and the reasons therefore. (GASBS 83.28, GASB Cod. Section A10.125)</p>	<p>YES____ NO____ N/A____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>g. If an ARO was recognized, did the entity/government also recognize a corresponding deferred outflow of resources? (GASBS 83.12)</p>	<p>YES____ NO____ N/A____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(w) If the government has landfill closure and post-closure care responsibilities, do the notes include the disclosure required by GASB Cod. Sec. 2300.107(w) and GASB Cod. Sec. L10.115-.116?</p>	<p>YES____ NO____ N/A____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(x) If the agency has recognized pollution remediation liabilities and recoveries of pollution remediation outlays, did the agency make the disclosures required by GASBS 49.25? If the agency has pollution remediation liabilities or portions thereof, that are not yet recognized because they are not reasonably estimable, did the agency make the disclosure required by GASB Cod. Sec. 2300.107(x).</p>	<p>YES____ NO____ N/A____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(y) If the agency is an employer government that received on-behalf payments for fringe benefits and salaries, do the notes include the disclosure required by GASB Cod. Sec. 2300.107(y)?</p>	<p>YES____ NO____ N/A____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(z) If the government is involved in conduit debt obligations are the disclosures required by GASB Cod. Sec. 2300.107(z) and, GASB Cod. Sec. C65.102 included?</p>	<p>YES____ NO____ N/A____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(aa) If the agency is the sponsoring government of an external investment pool (such as the NM Office of the State Treasurer that sponsors the Local Government Investment Pool [LGIP]), does the agency's report include the disclosures required by GASB Cod. Sec. 2300.107(aa) and GASB Cod. Sec. In5.103?</p>	<p>YES____ NO____ N/A____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>a. Did the agency follow the criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes as required by GASB Cod. Sec. In5.104? If the agency participates in an external investment pool that elects to measure investments at amortized cost (such as the State Treasurer's Local Government Investment Pool) did the agency also measure their position in the pool at amortized cost? If the pool measures investments at fair value did the participant agency measure its position at fair value</p>	<p>YES____ NO____ N/A____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(bb) If the agency has defined benefit pensions provided to the employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan (cost-sharing pension plan) that meets the criteria in paragraph GASB Cod. Sec. P20.112 and that (a) is not a state or local governmental pension plan, (b) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (c) has no predominant state or local governmental</p>	<p>YES____ NO____ N/A____</p> <p>Comments:</p>

employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan) did the agency implement apply the requirements of GASB Cod. Sec. P20.227-.232?	Page Ref:
(cc) Most interest on general long-term liabilities does not qualify as a direct expense and should be reported in the statement of activities as a separate line that clearly indicates that it excludes direct interest expenses (if any) reported in other functions. Do the notes or financial statements clearly indicate the amount of interest that is a direct expense of various functions and the amount of interest that is an indirect expense? (GASB Cod. Sec. 2300.107(bb) and GASBS 34.46)	YES____ NO____ N/A____ Comments: Page Ref:
(dd) Are significant transactions or other events that are either unusual or infrequent but are not within the control of management separately identified within the appropriate revenue or expenditure category in the statement of revenues, expenditures, and changes in fund balances or disclosed in the notes to the financial statements? (GASB Cod. Sec. 2300.107(cc), GASB Cod. Sec. 2200.144 and .168 and GASBS 34.89)	YES____ NO____ N/A____ Comments: Page Ref:
(ee) If aggregated information in the reconciliations of the fund financial statements to the government-wide financial statements obscures individual reconciling items, do the notes provide more detailed information about the reconciling items as required by GASB Cod. Sec. 2300.107(dd) and GASBS 34.77?	YES____ NO____ N/A____ Comments: Page Ref:
(ff) If there are discounts and allowances that reduce gross revenues are they reported either parenthetically or directly beneath the revenues in the financial statements or in the notes as required by GASB Cod. Sec. 2300.107(ee) and 2200 footnote 44?	YES____ NO____ N/A____ Comments: Page Ref:
(gg) Disaggregation of receivables and payable balances GASB Cod. Sec. 2300.107(ff) and 2300.125:	
(i) If receivables balances are aggregations of different components, do the notes include the disclosure of amounts due from taxpayers, other governments, vendors, customers, beneficiaries, and employees? (GASBS 38.13 as amended by GASBS 63, GASBS 68, GASBS 75, GASBS 78 and GASBS 85)	YES____ NO____ N/A____ Comments: Page Ref:
(ii) If the agency has significant receivable balances that are not expected to be collected within one year of the date of the financial statements, are they disclosed as required by GASBS 38.13 as amended by GASBS 63, GASBS 68, GASBS 75, GASBS 78 and GASBS 85?	YES____ NO____ N/A____ Comments: Page Ref:
(iii) If payables balances are an aggregation of different components, do the notes include the disclosure required by GASBS 38.13 as amended by GASBS 63, GASBS 68, GASBS 75, GASBS 78 and GASBS 85?	YES____ NO____ N/A____ Comments: Page Ref:
(hh) Were impaired assets accounted for and disclosed as follows? If the agency had a capital asset impairment loss that was not temporary, was the loss reported in the statement of activities and statement of revenues, expenses, and changes in fund net position as a direct program expense or operating expense, special item or extraordinary item as appropriate? If not apparent from the financial statements, were the following disclosures made in the notes: a general description, the amount, and the financial statement classification (i.e. public works or instruction) of the	YES____ NO____ N/A____ Comments:

<p>impairment loss? (GASB Cod. Sec. 2300.107(gg), GASBS 62.45-.49 and GASBS 63.8)</p> <p>Regardless of whether the impairment was considered temporary, did the notes disclose the carrying amount of the impaired capital assets that were idle at year-end? (GASBS 42.20)</p>	<p>Page Ref:</p>
<p>(ii) Is there disclosure of the amount of the primary government's net position that is restricted by enabling legislation as required by GASB Cod. Sec. 2300.107(hh), GASB Cod. Sec. 2200.119-.123, GASBS 63.8, GASBS 63.10, and Illustration 1?</p>	<p>YES _____ NO _____ N/A _____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(jj) Did the agency have termination benefits (as defined by GASBS 47.3) that require disclosure? (GASB Cod. Sec. T25.114-.117) Termination benefits are benefits provided by employers to employees as an inducement to hasten the termination of services or as a result of a voluntary early termination or as a consequence of the involuntary early termination of services. Termination benefits include early-retirement incentives, severance benefits, and other termination-related benefits. If applicable, were the required disclosures made? (GASB Cod. Sec. 2300.107(ii))</p>	<p>YES _____ NO _____ N/A _____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(kk) If the agency has future revenues that are pledged (formally committed to directly collateralize or secure debt of the pledging government, or directly or indirectly collateralize or secure debt of a component unit), did the agency include in the notes: the identification of the specific revenue pledged and the approximate amount of the pledge (remaining principal and interest requirements of the secured debt); identify the general purpose for the debt secured by the pledged revenue; the term of the commitment (period the revenue will not be available for other purposes); the portion of that specific revenue stream that has been pledged; and a comparison of the pledged revenue recognized during the period to the principal and interest requirements of the debt collateralized by those revenues. (GASB Cod. Sec. 2300.107(jj) and 2300.128 & 129)</p>	<p>YES _____ NO _____ N/A _____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(ll) If the agency had derivatives, were the note disclosures required by GASB Cod. Sec. D40.164 to .175 included as appropriate? (GASB Cod. Sec. 2300.107(kk))</p>	<p>YES _____ NO _____ N/A _____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(mm) If applicable are the disclosures regarding substantial doubt about the government's ability to continue as a going concern? (GASB Cod. Sec. 2300.107(ll))</p>	<p>YES _____ NO _____ N/A _____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(nn) If applicable is disclosure required by GASBS 58.15 included about the government filing for a bankruptcy? (GASB Cod. Sec. 2300.107(mm))</p>	<p>YES _____ NO _____ N/A _____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(oo) If the government has established a stabilization arrangement (even if it does not meet the criteria to be classified as restricted or committed) did the government make the related disclosures required by GASBS 54.26? (GASB Cod. Sec. 2300.107(nn))</p>	<p>YES _____ NO _____ N/A _____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(pp) If the governing body has formally adopted a minimum fund balance policy (in lieu of separately setting aside stabilization amounts), did the government disclose the policy establishing that minimum amount? (GASBS 54.27 and GASB Cod. Sec. 2300.107(oo))</p>	<p>YES _____ NO _____ N/A _____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(qq) GASB Cod. 2300 (pp) through (jjj) contains additional disclosure requirements that may be applicable to certain agencies. These disclosures should be included as applicable.</p>	<p>YES _____ NO _____ N/A _____</p> <p>Comments:</p> <p>Page Ref:</p>

<p>(rr) Did the agency (especially counties, municipalities, and school districts) include required GASBS 77 tax abatement disclosures when applicable as required by GASB Cod. Sec. 2300.107(kkk)?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(4) If the beginning net position or fund balance was restated (1) due to prior period adjustment for correction of an error, or (2) for the cumulative effect of a change to a new accounting principle, or (3) due to a change in the reporting entity, do the notes (a) explain the prior period adjustment, or (b) the effect of adopting the new accounting principle, or (c) the nature of the change in the reporting entity, the reason for the change, and the effect of the change on beginning net position/fund net position? (GASBS 62.62, 62.81, and 62.87 as amended by GASBS 63)</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(5) Do the notes appear in a logical order as illustrated at GASBS Cod. Sec. 2300.901?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>K. Other Accounting and Reporting Issues</p>	
<p>(1) Cash in the fund financial statements - If one fund has overdrawn its share of an internal investment pool, does that fund report an interfund liability to the fund that the government’s management deems to have loaned the amount to the overdrawn fund? Does the fund deemed to have loaned the amount report an interfund receivable from the borrowing fund? If a cash account is overdrawn in total is the balance classified as a liability pursuant to AAG SLV 5.29?</p> <p>Note that this item may not apply to State Agencies as funds that have overdrawn their share of the State General Fund Investment Pool (SGFIP) are deemed to have borrowed from the State General Fund, and not the individual agency’s general fund. Please consult the agency’s DFA SFRAB (ACFR) analyst for guidance.</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(2) Accounts Receivable Account Balances – For nonexchange transactions, is the accounts receivable amount on the government-wide statement equal to the accounts receivable amount on the fund financial statement? The answer should be “yes” (at least for the current period) because amounts that are “unavailable” are debited out of revenue and credited to deferred inflows of resources in the fund financial statements only. The account receivable amount remains the same during the conversion from accrual to modified accrual basis. (GASBS 33.103)</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(3) If the government has intangible assets were they accounted for in accordance with GASBS 51.21-.23?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(4) If the agency has an endowment fund with land or other investments in it, has the endowment fund properly reported its land and other real estate investments as required by GASBS 52? This is not applicable to lands granted by the Federal government in connection with a state being admitted to the United States.</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(5) Accrued liability for pollution remediation - If any of the five obligating events described in GASBS 49.11 occurred, did the agency estimate the components of expected pollution remediation outlays and determine whether outlays for those components should be accrued as a liability, or, if appropriate, be capitalized when goods and services were acquired?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(6) For defined benefit pension plans and defined contribution pension plans that are administered through trusts, are the GASBS 67 standards of financial reporting for separately issued financial reports and note disclosure met?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>

<p>(7) Is the general fund the only fund that reports a positive unassigned fund balance amount? Are deficit fund balances in governmental funds other than the general fund classified as negative unassigned fund balance? A negative residual amount should not be reported for restricted, committed, or assigned fund balances in any fund (GASBS 54.17 and .19)</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(8) Does the payroll liabilities amount appear reasonable based on the size of the agency and the number of employees? For example, it is unlikely that an agency with three employees would have millions of dollars in payroll liabilities. A common error made by agencies using QuickBooks and Caselle is that payroll liabilities are expensed when they are processed and then expensed a second time when the withholdings are paid. If not corrected, this can cause both liabilities and expenses to be significantly misstated.</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>L. Audit Rule Requirements</p>	
<p>(1) Is the authority (i.e., cite the specific statute, federal regulation, executive order, ordinance, etc.) for creation of each special revenue fund disclosed in the notes or in the divider page that describes the purpose of each fund? (2.2.2.10(O) NMAC, GASBS 54.32, GASB Cod. Sec. 2300.107(pp) and 1300.105).</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(2) Did the agency receive or administer any special capital outlay appropriations from the State Legislature?</p> <p>If capital outlay appropriations were received, did the financial statements of the entity recognize the transactions (revenues, expenditures, and related assets and liabilities) in accordance with GASBS 33?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(3) For state agencies only - Are all Statewide Human resources Accounting and Reporting system (SHARE) funds individually reported either as a major fund in the basic financial statements or in a combining statement in the supplementary information section? (2.2.2.12(A)(2) NMAC).</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(4) For state agencies only – If goods and services were received (as defined by GAAP) by the end of the fiscal year, but not paid for by the end of the fiscal year, an accounts payable should be reported for the respective amount due, in both the government-wide financial statements and the fund financial statements. Pursuant to 6-10-4 NMSA 1978, the “actual” expenditures in the budgetary comparison exclude any accounts payable that were not paid timely and therefore require a request to the DFA Financial Control Division to pay prior year bills out of current year budget. (2.2.2.12.(A)(3) NMAC)</p> <p>Do the accounts payable in the financial statements include the “requests to pay prior year bills with current funds” amounts; and do the actual expenditures reported in the budgetary comparisons exclude the “requests to pay prior year bills with current funds” amounts? Are the “requests to pay prior year bills with current year funds” amounts included in the related reconciliations?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(5) For state agencies only – Are the amounts due to and from other state agencies disclosed in the notes? Are the names of the state agencies, the purposes of the due to/from balances, and the SHARE fund numbers for each state agency included in the disclosure as required by 2.2.2.12(A)(14) NMAC?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(6) For state agencies only – Are inter-agency transfers (between an agency’s internal funds and the funds of other state agencies) segregated from intra-agency transfers (between funds within the agency) and fully</p>	<p>YES _____ NO _____ N/A _____ Comments:</p>

receivables/payables reported on a separate line? (GASBS 34.61 as amended by GASBS 63.8 and GASBS 65.13)	Page Ref:
(9) Do the notes disclose for each major component unit, the nature and amount of significant transactions with the primary government and other component units as required by GASBS 34.128?	YES_____ NO_____ N/A_____ Comments: Page Ref:
(10) If there are no separately issued financial statements for the component unit, are budgetary comparison schedules for the component unit's general fund and major special revenue funds that have legally adopted annual budgets included in the supplemental information section of the report? These budgetary comparison schedules are required to be audited and opined on. (AAG SLV 11.04 and 2.2.2.10(A)(1)(d) NMAC) The OSA interprets a "legally adopted budget" to exist any time the governing body approves a budget, and in every case where an entity receives federal funds, state funds, or any other "appropriated funds." (AAG SLV 11.04 and 2.2.2.10(A)(1)(d) NMAC)	YES_____ NO_____ N/A_____ Comments: Page Ref:
(11) Are the component unit audit findings included in the audit report of the primary government? (2.2.2.10(L)(7) NMAC)	YES_____ NO_____ N/A_____ Comments: Page Ref:
(12) If the primary government has component units that are omitted due to materiality, did the agency and auditor ensure that all 501(c)3 component units of the primary government with gross annual incomes in excess of \$250,000 were audited as required by 6-5A-1 NMSA 1978? (2.2.2.10(A)(1)(b) NMAC)	YES_____ NO_____ N/A_____ Comments: Page Ref:
(13) If there were any separate audit reports issued by the primary government's auditor for any of the agency's component units, were all of them submitted to the Office of the State Auditor for review by the date the primary government audit report was due? If a separate audit firm audited a component unit, was the reporting package for the component unit submitted to the State Auditor by the earlier of 15 days prior to the report due date of the primary government or any other applicable due date? Was a separate review guide and reporting package submitted to the State Auditor for each separate report of a component unit? (2.2.2.9(A)(1)(k) NMAC)	YES_____ NO_____ N/A_____ Comments: Page Ref:
(14) For component units that are organized as not-for-profit corporations in which the primary government is the sole corporate member, have the component units been included in the reporting entity financial statements using the blending method as required by GASB Cod. Sec. 2600.113(d)?	YES_____ NO_____ N/A_____ Comments: Page Ref:
O. RSI required by GAAP	
Are all RSI schedules required by any applicable GASB standard included in the report? RSI required by GAAP may include: (a) RSI required by GASBS 25, 27, 68 and/or 73 for pension plans; (b) RSI required for postemployment benefits other than pensions by GASBS 43 and/or 74 (plan) and 75 (employer); (c) Infrastructure modified approach schedules derived from the asset management system (GASBS 34.132); (d) RSI schedules required by GASBS 67 for pension plans that are administered as trusts; (e) RSI schedules required by GASBS 68 for employers that participate in pension plans administered as trusts?	YES_____ NO_____ N/A_____ Comments: Page Ref:
P. Other Supplementary Information	
(1) Special, Deficiency, Specific and Capital Outlay Appropriations: If special, deficiency, or specific and capital outlay appropriations were appropriated to the agency, is the following information disclosed in the notes or a Schedule of Special, Deficiency, Specific	YES_____ NO_____ N/A_____ Comments:

<p>and Capital Outlay Appropriations: the original appropriation, the appropriation period, expenditures to date; outstanding encumbrances; and related unencumbered balances (if applicable)? If there is an unexpended balance, does either the schedule or the note disclosure explain the accounting treatment of the unexpended balance? (2.2.2.10(R)(2) NMAC)</p>	<p>Page Ref:</p>
<p>(2) For counties only: does the audit report include the following schedules: 1) a “Tax Roll Reconciliation of Changes in the County Treasurer’s Property Taxes Receivable” showing the June 30th receivable balance and a breakout of the receivable for the most recent fiscal year ended, and a total for the previous nine fiscal years; and 2) a “County Treasurer’s Property Tax Schedule” showing by property tax type and agency, the amount of taxes levied; collected in the current year; collected to-date; distributed in the current year; distributed to-date; the amount determined to be uncollectible in the current year; the uncollectible amount to-date; and the outstanding receivable balance at the end of the fiscal year? If the county does not have a system set up to gather and report the necessary information, was a finding reported? (2.2.2.12(D) NMAC)</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(3) For housing authorities only: Does the audit report include a Financial Data Schedule? If there are material differences between the schedule and the financial statements, are the differences reconciled and explained in notes to the schedule? (2.2.2.12(B)(5)(a) NMAC).</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(4) For School Districts and REC’s – Does the audit report include a cash reconciliation schedule that reconciles the cash balances as of the end of the previous fiscal year to the cash balances as of the end of the current fiscal year? Does the schedule account for cash in the same categories used by the District or REC in its monthly cash reports to the PED? If there are differences in cash per the agency financial statements and the cash per the agency’s accounting records, did the IPA provide the adjusting entries to the agency to reconcile cash per the financial statements to cash per the accounting records? If the cash per the agency accounting records differed from the cash amount per the agency reports to PED in the monthly cash report, did the IPA write a finding stating that the PED reports do not reconcile to the agency records? (2.2.2.12(C)(2)(d) and (3)(b) NMAC)</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(5) If the audit report includes a statistical section (in a ACFR or non-ACFR report), does it comply with the GASBS 44.6 requirements to include the five categories of information: financial trends; revenue capacity; debt capacity; demographic and economic; and operating?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>(6) Does the Schedule of Expenditures of Federal Awards (SEFA) include the required information listed below? § 200.511 CFR 2021</p>	
<p>a. Does the SEFA list individual federal programs by federal agency? (AAG GAS 7.08)</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>b. For federal programs included in a cluster of programs, does the SEFA provide the cluster name, list individual federal programs within the cluster of programs, and provide the applicable federal agency name? For research and development, are the total federal awards expended shown either by individual award of by federal agency and</p>	<p>YES _____ NO _____ N/A _____ Comments:</p>

major subdivision within the federal agency (AAG GAS 7.08)	Page Ref:
c. For federal awards received as a subrecipient, does the schedule include the name of the pass-through entity and the identifying number assigned by the pass-through entity? (AAG GAS 7.08)	YES____ NO____ N/A____ Comments: Page Ref:
d. Does the schedule provide the total federal awards expended for each individual federal program and the assistance listing number or other identifying number when the assistance listing number is not available? (AAG GAS 7.08)	YES____ NO____ N/A____ Comments: Page Ref:
e. Are all noncash awards presented on the face of the schedule? (AAG GAS 7.08 and 7.17)	YES____ NO____ N/A____ Comments: Page Ref:
f. Does the schedule include the total amount of federal awards expended for loan or loan guarantee programs? (AAG GAS 7.20)	YES____ NO____ N/A____ Comments: Page Ref:
g. Does the schedule include the total amount provided to subrecipients from each federal program? (AAG GAS 7.08)	YES____ NO____ N/A____ Comments: Page Ref:
h. Do the notes to the schedule describe the significant accounting policies used in preparing the schedule, include year-end loan balances, and note whether or not the auditee elected to use the 10-percent de minimis indirect cost rate? (AAG GAS 7.09)	YES____ NO____ N/A____ Comments: Page Ref:
i. Do the notes to the schedule include the balances of loan and loan guarantee programs (loans) outstanding at the end of the audit period for those loans described in 2 CFR 200.502(b)? (AAG GAS 7.09)	YES____ NO____ N/A____ Comments: Page Ref:
j. If a Single Audit was performed did the auditor use the criteria listed in AAG GAS 8.21 to determine whether the auditee is low risk?	YES____ NO____ N/A____ Comments: P
(13) Single Audit Percentage of Coverage Rule- AAG GAS 8.17 For an auditee that did not meet the criteria for a low risk auditee, did the auditor audit federal programs as major programs such that the total federal awards expended in the major programs, in the aggregate, encompass at least 40 percent of the total federal awards expended? If the auditee met the criteria for a low-risk auditee, did the auditor audit as major programs federal programs with federal awards expended that, in the aggregate, encompass at least 20 percent of the total federal awards expended?	YES____ NO____ N/A____ Comments:
(14) Does the audit report include a supplementary schedule or note that discloses the collateral pledged by each bank and savings and loan that is a depository for public funds? The schedule should disclose the type of security, security number, CUSIP number, fair market value, and maturity date. (2.2.2.10(P)(4)(a) NMAC)	YES____ NO____ N/A____ Comments: Page Ref:
(15) Do the amounts reported in the notes and schedules agree to the amounts reported in the financial statements, including the reconciliations in the basic financial statements?	YES____ NO____ N/A____ Comments: Page Ref:
(16) Have all the financial statements, notes and schedules been footed and cross-footed for clerical accuracy?	YES____ NO____ N/A____ Comments: Page Ref:

<p>Q. Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i></p>	
<p>(1) Does the report follow the relevant example (Examples 4-3 through 4-9) from AAG GAS 4.89? Please indicate as a comment which example was followed.</p>	<p>YES_____ NO_____ N/A_____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(2) Was the first paragraph of the report modified as follows (modifications in bold) to address the requirements of the 2021 Audit Rule?</p> <p>We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the aggregate remaining fund information, and the budgetary comparisons of the general fund and major special revenue funds of the [the agency], as of and for the year ended June 30, 20XX, and the related notes to the financial statements, which collectively comprise [the agency’s] basic financial statements and have issued our report thereon dated month day, 20XX.</p>	<p>YES_____ NO_____ N/A_____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(3) Were findings required by 12-6-5 NMSA 1978 that do not rise to the level of a significant deficiency or are classified as “other matters” included in the Compliance and Other Matters paragraph? (AAG GAS 4, Example 4-3, FN 38).</p>	<p>YES_____ NO_____ N/A_____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>R. Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance</p>	
<p>(1) Does the report follow the relevant example (Examples 13-1 through 13-6) from AAG GAS 13.66? Please indicate as a comment which example was followed. Note that 2.2.2.10(A)(2)(e) NMAC requires the auditor to give an “in relation to” opinion on supplemental information schedules including the SEFA. In addition, AAG GAS recommends the auditor reporting on the schedule of expenditures of federal awards in the report as supplementary information on the report on the financial statements (AAG GAS 13.13).</p>	<p>YES_____ NO_____ N/A_____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>S. Schedule of Findings and Questioned Costs (required for every Uniform Guidance compliance audit per AAG GAS 13.34)</p>	
<p>(1) Does the report include a “Schedule of Findings and Questioned Costs”? (AAG GAS 13.34)</p>	<p>YES_____ NO_____ N/A_____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>(2) Does the Schedule of Findings and Questioned Costs begin with a Summary of Auditor’s Results section containing the following elements, where applicable? (AAG GAS 13.35)</p>	<p>YES_____ NO_____ N/A_____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>a. The type of report the auditor issued on the financial statements of the agency: unmodified; qualified opinion; adverse opinion; or disclaimer of opinion?</p>	<p>YES_____ NO_____ N/A_____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>b. A statement regarding whether any significant deficiencies or material weaknesses in internal control were disclosed by the audit of the financial statements.</p>	<p>YES_____ NO_____ N/A_____</p> <p>Comments:</p> <p>Page Ref:</p>
<p>c. A statement regarding whether the audit disclosed any non-compliance that is material to the financial statements.</p>	<p>YES_____ NO_____ N/A_____</p> <p>Comments:</p> <p>Page Ref:</p>

noncompliance”; “other noncompliance”; or “other matters”. Does each finding have this required information?	Page Ref:
(4) If the audit firm entered into any professional services contract with the agency, or if the scope of work on any engagement the agency entered into with any IPA related to fraud, waste or abuse, did the agency obtain the prior written approval of the State Auditor before accepting the services of the proposed engagement? (2.2.2.8(L)(1)-(2) NMAC) If the required prior written approval was not obtained, did the auditor write a related finding as required by 2.2.2.10.L(5) NMAC?	YES____ NO____ N/A____ Comments: Page Ref:
(5) Are the findings presented in sufficient detail and do they include the following information: Condition, Criteria, Effect, Cause, Recommendation, and Agency Response? ((2.2.2.10.L(1)(d)) NMAC)	YES____ NO____ N/A____ Comments: Page Ref:
(6) Do the finding reference numbers for single audit findings reported on the data collection form match those reported in the schedule of findings and questioned costs and the applicable auditor’s report.	YES____ NO____ N/A____ Comments: Page Ref:
(7) For all federal award findings, is the information required by 2 CFR 200.516(b) included in the finding? (AAG GAS 13.42)	YES____ NO____ N/A____ Comments: Page Ref:
(8) For each finding, are the facts and amounts supporting the deficiency clearly identified in the condition paragraph? Is information included that provides a proper perspective for judging the prevalence and consequences of the audit findings, such as whether the findings represent an isolated instance or a systemic problem? Where appropriate, are instances identified in the finding related to the universe and the number of cases examined, and quantified in terms of dollar value? (2 CFR 200.516(b)) Does the condition on each repeated or modified prior year finding include management’s progress or lack of progress towards implementing the prior year corrective action plan as required by 2.2.2.10(L)(1)(d)(i) NMAC?	YES____ NO____ N/A____ Comments: Page Ref:
(9) If applicable, are questioned costs identified, including how they were computed? (AAG GAS 13.42)	YES____ NO____ N/A____ Comments: Page Ref:
(10) Is the criteria or specific requirement upon which each audit finding is based, including the statutory, regulatory, or other reference, reported in the criteria paragraph? (AAG GAS 13.42)	YES____ NO____ N/A____ Comments: Page Ref:
(11) For each finding, does the effect paragraph explain the impact or potential impact of the difference between the situation that exists (condition) and the required or desired state (criteria)? Is there a clear, logical link to establish the impact or potential impact of the difference between the condition and the criteria? (AAG GAS 13.42)	YES____ NO____ N/A____ Comments: Page Ref:
(12) Does the cause paragraph of each finding explain the reason for difference between the situation described in the “condition” and the required or desired state described in the “criteria”? Common factors include poorly designed policies, procedures, or criteria; inconsistent, incomplete, or incorrect implementation; or factors beyond the control of program management. A properly determined cause will facilitate an appropriate recommendation. (AAG GAS 13.42)	YES____ NO____ N/A____ Comments: Page Ref:
(13) Do the finding recommendations for each finding address each condition and cause, and how they are to prevent future occurrences of the deficiencies identified in the finding? (2.2.2.10(L)(1)(d)(v) NMAC and AAG GAS 13.42)	YES____ NO____ N/A____ Comments: Page Ref:
(14) Are views of responsible officials and management’s planned corrective actions, including a timeline and designation of what employee position(s) are responsible for meeting deadlines in the timeline	YES____ NO____ N/A____ Comments:

included in the agency response paragraph? (2.2.2.10(L)(1)(d)(vi) NMAC, and AAG GAS 13.42-43)	Page Ref:
(15) If management's response or planned corrective actions did not adequately address the auditors' recommendations, did the auditor state his/her reasons for disagreeing with the management response or planned corrective actions in an "Auditor's Rebuttal"? (GAGAS 6.59 and AAG GAS 13.44)	YES____ NO____ N/A____ Comments: Page Ref:
(16) If the data collection form and the reporting package were not submitted to the federal clearing house within the earlier of 30 days after receipt of the auditor's reports or 9 months after the fiscal year end (unless a longer period is agreed to in advance by the cognizant or oversight agency), did the auditor consider the late submission in risk determination (CFR 200.519 and 200.520)? Was a finding for non-compliance reported (as required per 12-6-5 (A) NMSA 1978)	YES____ NO____ N/A____ Comments: Page Ref:
(17) Were the findings separated into three sections (if applicable); (1) for the financial statement findings required by GAGAS; (2) for the Federal award findings and questioned costs required by Uniform Guidance as described above (AAG GAS 13.35 and 13.39); and (3) for findings required by 12-6-5 NMSA 1978 and 2.2.2.10 (L) (1) (c) NMAC?	YES____ NO____ N/A____ Comments: Page Ref:
(18) Are audit findings that relate to both (1) the financial statements and (2) the federal awards reported in both sections, with the reporting in one section of the schedule in summary form with a reference to the more detailed reporting in the other section of the schedule? (AAG GAS 13.35(c)(ii))	YES____ NO____ N/A____ Comments: Page Ref:
(19) Is the status of all prior year findings and all findings from special audits performed under the oversight of the state auditor included in "the summary schedule of prior audit findings"? Does the summary schedule include the prior year finding number, the title, and whether the finding was resolved, repeated or repeated and modified in the current year and no other information? (2.2.2.10(L)(2)(a) NMAC)	YES____ NO____ N/A____ Comments: Page Ref:
(20) Are all findings, if applicable, from special audits performed under the oversight of the state auditor included in the findings of the annual financial and compliance audits of the related fiscal year? (2.2.2.10(L)(2)(a) NMAC)	YES____ NO____ N/A____ Comments: Page Ref:
(21) Upon discovery of any violation of a criminal statute in connection with financial affairs, an agency or IPA is required to notify the state auditor in writing immediately. Were indications of fraudulent or illegal acts of a criminal nature or other sensitive matters affecting federal awards or other funds noted during the audit? If a violation of a criminal statute was discovered, did the auditor or the agency report these matters in a letter to the Office of the State Auditor as required by 2.2.2.10(N)(2) & (3) NMAC and 12-6-6 NMSA 1978?	YES____ NO____ N/A____ Comments: Page Ref:
(22) If the IPA prepared the financial statements for management's review and approval, were the requirements of 2.2.2.10(D)(4) NMAC met? Did the auditor document his/her evaluation of threats to independence and safeguards applied in accordance with the conceptual framework for independence at GAGAS 3.33? (GAGAS 3.64 to 3.106 and AAG GAS 2.27)	YES____ NO____ N/A____ Comments: Page Ref:
U. Exit Conference	
A. Are the date of the exit conference and the names and titles of those in attendance at the exit conference listed on the last page of the audit report? (2.2.2.10(M)(1) NMAC)	YES____ NO____ N/A____ Comments: Page Ref:

<p>B. If there are component units, was a representative of each component unit present at the exit conference or was a separate exit conference held for each component unit as required by 2.2.2.10(M)(1) NMAC?</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>C. If a quorum of a public body subject to the Open Meetings Act was present at the exit conference, was the exit conference held in a closed meeting to preserve the confidentiality of the information? If so, the disclosure should state that it was held in a closed session. If not, is there a related finding for noncompliance with the Open Meetings Act? (2.2.2.10(M)(4) NMAC)</p>	<p>YES _____ NO _____ N/A _____ Comments: Page Ref:</p>
<p>V. Management Representation Letter</p>	
<p>A. Are the following representations included in the management representation letter?</p>	
<ul style="list-style-type: none"> • We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated XX/XX/XX, for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP. (AU-C 580.10) 	<p>YES _____ NO _____ N/A _____ Comments:</p>
<ul style="list-style-type: none"> • We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. (AU-C 580.10) 	<p>YES _____ NO _____ N/A _____ Comments:</p>
<ul style="list-style-type: none"> • Management has provided the auditor with all relevant information and access, as agreed upon in the terms of the audit engagement. (AU-C 580.11) 	<p>YES _____ NO _____ N/A _____ Comments:</p>
<ul style="list-style-type: none"> • Management has recorded all transactions and they are reflected in the financial statements. (AU-C 580.11) 	<p>YES _____ NO _____ N/A _____ Comments:</p>
<p>B. If the auditor provided the agency with nonaudit services (formatting the working trial balances, recommending adjusting journal entries, updating the depreciation schedules, drafting the financial statements, etc.) is there management representation stating that management acknowledges its responsibilities as it relates to nonaudit services performed by the auditor, including a statement that it assumes all management responsibilities; that it oversees the services by designating an individual preferably within senior management who possesses suitable skill, knowledge, or experience; that it evaluates the adequacy and results of the services performed; and that it accepts responsibility for the results of the services the agency designated an individual with suitable skill, knowledge, or experience to oversee the nonaudit services and that management made all the management decisions and performed all of the management functions, and that management reviewed, approved, and accepted responsibility for those financial statements and related notes? (AAG GAS 3.671 (k) and 3.68)</p>	<p>YES _____ NO _____ N/A _____ Comments:</p>
<p>C. For Single Audits Only - does the management representation letter include the applicable management representations below that are required by AU-C 935.23?</p> <ul style="list-style-type: none"> • Management is responsible for understanding and complying with the compliance requirements; • Management is responsible for the design, implementation, and maintenance of controls that provide reasonable assurance that the entity administers government programs in accordance with the compliance requirements; • Management has identified and disclosed to the auditor all of its government programs and related activities subject to the governmental audit requirement; • Management has made available to the auditor all contracts and grant agreements, including amendments, if any, and any other 	<p>YES _____ NO _____ N/A _____ Comments:</p>

<p>correspondence relevant to the programs and related activities subject to the governmental audit requirement;</p> <ul style="list-style-type: none"> • Management has disclosed to the auditor all known noncompliance with the applicable compliance requirements or stated that there was no such noncompliance; • Management believes that the entity has complied with the applicable compliance requirements (except for noncompliance it has disclosed to the auditor); • Management has made available to the auditor all documentation related to compliance with the applicable compliance requirements; • Management identified management’s interpretation of any applicable compliance requirements that are subject to varying interpretations; • Management has disclosed to the auditor any communications from grantors and pass-through entities concerning possible noncompliance with the applicable compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor’s report; • Management has disclosed to the auditor the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor’s report; • Management has disclosed to the auditor all known noncompliance with the applicable compliance requirements subsequent to the period covered by the auditor’s report or stating that there were no such known instances; and • Management is responsible for taking corrective action on audit findings of the compliance audit. 	
<p>D. Dating of the Management Representation Letter – is the management representation letter dated the same day as the auditor’s report on the financial statements, and is the written representation for all financial statements and periods referred to in the auditor’s report? (AU-C 580.20)</p>	<p>YES_____ NO_____ N/A_____</p> <p>Comments:</p>
<p>W. Standards That Will Be Implemented Soon</p>	
<ul style="list-style-type: none"> • GASBS 87 – Leases, fiscal years beginning after June 15, 2021, and all reporting periods thereafter. • GASBS 91 – Conduit Debt Obligation, reporting periods beginning after December 15, 2021 • GASBS 92 – Omnibus 2020 <ul style="list-style-type: none"> ○ Paragraphs 6 & 7 fiscal years beginning after June 15, 2021 ○ Paragraphs 8, 9, & 12 reporting periods beginning after June 15, 2021, ○ Paragraph 10, Government acquisitions occurring in reporting periods beginning after June 15, 2021 • GASBS 93 – Replacement of Interbank Offered Rates <ul style="list-style-type: none"> ○ Paragraphs 13 & 14 - fiscal years beginning after June 15, 2021 and all reporting periods thereafter • GASBS 97 – Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code 457 Deferred Compensation Plans 	

<ul style="list-style-type: none"> ○ (1) Paragraph 4 of this Statement as it applies to defined contribution pension plans, and, and other employee benefit plans and (2) paragraph 5 of the Statement are effective as of June 2020, ○ Paragraphs 6-9 are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter, and ○ All other requirements are effective for reporting periods on or after June 15, 2021. 	
<p>Note: If an entity choses to early implement one or more of the above GASB standards, please confirm that appropriate disclosures were included and provide page(s) references.</p>	<p>Comments:</p> <p>Page Ref:</p>

This review guide was completed and signed by the Audit Manager or the audit firm employee responsible for the firm’s quality control system. The reviewer hereby represents that the financial statements were presented in accordance with applicable auditing, accounting and financial reporting standards, Uniform Guidance and/or OMB Circulars, and 2.2.2 NMAC. The reviewer also represents that all the questions noted above were answered accurately, page numbers were properly referenced for all “yes” answers, and all “no” answers were fully explained or corrected.

Print Name

Print Title

Signature

Date