

**STATE OF NEW MEXICO
COMMISSION ON THE STATUS OF WOMEN**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2016

CliftonLarsonAllen LLP



WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING



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YEAR ENDED JUNE 30, 2016**

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INDEPENDENT AUDITORS' REPORT

Members

State of New Mexico Commission on the Status of Women
and Mr. Tim Keller, New Mexico State Auditor

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the budgetary comparisons for the general fund and major special revenue funds of the State of New Mexico Commission on the Status of Women (the Commission) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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. Accordingly, we express no such opinion.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Commission as of June 30, 2016, and the respective changes in financial position and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Commission are intended to present the financial position and changes in financial position of only that portion of the governmental activities, each major fund, the aggregate remaining fund information and all respective budgetary comparisons of the State of New Mexico that is attributable to the transactions of the Commission. They do not purport to, and do not present fairly the financial position of the entire State of New Mexico as of June 30, 2016, and the changes in the financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-8 be presented to supplement the basic financial statements. 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 an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information 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 our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements as a whole. The Schedule of Vendor Information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such 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.

Members
State of New Mexico Commission on the Status of Women
and Mr. Tim Keller, New Mexico State Auditor

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2016 on our consideration of the Commission'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 the 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 Commission's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Albuquerque, New Mexico
December 16, 2016

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

The State of New Mexico Commission on the Status of Women (the Commission) Management's Discussion and Analysis (MD&A) is designed to assist the reader in focusing on significant financial issues, provide an overview of the Commission's financial activity, identify changes in the Commission's financial position (ability to address future year challenges), identify any material deviations from the financial plan and identify any fund issues of concern.

The MD&A is designed to focus on the past year's activities, resulting changes and currently known facts. Please read it in conjunction with the Commission's financial statements and notes which follow this section.

Overview of the Financial Statements

This annual report consists of three parts: 1) management's discussion and analysis, 2) the basic financial statements, and 3) notes to the financial statements.

The basic financial statements include two kinds of statements that provide different views of the Commission. The first two statements are government-wide financial statements that provide both long-term and short-term information about the Commission's overall financial status. The remaining statements are fund financial statements that focus on individual parts of the Commission's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

The MD&A should provide an objective and easily readable analysis of the government's financial activities, based on currently known facts, decisions or conditions. It should provide an analysis of the government's overall financial position and results of operations to assist users in assessing whether the financial position has improved as a result of the year's activities. Additionally, it should provide an analysis of significant changes that occur in funds and significant budget variances.

Government-wide Financial Statements. The Statement of Net Position shows the Commission's overall financial position as of June 30, 2016. This financial statement is comparable to the balance sheet in a private sector entity's set of financial statements. A Statement of Net Position differs from a balance sheet in several ways, but there is one main difference. The Commission is a government agency and a trustee of public assets rather than a company with shareholders or owners. In a private sector balance sheet, the surplus (or deficit) of assets compared to liabilities is the owners' equity. In governmental financial statements, this excess is labeled net position.

The next government-wide statement is the Statement of Activities. This statement provides information about revenue and expenditure activity throughout the course of fiscal year 2016. The statement provides the net asset balance at the beginning of the year and the balance at the end of the year. The difference between revenue and expense amounts provide for the change in net position.

The remaining financial statements report the Commission's operations in greater detail than the government-wide statements.

Fund Financial Statements. The fund financial statements provide more detailed information about the Commission's most significant funds. Funds are accounting devices that are used to keep track of specific sources of funding and spending for particular purposes.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

Overview of the Financial Statements (Continued)

The Commission has one fund type:

Governmental Funds - All of the Commission's services are included in governmental funds, which focus on (a) how cash and other financial assets that can be readily converted to cash flow in and out, and (b) the balances left at year-end that are available for spending. The governmental fund statements provide a detailed short-term view that help the user determine whether there are more or fewer financial resources that can be spent in the near future to finance the Commission's programs. Since this information does not include the additional long-term focus of the government-wide statements, reconciliation between the government-wide statements and the fund financial statements is provided for governmental-type activities.

Financial Analysis of the Commission as a Whole

Net Position: Total Commission net position for fiscal year ended June 30, 2016 is \$72,121. However, all of those assets are restricted as to the purposes they can be used for.

**Table A-1
The Commission's Net Position**

	FY 2016	FY2015	Amount Change	Total % Change
Assets:				
Current Assets	\$ 72,121	\$ 72,121	\$ -	0.00%
Total Assets	<u>\$ 72,121</u>	<u>\$ 72,121</u>	<u>\$ -</u>	0.00%
Liabilities:	\$ -	\$ -	\$ -	0.00%
Net Position:				
Restricted	72,121	72,121	-	0.00%
Total Net Position	<u>72,121</u>	<u>72,121</u>	<u>-</u>	0.00%
Total Liabilities and Net Position	<u>\$ 72,121</u>	<u>\$ 72,121</u>	<u>\$ -</u>	0.00%

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

Financial Analysis of the Commission as a Whole (Continued)

The Commission total assets are comprised of \$72,121, solely in amounts held in the State General Fund Investment Pool. These balances did not change from the prior year, as there was no activity in the Commission. There were no liabilities at June 30, 2016 or 2015, for this same reason.

Governmental Activities: The table below summarizes the Commission's activities for the fiscal years ended June 30, 2016 and 2015.

**Table A-2
The Commission's Activities**

	<u>FY 2016</u>	<u>FY 2015</u>	<u>Amount Change</u>	<u>Total % Change</u>
Revenues:				
Extinguishment of Liabilities	\$ -	\$ 20,710	\$ (20,710)	-100.00%
Total Revenues	-	20,710	(20,710)	-100.00%
Expenses:	-	-	-	100.00%
Change in Net Position	-	20,710	(20,710)	-100.00%
Net Position - Beginning	<u>72,121</u>	<u>51,411</u>	<u>20,710</u>	40.28%
Net Position - Ending	<u>\$ 72,121</u>	<u>\$ 72,121</u>	<u>\$ -</u>	0.00%

Information on Individual Funds

The Commission is responsible for the management of four individual fund accounts. In addition to the general fund, there are three special revenue funds that have specific mandated uses. The first table below lists the beginning and ending cash balances for each fund managed by the Commission.

<u>Fund Name</u>	<u>Balance, June 30, 2016</u>	<u>Balance, June 30, 2015</u>	<u>Total % Change</u>
General Fund	\$ -	\$ -	0.00%
Conference Fund	65,166	65,166	0.00%
Girls Program Fund	6,955	6,955	0.00%
Teamworks Fund	-	-	0.00%

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

The tables below list the total revenue and other financing sources for each fund managed by the Commission. There were no expenditures recognized in either fiscal year 2016 or 2015.

Fund Name	Revenue and Other Financing Sources		Total % Change
	Fiscal Year Ended June 30, 2016	Fiscal Year Ended June 30, 2015	
General Fund	\$ -	\$ -	0.00%
Conference Fund	-	669	-100.00%
Girls Program Fund	-	-	0.00%
Teamworks Fund	-	20,041	-100.00%
Total Revenues and Net Other Financing Sources	<u>\$ -</u>	<u>\$ 20,710</u>	-100.00%

Budgets, Revenue and Expenditures

There were no revenues or expenditures budgeted or recognized for the year ended June 30, 2016, as the Commission was not approved for any state appropriations, its sole funding source.

Capital Asset and Long-term Debt Activity

Capital Assets: The Commission did not hold any capital assets at June 30, 2016. All capital assets, which were fully depreciated, were transferred to the New Mexico Human Services Department in 2012.

Long-term Debt: The Commission does not hold any long-term debt and also had no long-term liabilities.

Anticipated Future Conditions and Changes

Funding for the Commission for the 2012 fiscal year was vetoed during the 2011 State of New Mexico Legislative session. Operations for the Commission ceased on July 1, 2011. Without General Fund appropriation for the 2012 fiscal year, the Commission entered into a memorandum of understanding (MOU) with the New Mexico Human Services Department (HSD) to assist and support the Commission administratively. Pursuant to NMSA 9-8-8, the Commission is administratively attached to HSD. HSD will assist and support the Commission in meeting statutory responsibilities and duties. The Commission is not expected to have future operations, as legislative priorities have shifted. It is anticipated that the state legislature will vote to formally terminate the Commission during the 2017 legislative session.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

Contacting the Commission's Financial Management

The Commission's financial statements are designed to provide our constituents and stakeholders with a general overview of the Commission's finances and to show accountability for the money it receives. If you have questions about this report or need additional information, contact the Administrative Services Division of the New Mexico Human Services Department, P.O. Box 2348, Santa Fe, New Mexico 87504-2348.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
STATEMENT OF NET POSITION
JUNE 30, 2016**

	Governmental Activities
ASSETS	
Current:	
State General Fund Investment Pool	\$ 72,121
Total Current Assets	72,121
Total Assets	\$ 72,121
NET POSITION	
Restricted	\$ 72,121
Total Net Position	\$ 72,121

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2016**

Functions/Programs	Expenses	Program Revenues Operating Grants and Contributions	Net (Expenses), Revenue and Changes in Net Position
Governmental Activities:			
General Government	\$ -	\$ -	\$ -
Total Governmental Activities	<u>\$ -</u>	<u>\$ -</u>	-
GENERAL REVENUES			
Contributions			-
CHANGE IN NET POSITION			-
Net Position - Beginning of Year			<u>72,121</u>
NET POSITION - END OF YEAR			<u>\$ 72,121</u>

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2016**

	<u>General Fund</u>	<u>Conference</u>	<u>Girls Program</u>	<u>TeamWorks</u>	<u>Total Governmental Funds</u>
ASSETS					
State General Fund					
Investment Pool	\$ -	\$ 65,166	\$ 6,955	\$ -	\$ 72,121
Total Assets	<u>\$ -</u>	<u>\$ 65,166</u>	<u>\$ 6,955</u>	<u>\$ -</u>	<u>\$ 72,121</u>
FUND BALANCES					
Restricted	\$ -	\$ 65,166	\$ 6,955	\$ -	\$ 72,121
Total Fund Balances	<u>\$ -</u>	<u>\$ 65,166</u>	<u>\$ 6,955</u>	<u>\$ -</u>	<u>\$ 72,121</u>

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2016**

TOTAL FUND BALANCE - GOVERNMENTAL FUNDS (GOVERNMENTAL FUNDS BALANCE SHEET)	\$ 72,121
NET POSITION OF GOVERNMENTAL ACTIVITIES (STATEMENT OF NET POSITION)	<u>\$ 72,121</u>

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016**

	General Fund	Conference	Girls Program	TeamWorks	Total Governmental Funds
REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-	-	-
OTHER FINANCING SOURCES	-	-	-	-	-
NET CHANGE IN FUND BALANCES	-	-	-	-	-
Fund Balances - Beginning of Year	-	65,166	6,955	-	72,121
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ 65,166</u>	<u>\$ 6,955</u>	<u>\$ -</u>	<u>\$ 72,121</u>

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2016**

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS (STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES)	<u>\$ -</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES (STATEMENT OF ACTIVITIES)	<u><u>\$ -</u></u>

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
STATEMENT OF REVENUES AND EXPENDITURES – GENERAL FUND -
BUDGET AND ACTUAL (MODIFIED ACCRUAL BASIS)
YEAR ENDED JUNE 30, 2016**

	GENERAL FUND			
	Budgeted Amounts		Actual Amounts (Budgetary GAAP Basis)	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
STATEMENT OF REVENUES AND EXPENDITURES – SPECIAL REVENUE FUNDS -
BUDGET AND ACTUAL (MODIFIED ACCRUAL BASIS)
YEAR ENDED JUNE 30, 2016**

	CONFERENCE			
	Budgeted Amounts		Actual Amounts (Budgetary GAAP Basis)	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
STATEMENT OF REVENUES AND EXPENDITURES – SPECIAL REVENUE FUNDS -
BUDGET AND ACTUAL (MODIFIED ACCRUAL BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2016**

	GIRLS PROGRAM			
	Budgeted Amounts		Actual Amounts (Budgetary GAAP Basis)	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
STATEMENT OF REVENUES AND EXPENDITURES – SPECIAL REVENUE FUNDS -
BUDGET AND ACTUAL (MODIFIED ACCRUAL BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2016**

	TEAMWORKS			
	Budgeted Amounts		Actual Amounts (Budgetary GAAP Basis)	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE	\$ -	\$ -	\$ -	\$ -

See accompanying Notes to Financial Statements.

STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 NATURE OF ORGANIZATION

The State of New Mexico Commission on the Status of Women (the Commission) was created by the Laws of 1974, Chapter 90, Subsection 1 and amended by the New Mexico Statutes Annotated, 1978 Compilation, Section 28-3-1 through 28-3-11. The Commission's purpose is to stimulate and encourage, throughout the State of New Mexico, the study and review of the status of women:

- Recommended methods of overcoming discrimination against women in public and private employment.
- Promote methods for enabling women to develop their skills, continue their education and be retained.
- Cooperate with and assist public and private entities dealing with women.
- Conduct periodic conferences throughout the State of New Mexico to apprise women of their rights and opportunities and to learn from them their needs and problems.
- Secure recognition of women's accomplishments and contributions to New Mexico.

The mission of the New Mexico Commission on the Status of Women is to increase awareness of the rights, responsibilities and interests of women and girls in New Mexico and to preserve women's history and contributions to the State. In partnership with the New Mexico State Human Services Department, the Commission administers programs directed at workforce development for adult women in accordance with the maintenance-of-effort requirements for the temporary assistance for needy family block grant program.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Financial Reporting Entity

The financial statements for the Commission have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant accounting policies established in GAAP and used by the Commission are described below.

STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GASB 14 (amended by GASB 39/61) defines the financial reporting entity as consisting of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. This definition of the reporting entity is based primarily on the notion of financial accountability as the "cornerstone of all financial reporting in government."

A primary government is any state government or general-purpose local government, consisting of all the organizations that make up its legal entity. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are, for financial reporting purposes, part of the primary government. The Commission, therefore, is part of the primary government of the State of New Mexico, and its financial data should be included with the financial data of the State.

The Audit Act, Sections 12-6-1 through 12-6-14, NMSA 1978, requires the financial affairs of every agency to be thoroughly examined and audited each year, and a complete written report to be made. Moreover, the New Mexico State Auditor requires that each agency shall prepare financial statements in accordance with accounting principles generally accepted in the United States of America.

Included within the Commission for this purpose are the following: all of the programs that are administered and/or controlled by the Commission have been included.

No entities were noted that should be considered component units of the Commission. No entities were specifically excluded from the Commission because no entities were noted as meeting any of the criteria for potential inclusion.

Basic Financial Statements – Government-wide Statements

The basic financial statements include both government-wide (based on the Commission as a whole) and fund financial statements. Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business type activities. In the government-wide Statement of Net Position, both the governmental and business-type activities columns are presented on a consolidated basis by column, and are reflected on a full accrual, economic resources basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. The Commission did not have any business-type activities during the year ended June 30, 2016.

The government-wide Statement of Activities reflects both the gross and net cost per functional category, which are otherwise being supported by general government revenues. The Statement of Activities reduces gross expenses by related program revenues, operating and capital grants. The program revenues must be directly associated with a function. The Commission includes only two functions (general government and public service).

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The net cost by function is normally covered by general revenues (intergovernmental revenues or other revenue, etc.) The Commission does not employ indirect cost allocation systems.

This government-wide focus is more on the sustainability of the Commission as an entity and the change in aggregate financial position resulting from the activities of the current fiscal period.

Basic Financial Statements – Fund Financial Statements

The emphasis in fund financial statements is on the major funds. The General Fund is required to be a major program, and the Commission has decided that since the three Special Revenue Funds are very important to the operations of the Commission, they should all be major funds. Therefore, there are no nonmajor funds. The Commission has no fiduciary funds or component units similar to fiduciary funds, but if the Commission did, they would not be included in the government-wide financial statements.

The governmental fund statements are presented on a current financial resources and modified accrual basis of accounting. This presentation is deemed appropriate to (a) demonstrate legal compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the Commission's actual experience conforms to the budget or fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is typically presented on the page following each statement, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column on the government-wide presentation. However, there were no reconciling items for the year ended June 30, 2016.

Interfund accounts, which are on the fund financial statements, would have been eliminated in the government-wide financial statements if there were any.

Basis of Presentation

The financial transactions of the Commission are maintained on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, expenditures and other financing sources or uses. Government resources are allocated to, and accounted for, in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are summarized by type in the accompanying financial statements. The various funds are reported by generic classification within the financial statements.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

GASB Statement 34 sets forth minimum criteria for the determination of major funds based on a percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or governmental and enterprise combined. All these governmental funds have been classified as major funds by the Commission after considering the criteria for major funds. Only individual governmental or individual enterprise funds can be considered for major fund status.

Governmental Fund Types. The focus of Governmental Fund measurement (in the Fund Financial Statements) is based upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the Governmental Funds of the Commission.

The Commission reports the following major governmental funds.

General Fund (04300) - The General Fund is the general operating fund of the Commission and is used to account for all financial resources not accounted for and reported in another fund. The General Fund is funded primarily by an appropriation from the State General Fund, and any unused funds at the end of the fiscal year revert back to the State General Fund.

Special Revenue Funds - The Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects. There are three special revenues funds:

Conference (08700) - New Mexico Commission on the Status of Women statutory requirements, Article 3, 28-3-2, states the Commission shall conduct periodic conferences throughout the state and secure recognition of women's accomplishments and contributions for New Mexico. These funds are received on behalf of the State from gifts, donations and bequests. Any unexpended or unencumbered balance remaining at the year end shall not revert to the State General Fund. It is a non-reverting fund per Laws of 2007, Chapter 28, Section 4, Subsection F.

Girls Program (27400) - This funding is generated by voluntary donations, ticket sales, admission fees and corporate advertisers/sponsors and is used to pay for transition conferences and the Governor's Award for Outstanding New Mexico Women awards program. Any unexpended or unencumbered balance remaining at the year end shall not revert to the State General Fund. It is a non-reverting fund per Laws of 2007, Chapter 28, Section 4, Subsection F.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

TeamWorks (38300) - Special Revenue funding is appropriated by the State of New Mexico, Human Services Department (HSD). It is known as block grant that transfers from HSD to the Commission to develop, establish and operate job placement programs for participants as defined in the New Mexico Works Act. It is a non-reverting fund per the contract between HSD and the Commission and also is totally financed by federal monies.

Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditure/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

The Government-wide Financial Statements are presented on an accrual basis of accounting. The Governmental Funds in the Fund Financial Statements are presented on a modified accrual basis.

Modified Accrual. All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which is considered within sixty days of year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

Budgets and Budgetary Accounting

When the State Legislature makes annual appropriations to the Commission's General Fund, legal compliance is monitored through the establishment of a budget and a financial control system that permits a budget to actual expenditure comparison.

Expenditures by category may not legally exceed appropriations. Budgeted line-item classifications may be amended upon approval from the State Budget Division. The basis of accounting for the budget, as appropriated by the State Legislature and approved by the State Budget Division, differs from the basis of accounting required by GAAP.

Per the General Appropriation Act, Laws of 2014, Chapter 63, Section 3, item L, "For the purpose of administering the General Appropriation Act of 2012 and approving operation budgets, the State of New Mexico shall follow the modified accrual basis of accounting for governmental funds in accordance with the manual of model accounting practices issued by the department of finance and administration." The budget is adopted on the modified accrual basis of accounting except for accounts payable accrued at the end of the fiscal year that do not get paid by statutory deadline per Section 6-10-4 NMSA 1978. Those accounts payable that do not get paid timely must be paid out of the next year's budget. Encumbrances related to single year appropriations lapse at the year-end. Appropriation periods are sometimes for periods in excess of 12 months (multiple-year appropriations).

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting (Continued)

When multiple-year appropriation periods lapse, the authority for the budget also lapses and encumbrances can no longer be charged to that budget. The legal level of budgetary control should be disclosed. There are no encumbrances outstanding at year-end.

The Commission follows these procedures in establishing the budgetary data reflected in the financial statements:

- No later than September 1, the Commission submits to the Legislative Finance Committee (LFC), and the Budget Division of the Department of Finance and Administration (DFA), an appropriation request for the fiscal year commencing the following July 1. The appropriation request includes proposed expenditures and the means of financing them.
- Budget hearings are scheduled before the New Mexico House Appropriations and Senate Finance Committees. The final outcome of those hearings is incorporated into the State's General Appropriation Act.
- The Act is signed into Law by the Governor of the State of New Mexico within the legally prescribed time limit, at which time the approved budget becomes a legally binding document.
- Not later than May 1, the Commission submits to DFA an annual operating budget by appropriation unit and account based upon the appropriation made by the Legislature. The DFA-Budget Division reviews and approves the operating budget, which becomes effective on July 1.
- Formal budgetary integration is employed as a management control device during the fiscal year for the General and Special Revenue funds.

Compensated Absences

State employees may elect to be paid for accrued sick leave in excess of 600 hours at a rate equal to 50% of their hourly rate, not to exceed 120 hours (60 net hours can be paid) per fiscal year. In the case of retiring employees, up to 400 net hours of sick leave can be paid at a rate equal to 50% of their hourly rate. The Commission has not accrued a liability for sick leave in the government-wide financial statements, as there are no employees.

In the event of termination or retirement, an employee is reimbursed for accumulated vacation up to 240 hours plus compensatory time. Accrued vacation is calculated based on pay rate plus required taxes. There is no accumulated vacation liability in these financial statements, as there are no employees.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions

In June 2012, GASB issued Statement No. 68, Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27. This Statement improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards governing accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

In January 2013, GASB issued Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment of GASB Statement No. 68. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Compliant with the requirements of Government Accounting Standards Board Statement No.68 and No.71, the State of New Mexico has implemented the standards for the fiscal year ending June 30, 2016.

The Commission, as part of the primary government of the State of New Mexico, is a contributing employer to a cost-sharing multiple employer defined benefit pension plan administered by the Public Employees Retirement Association (PERA). Overall, the total pension liability exceeds Plan net position resulting in a Net pension liability. The State has determined the State's share of the net pension liability to be a liability of the State as a whole, rather than any agency or department of the State and will not be reported in the department or agency level financial statements of the State. All required disclosures will be presented in the Comprehensive Annual Financial Report (CAFR) of the State of New Mexico.

Information concerning the net pension liability, pension expense, and pension-related deferred inflows and outflows of resources of the primary government will be contained in the General Fund and the CAFR and will be available, when issued, from the Office of State Controller, Room 166, Bataan Memorial Building, 407 Galisteo Street, Santa Fe, New Mexico, 87501.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable – Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – Amounts that can be spent only for specific purposes where constraints placed on the resources are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

Committed – Amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Legislative and Executive branches of the State.

Assigned – Amounts that are constrained by the Legislature's and Executive Branch's intent to be used for specific purposes or, in some cases, by legislation.

Unassigned – All amounts not included in other spendable classifications.

As of June 30, 2016, the Conference (08700) and the Girls Program (27400) had a positive fund balance. Fund balance in these funds has been classified as Restricted for those specific and related programs.

Use of Restricted Resources

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the State's policy to use restricted resources first. When expenditures/expenses are incurred for purposes for which unrestricted (committed, assigned and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the State's policy to spend committed resources first.

Revenues and Expenditures

Substantially all governmental fund revenues are accrued. Expenditures are recognized when the related fund liability is incurred.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Commission did not have any items that qualified for reporting in this category as of June 30, 2016.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Commission did not have any items that were required to be reported in this category as of June 30, 2016.

Net Position

The government-wide statements utilize a net position presentation categorized as follows:

Net investment in capital assets - This category reflects the portion of net position that are associated with capital assets less outstanding capital asset related debt.

Restricted net position - For the government-wide statement of net position, net position is reported as restricted when constraints placed on net position used are imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position - This category reflects net position of the Commission not restricted for any project or other purpose.

NOTE 3 COMMISSION OPERATIONS

Funding for the Commission for the 2012 fiscal year was vetoed during the 2011 State of New Mexico Legislative session. Without General Fund appropriation for the 2012 fiscal year, the Commission entered into a memorandum of understanding (MOU) with the New Mexico Human Services Department (HSD) to assist and support the Commission administratively. Pursuant to NMSA 9-8-8, the Commission became administratively attached to HSD. HSD assisted and supported the Commission in meeting statutory responsibilities and duties. As outlined in the MOU, all capital assets (as they were federally funded) were transferred to HSD. Additionally, any obligations or claims for the Commission but not known as of June 30, 2011 were deemed the responsibility of HSD. During the year ended June 30, 2016, the Commission had no operations.

The New Mexico Legislature did not approve a general fund appropriation for the 2016 fiscal year.

STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 4 STATE GENERAL FUND INVESTMENT POOL

For cash management and investment purposes, funds of various state agencies, including the Commission are deposited in the State General Fund Investment Pool (the Pool), which is managed by the Office of the New Mexico State Treasurer. Claims on the Pool are reported as assets by the various agencies investing in the Pool.

Compliant with statute 6-10-3 (NMSA 1978), and to optimize state cash management and investment practices, funds of various state agencies are deposited in the State General Fund Investment Pool (SGFIP). This pool is managed by the New Mexico State Treasurer's Office (STO). Claims on the SGFIP are reported as financial assets by the various agencies investing in the SGFIP.

Agency claims against the SGFIP and fiduciary resources held at STO to fulfill those claims were not reconciled from the inception of SHARE (the State's centralized accounting system), in July 2006 through January 2013, which caused uncertainty as to the validity of the claims and the ability of fiduciary resources to fulfill those claims. As a result of business process and systems configuration changes made during the Cash Management Remediation Project Phase I, the Board of Finance and Administration's Financial Control division began reconciling transactional activity reported by the State's fiscal agent bank to the SHARE general ledger on a point-forward basis beginning February 1, 2013. In March 2015, the Financial Control Division implemented a reconciliation process that compares statewide agency claims against the resources held in the SGFIP at STO. This process is known as the claims to resources reconciliation.

The State Controller indicated on August 8, 2016 that calculated difference between resources maintained by STO and the agency claims has remained stable and within a narrow and acceptable range (< \$200k standard deviation) over the last twelve months; resources are sufficient to cover claims and there is no need to adjust any specific business unit claim on the SGFIP and that all claims will be honored at face value.

The Commission has established monthly procedures that mitigate the risk of misstatement of the Board's balances within the Pool. In addition, as required by Section 6-5-2.1 (J) NMSA 1978, DFA/FCD is to complete, on a monthly basis, reconciliation with the balances and accounts kept by the state treasurer and adopt and promulgate rules regarding reconciliation for state agencies.

State law (Section 8-6-3 NMSA 1978) requires the Commission's cash be managed by the New Mexico State Treasurer's Office. Accordingly, the investments of the Commission consist of an interest in the State General Fund Investment Pool managed by the New Mexico State Treasurer's Office.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 4 STATE GENERAL FUND INVESTMENT POOL (CONTINUED)

At June 30, 2016, the Commission had the following invested in to the State General Fund Investment Pool:

	SHARE Fund Number	Financial Statement Balances at June 30, 2015
Interest in the State General Fund Investment Pool:		
Conference Fund	60100-0870	\$ 65,166
Girls Program	60100-2740	6,955
Total		\$ 72,121

Interest Rate Risk

The New Mexico State Treasurer's Office has an investment policy that limits investment maturities to five years or less on allowable investments. This policy is a means of managing exposure to fair value losses arising from increasing interest rates. This policy is reviewed and approved annually by the New Mexico State Board of Finance.

Credit Risk

The New Mexico State Treasurer pools are not rated. For additional GASB 40 disclosure information regarding cash held by the New Mexico State Treasurer, the reader should see the separate financial statements for the New Mexico State Treasurer's Office for the fiscal year ended June 30, 2016.

NOTE 5 PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

Plan Description

Substantially all of the Commission's full-time employees participate in a public employee retirement system authorized under the Public Employees' Retirement Act (Chapter 10, Article 11 NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, New Mexico 87504-2123. The report is also available on PERA's website at <http://www.pera.state.nm.us>.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 5 PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

Funding Policy

The contribution requirements of plan members and the Commission are established in State statute under Chapter 10, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The Commission did not make any contributions to PERA during the years ended June 30, 2016, 2015, or 2014, as there were no employees nor any required contributions.

NOTE 6 POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN

Plan Description

The Commission contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit post-employment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term health policies.

Eligible retirees are: 1) retirees who made contributions to the fund for at least five years prior to retirement and whose eligible employer made contributions during that period of time as a participant in the RHCA plan on the person's behalf, unless that person retires before the employer's RHCA effective date, in which the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the post-employment healthcare plan. That report and further information can be obtained by writing the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

**NOTE 6 POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN
(CONTINUED)**

Funding Policy

The Retiree Health Care Act (Section 10-7c-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits.

Each participating retiree pays a monthly premium according to a service based on a subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at www.nmrhca.state.nm.us. The employer, employee, and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the employer and employee contributions can be changed by the New Mexico State Legislature. Employers that choose to become participating employers after January 1, 1998, are required to make contributions to the RHCA fund in the amount determined to be appropriate by the Board.

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. During fiscal year 2014, the statute required each participating employer to contribute 2.00% of each participating employee's annual salary; each participating employee was required to contribute 1.00% of their salary. In addition, pursuant to Section 10-7C-15(G)1978, at the first session of the Legislature following July 1, 2013, the Legislature shall review and adjust distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the Authority, in order to ensure the actuarial soundness of the benefits provided under the Retiree Healthcare Act.

The Commission's did not make any contributions to the RHCA for the fiscal years ending June 30, 2016, 2015 and 2014, as there were no employees nor any required contributions.

NOTE 7 INSURANCE COVERAGE

The Commission obtains coverage through the Risk Management Division of the State of New Mexico General Services Department. This coverage includes liability and civil rights, property, vehicle, employer bond, workers' compensation, group insurance and state unemployment. These coverages are designed to satisfy the requirements of the State Tort Claims Act. All employees of the Commission are covered by blanket fidelity bond and money securities coverage by the State of New Mexico for the period July 1, 2015 through June 30, 2016.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000
JUNE 30, 2016**

<i>RFB#/RFP#</i>	<i>Type of Procurement</i>	<i>Awarded Vendor</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Name and Physical Address per the Procurement Documentation, of <u>ALL</u> Vendor(s) that Responded</i>	<i>In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)</i>	<i>Was the Vendor In-State and Chose Veteran's Preference? (Y or N) For Federal Funds, Answer N/A.</i>	<i>Brief Description of the Scope of Work</i>
None	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Members

State of New Mexico Commission on the Status of Women
and Mr. Tim Keller, New Mexico State Auditor

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, each major fund, and the budgetary comparisons of the general fund and major special revenue funds of the State of New Mexico Commission on the Status of Women (the Commission), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated December 16, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Members
State of New Mexico Commission on the Status of Women
and Mr. Tim Keller, New Mexico State Auditor

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Audit Findings and Responses as findings 2016-001 and 2016-002.

The Commission's Responses to Finding

The Commission's response to the finding identified in our audit is described in the accompanying Schedule of Audit Findings and Responses. The Commission's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Albuquerque, New Mexico
December 16, 2016

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
SCHEDULE OF AUDIT FINDINGS AND RESPONSES
JUNE 30, 2016**

SECTION I – FINANCIAL STATEMENT FINDINGS

There were no material weaknesses identified for the year ended June 30, 2016.

SECTION II– OTHER FINDINGS

Finding 2016-001 (formerly Finding 2014-004) Non-compliance with Section 28-3-1 NMSA 1978 (Compliance and Other Matters)

Condition: The Commission does not have a functioning oversight board and operations have ceased.

Management's Progress for Repeat Findings: Management worked with the New Mexico Department of Finance and Administration (DFA) and the New Mexico Office of the State Auditor during fiscal year 2016 to address the noncompliance through either dissolving the Commission or moving the Commission to another state agency. However, as of the date of these financial statements, these efforts were unsuccessful. Management will continue to emphasize the matter to DFA and the state legislature for consideration in the upcoming FY17 legislative session.

Criteria: Section 28-3-1 NMSA 1978 created the "commission on the status of women". The commission is to consist of fifteen members, including one member of the human rights commission, representative of all fields of interest to women. Members shall be appointed by the governor. Members of the first commission shall be appointed for staggered terms, five ending on December 31, 1975 and five on December 31 of each of the following two years. Thereafter, appointments shall be for terms of three years or less made in such manner that the terms of five members expire on December 31 of each year. At least one member shall be appointed from, and reside in, each planning and development district. A majority of the members appointed shall be women and no more than eight members shall belong to any one political party.

Cause: The Commission does not have any employees or a governing board. Activities have essentially ceased at the Commission.

Effect: Non-compliance with Section 28-3-1 NMSA 1978.

Recommendation: We recommend that the New Mexico Department of Human Services, to which the Commission is administratively attached, work closely with the Governor's staff and members of the State Legislature to determine whether the commission should be reinstated or whether future legislation should be written to no longer require that the commission exist.

Management's Response: Management agrees. The ASD Director/CFO at the Human Services Department will work with the State Legislature leading up to and during the 2017 legislative session (January of 2017) to dissolve the Commission.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
SCHEDULE OF AUDIT FINDINGS AND RESPONSES
JUNE 30, 2016**

SECTION II– OTHER FINDINGS (CONTINUED)

Finding 2016-002 (formerly Finding 2015-001) Late Audit Report Submission (Other Matter)

Condition: The Commission's audited financial statements were not submitted to the New Mexico State Auditor until December 16, 2016.

Management's Progress for Repeat Findings: Management had hoped to obtain a waiver for the 2016 audit due to the Commission not having any activity during the year. However, such a waiver was not obtained, and it was determined in late November that the audit would indeed need to occur. If the Commission is not dissolved or transferred to another agency during 2017, management will ensure that the audited financial statements are submitted by the 2017 deadline.

Criteria: Per 2.2.2.9(f) NMAC, the deadline for audited financial statement submission for state agencies was December 1, 2016.

Cause: The audit contract was not able to be processed in time to meet the audit deadline of December 1, 2016. The contract process was initiated late because management was attempting to obtain a waiver for the 2016 audit.

Effect: Non-compliance with Section 28-3-1 NMSA 1978.

Recommendation: We recommend that the Commission, through its administrative attachment to New Mexico Human Services Department, work with the legislature to dissolve the Commission so that future audits are not required.

Management's Response: Management agrees. The ASD Director at the Human Services Department will work with the State Legislature to dissolve the Commission during the upcoming legislative session in January of 2017.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
JUNE 30, 2016**

SECTION I – FINANCIAL STATEMENT FINDINGS

Finding 2011-001 Control Environment (Material Weakness) – Resolved

Condition: Funding for the Commission was vetoed during the 2011 Legislative Session, resulting in the dissolution of the Commission for fiscal year 2012. The Commission entered into a Memorandum of Understanding (MOU) with the Human Services Department (HSD) to close the prior fiscal year 2011 and to assist with administrative and accounting responsibilities. During 2015, there was little activity in the Commission due to the lack of funding, and there were no employees in place at any time during the year.

Finding 2015-002 Improper Fund Balance Adjustments (Material Weakness) – Resolved

Condition: During the year ended June 30, 2015, liabilities held in the Conference and TeamWorks funds, which did not have any cash or investment balances, were extinguished through adjustments to fund balances. However, these liabilities were not reported in error at June 30, 2014, therefore prior-period adjustments are not appropriate in this situation.

SECTION II – OTHER FINDINGS

Finding 2015-001 (Currently Finding 2016-002) Late Audit Report Submission (Compliance and Other Matters) - Repeated

Condition: The Commission's audited financial statements were not submitted to the New Mexico State Auditor until September 30, 2016.

2014-004 (Currently Findings 2016-001) Non-compliance with Section 28-3-1 NMSA 1978 (Compliance and Other Matters) - Repeated

Condition: The Commission does not have a functioning oversight board and operations have ceased.

**STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
EXIT CONFERENCE
JUNE 30, 2016**

An exit conference was held with management on December 16, 2016. The exit conference was held in a closed meeting to preserve the confidentiality of the audit information prior to the official release of the financial statements by the State Auditor. In attendance were:

STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN

Danny Sandoval, ASD Director, New Mexico Human Services Department
Carolee Graham, Deputy ASD Director, New Mexico Human Services Department

CLIFTONLARSONALLEN LLP

Ryan Jones, CPA, Director

The financial statements presented in this report have been prepared by the independent auditor. However, they are the responsibility of management, as addressed in the Independent Auditor's Report. Management reviewed and approved the financial statements.