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New Mexico Department of Game and Fish FY23 Audit Presentation to the State Game Commission

March 8, 2024

Required Communications

Topic	Communication
Our Responsibility Under Generally Accepted Auditing Standards	<ul style="list-style-type: none">• Express an opinion on the fair presentation of the financial statements in conformity with GAAP• Plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement• Obtain an understanding of internal control over financial reporting• Utilize a risk-based audit approach• Evaluate accounting policies and significant accounting estimates• Communicate significant matters to appropriate parties
Planned Scope and Timing of the Audit	<ul style="list-style-type: none">• Performed the audit according to the planned scope and timing previously communicated during the audit entrance conference
Other Information Included in Annual Reports	<ul style="list-style-type: none">• Financial statements may only be used in their entirety• Our approval is required to use our audit report in a client prepared document• We are required to read other information and consider whether a material inconsistency exists between the other information and the financial statements



Required Communications

Topic	Communication
Significant Accounting Policies	<ul style="list-style-type: none">• Management is responsible for the accounting policies of the organization• Accounting policies are outlined in Note 2 to the financial statements• No significant changes to the accounting policies during the year• New accounting standards – GASB 96 Subscription-Based Information Technology Arrangements –None for the year ended June 30, 2023• Accounting policies deemed appropriate
Significant Accounting Estimates	<ul style="list-style-type: none">• An area of focus under a risk-based audit approach• None deemed particularly sensitive or required substantial judgments by management
Significant Financial Statement Disclosures	<ul style="list-style-type: none">• None deemed particularly sensitive
Significant Unusual Transactions	<ul style="list-style-type: none">• No significant unusual transactions



Required Communications

Topic	Communication
Supplementary Information	<ul style="list-style-type: none">• Combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards, and schedules required by OSA• Engaged to report in relation to the financial statements as a whole• Method of preparing has not changed from the prior year• Supplementary information reconciles to consolidated statements• Supplementary information is appropriate and complete in relation to our audit
Management Representation Letter	<ul style="list-style-type: none">• Management provided signed representation letter prior to finalization of the audit report
Other	<ul style="list-style-type: none">• No Passed Adjusting Journal Entry (PAJE)• No difficulties encountered in performing the audit• No issues discussed prior to retention as independent auditors• No disagreements with management regarding accounting, reporting, or other matters• No management consultations with other independent auditors• No difficult or contentious matters requiring consultations outside of the engagement team
Form and Content of the Auditors' Report	<ul style="list-style-type: none">• Unmodified



Required Communications

Topic	Communication
Significant risks of material misstatement as part of our audit planning –previously communicated	<ul style="list-style-type: none">• Volume of exchange revenue related to hunting and license fees, sales of special use stamps, penalties and fines, special hunt application fees, and miscellaneous permits• Volume of federal revenue in relation to the capital projects throughout the Department• Year 2 of GASB 87 - Leases and Implementation of GASB 96 - Subscription Based Information Technology Arrangements



Summary of Auditors' Results

Topic	Communication
Opinions Rendered	<ul style="list-style-type: none"><li data-bbox="562 252 987 281">• Auditors' Report –Unmodified<li data-bbox="562 290 1267 319">• Internal Control Over Major Programs –Unmodified
Testing of Major Federal Programs	<ul style="list-style-type: none"><li data-bbox="562 383 1228 412">• 15.605/15.611/15.626 –Fish and Wildlife Cluster

Schedule of Findings and Questioned Costs

Topic	Communication
Financial Statement Findings 2023 – 001 Accounts Payable	<ul style="list-style-type: none">• During our search for unrecorded liabilities, we noted the Department did not record expenditures nor the related liability for services rendered from April 1, 2023 – June 30, 2023 in the approximate amount of \$30,547. An entry was proposed and posted to record the expenditures and the related liability.
Major Federal Programs	<ul style="list-style-type: none">• Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).
Other Findings 2023 – 002 Statutory Deposit Requirements (Compliance and Other Matters)	<ul style="list-style-type: none">• For 2 of 23 cash receipts, the Department did not deposit the money into the state treasury before the close of the next succeeding business day after the receipt of the money. The two cash receipts total \$2,571.

Schedule of Findings and Questioned Costs

Topic	Communication
Other Findings 2023 – 003 Fuel Cards (Compliance and Other Matters)	<ul style="list-style-type: none">• We noted the following issues during our fuel card testing.<ul style="list-style-type: none">• One unauthorized purchase and lack of supporting documentation related to an oil change in the approximate amount of \$54.• Two emergency purchases exceeding \$100 in which the Vehicle Report did not contain a supervisor signature evidencing approval of the emergency purchases. The two emergency purchases totaled approximately \$414. Also, for two car wash purchases exceeding \$25, the Vehicle Report did not contain a supervisor signature evidencing approval of the car wash purchases. The two car wash purchases total approximately \$78.

Summary Schedule of Prior Audit Findings

Topic	Communication
Financial Statement Audit	<ul style="list-style-type: none"><li data-bbox="562 252 1418 279">• 2022 – 001 Controls of IT Processes – Other Matter – Resolved
Federal Award Programs Audit	<ul style="list-style-type: none"><li data-bbox="562 369 1205 396">• 2022 – 002 Disposition of Property – Resolved





Laura Beltran-Schmitz, CPA, CFE, CGFM, CICA,
Principal

State and Local Government

505.222.3526

laura.beltran-schmitz@CLAconnect.com

Jane Tinker, CPA, Director

State and Local Government

505.222.3583

jane.tinker@claconnect.com

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