Martin Luther King, Jr. Commission

ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2018

THIS PAGE INTENTIONALLY LEFT BLANK

Introductory Section

Martin Luther King, Jr. Commission
Official Roster
June 30, 2018

Name	Title
Commission	
Oscar Robinson	Chairman
Colonel Raphael Warren	Member
Rev. Garland Moore	Member
Sergeant Major Joseph Davis	Vice Chair
Maggie Toulouse Olivier	Member
Rev. Donald Sawyer	Member
Doris A. Page, MD	Member
Bobbie Green, PhD	Member
Suzette Shije	Member
Samantha Fenrow	Member
Sandy Jones	Commissioner
Tim Eichenberg	Member
Administrative Officials	
Leonard Waites	Executive Director

Report

INDEPENDENT AUDITORS' REPORT

Brian S. Colón
New Mexico State Auditor
The Martin Luther King Jr. Commission
Albuquerque, New Mexico

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major fund, and the budgetary comparison of the general fund of the State of New Mexico Martin Luther King Jr. Commission (the "Commission"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Commission'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.

Auditor's 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 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. 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, the major fund, and the budgetary comparison of the general fund of the Commission as of June 30, 2018, and the respective changes in financial position 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 the changes in financial position of only that portion of the governmental activities that are attributable to the transactions of the Commission. They do not purport to, and do not, present fairly the financial position of the State of New Mexico as of June 30, 2018, and the changes in its financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by the missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the basic financial statements, the individual fund financial statements, and the budgetary comparisons that collectively comprise the Commission's basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2020, 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 mattes. 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 Commission's internal control over financial reporting and compliance.

Assurance Tax Accounting P.C.

Assurance Tax Accounting P.C.
Albuquerque, New Mexico
September 28, 2020

Financial Statements

STATE OF NEW MEXICO
Martin Luther King, Jr. Commission
Statement of Net Position

June 30, 2018

			Governmental Activities
ASSETS			
Investment in State General Fund Investment Pool		$	97,578
Due from other state agencies			-
Total assets		$	97,578
LIABILITIES			
Accounts payable		$	58,029
Payroll benefits payable			1,716
Payroll taxes payable			960
Accrued salaries			2,779
Due to other state agencies			300
Due to state general fund			33,794
Compensated absences:			
Due Within one year	777		
Due After one year	3,783		
Subtotal Compensated Absences			4,560
Total liabilities			102,138
NET POSITION			
Net investment in capital assets			-
Restricted (Due to state General Fund)			-
Unrestricted			(4,560)
Total net position			(4,560)
Total Liabilities and Net Position		$	97,578

The accompanying notes are an integral part of the financial statements.

STATE OF NEW MEXICO
Martin Luther King, Jr. Commission
Statement of Activities

For the Year Ended June 30, 2018

	Governmental Activities
Expenses:	
Health & Welfare	$ 259,388
Total program expenses	259,388
General revenues:	
State general fund appropriation	293,100
Transfer in interagency	-
Reversions	(33,794)
Total general revenues	259,306
Change in net position	(82)
Net position, beginning	(4,478)
Net position, ending	$ (4,560)

The accompanying notes are an integral part of the financial statements.

STATE OF NEW MEXICO
Martin Luther King, Jr. Commission
Balance Sheet - Governmental Funds

June 30, 2018

		General Fund
ASSETS		
Investment in State General Fund Investment Pool	$	97,578
Due from other state agencies		-
Total assets	$	97,578
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
Liabilities:		
Accounts payable	$	58,029
Payroll benefits payable		1,716
Payroll taxes payable		960
Accrued salaries		2,779
Due to other state agencies		300
Due to state general fund		33,794
Total liabilities		97,578
Deferred inflows of resources:		
Unavailable revenue		-
Fund balances:		
Unassigned:		-
Total fund balances		-
Total liabilities, deferred inflows of resources and fund balances	$	97,578

The accompanying notes are an integral part of the financial statements.

STATE OF NEW MEXICO
Martin Luther King, Jr. Commission
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

June 30, 2018

Amounts reported for governmental activities in the statements of net position are different because:

Total fund balances - Governmental funds	$	0
Long-term liabilities, including net pension liability, are not due and payable in the current period and therefore are not reported in the government funds.		
Accrued compensated absences		(4,560)
Net position of governmental activities	$	(4,560)

The accompanying notes are an integral part of the financial statements.

STATE OF NEW MEXICO
Martin Luther King, Jr. Commission
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds

June 30, 2018

		General Fund
Expenditures:		
Health & Welfare		
Current:		
Personnel services	$	142,827
Contractual services		17,929
Other costs		98,550
Total expenditures		259,306
Excess (deficiency) of revenues over expenditures		(259,306)
Other financing sources (uses)		
State general fund appropriation		293,100
Transfer in interagency		-
Reversions		(33,794)
Total other financing sources (uses)		259,306
Net change in fund balance		-
Fund balance, beginning		-
Fund balance, ending	$	-

The accompanying notes are an integral part of the financial statements.

STATE OF NEW MEXICO
Martin Luther King, Jr. Commission
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities

For the Year Ended June 30, 2018

		General Fund
Net change in fund balance - governmental funds	$	-
Amounts reported in the Statement of Activities are different because:		
Compensated absences expense - decrease (increase) by this amount during FY18		(82)
Change in net position of governmental activities	$	(82)

The accompanying notes are an integral part of the financial statements.

All General Fund Accounts
Statement of Revenues and Expenditures - Budget and Actual
For the Year Ended June 30, 2018

	Budgeted Amounts			Variance Favorable (Unfavorable)
	Original	Final	Actual	Final to Actual
Revenues:				
Miscellaneous revenue	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
Expenditures:				
Health & Welfare				
Current:				
Personnel services	143,300	143,300	142,827	473
Contractual services	12,300	39,300	17,929	21,371
Other costs	137,500	110,500	98,550	11,950
Total expenditures	$ 293,100	$ 293,100	$ 259,306	$ 33,794
Excess (deficiency) of revenues over expenditures	(293,100)	(293,100)	(259,306)	33,794
Other financing sources (uses)				
State general fund appropriation	285,267	293,100	293,100	-
Transfer in interagency	-	-	-	-
Total other financing sources (uses)	285,267	293,100	293,100	-
Net change in fund balance (budgetary basis)	$ (7,833)	$ -	$ 33,794	$ 33,794

Net change in fund balance (budgetary basis)	$ 33,794
Reversion omitted from budgetary basis	(33,794)
Net change in fund balance GAAP basis	$ -

The accompanying notes are an integral part of the financial statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Martin Luther King, Jr. Commission (the "Commission") is presented to assist in the understanding of the Commission's financial statements. The financial statements and notes are the representation of the Commission's management who is responsible for their integrity and objectivity. The financial statements of the Commission have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to agencies of the government. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Commission's accounting principles are described below.

Reporting Entity

The Commission was established under the Laws of 1991, Chapter 252 and received its first State General Fund appropriation in 1993. Its activities are, as noted in Section 28-19-1 through 28-19-4 NMSA, 1978 Compilation, to develop, promote, coordinate, and review statewide plans and activities for the annual commemoration and celebration of the birthday of Martin Luther King, Jr. in accordance with Section 12-5-2 NMSA, 1978 Compilation. The Commission also takes an active role in promoting Dr. King's principles of nonviolence in the schools. The Commission sponsors "Youth Against Violence Symposiums" in schools and distributes *Dr. King's Infusion Model for Teaching Nonviolent Principles in School*.

The Commission is a department of the primary government, the State of New Mexico. These financial statements present the financial position and changes in financial position of that portion of the governmental activities, each major fund, and aggregate remaining fund information of the State that is attributable to the transactions of the Commission.

Based upon the application of the criteria in GASB Statements No. 14, No. 39, and No. 61, the Commission had no component units as of June 30, 2018.

Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Commission. There is no effect from interfund activity that needs elimination because the Commission has only one fund. The Commission's governmental activities are supported by general fund appropriations from the State of New Mexico. The Commission has no business-type activities.

Government-wide and fund financial statements

The statement of net position and the statement of activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, Accounting and Financial Reporting for Non-exchange Transactions.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and fund financial statements (Continued)

In the government-wide statement of net position, the governmental activities column is reported on a full accrual, economic resource basis, which recognized all long-term assets and receivables as well as long-term debt obligations. The Commission's net position amounts are reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. The Commission's general fund appropriations are shown as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The Commission did not have any funds classified as proprietary or fiduciary for the year ended June 30, 2018.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual* basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements of time, reimbursement and contingencies imposed by the provider are met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual* basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Commission considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The Commission reports the following major governmental fund:

The General Fund is the Commission's operating fund. Its fund number in the Statewide Human Resource Accounting and Management Reporting System (SHARE) is fund 06000. It is used to account for resources traditionally associated with government that are not required legally or by sound financial management to be accounted for in some other fund. The general fund is a reverting fund.

Assets, Liabilities and Net Position or Fund Balances

Cash and Investments

For the fiscal year ended June 30, 2018, all of the Commission's cash was maintained on deposit with the State Treasurer's General Fund Investment Pool (SGFIP). The State Treasurer has the authority to invest money held in demand deposits and not immediately needed for the operation of state government in securities in accordance with Sections 6-10-10 I through O, NMSA 1978 as amended.

Capital Assets and Depreciation

Capital assets of the Commission include information technology equipment (computers and peripherals, all equipment related to electronic communications and software). The Commission does not have any infrastructure. Capital assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The cost of maintenance and repairs that do not add to the asset value or materially extend assets lives are not capitalized. The Commission does not undertake major capital projects involving interest costs during the construction phase. There is no debt related to the Commission's capital assets. Pursuant to Section 12-6-10 NMSA 1978, movable chattels and equipment costing more than $5,000 are capitalized. Capital assets of the Commission are depreciated using zero salvage value and the straight-line method over the following estimated useful lives:

Classification	Depreciable Life
Information technology equipment	5 years

Compensated Absences

Annual leave and other compensated absences with similar characteristics are accrued as a liability as benefits are earned by employees if: the employees' right to receive compensation is attributable to services already rendered; and it is probable that the employer will compensate employees for benefits through paid time off or some other means, such as cash payments at termination or retirement.

When applicable, the compensated absence liability is presented in two parts in the government-wide financial statements, a current portion and long-term portion. The current portion is the amount *estimated* to be expended during fiscal year 2019.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Fund Balances (Continued)

Fund Balance Classification Policies and Procedures

In the governmental fund financial statements, fund balances are classified as non-spendable and spendable (restricted, committed, assigned, or unassigned). Restricted represents those portions of fund balance where constraints placed on the resources are either externally imposed or imposed by law through constitutional provisions or enabling legislation. Committed fund balance represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Legislative and Executive branches of the state. Assigned fund balance is constrained by the Legislature's and Executive Branch's intent to be used for specific purposes or in some cases by legislation. Unassigned fund balances represent the residual amount of fund balance after all classifications described above have been considered.

Spending policy disclosure

When an expenditure 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 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. The Commission has no authority to establish a minimum fund balance. This is the prerogative of the State Legislature and the Executive (Governor) Branch.

Net Position Classifications

Equity in the statement of net position is displayed in the following three components:

1) Net investment in capital assets-This classification includes capital assets, net of accumulated depreciation. The Commission's capital assets are fully depreciated, thus the net investment in capital assets is zero as of June 30, 2018.

2) Restricted net position-This classification consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. The Commission has zero restricted net position amounts through enabling legislation as of June 30, 2018.

3) Unrestricted net position-This classification consists of all other net position amounts that do not meet the definition of "restricted' or "net investment in capital assets."

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Fund Balances (Continued)

Estimates

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates in the Commission's financial statements include the current portion of compensated absences and useful lives of depreciable assets.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Funding

The Commission's funding is subject to annual evaluation and appropriation and could end at any time.

Budgets and Budgetary Accounting

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

1. No later than September 1st, the Martin Luther King, Jr. Commission submits to the State Budget Division (SBD) of the New Mexico Department of Finance and Administration (DFA) an appropriation request for the fiscal year commencing the following July 1. Copies are also sent to the Legislative Finance Committee (LFC). The appropriation request includes proposed expenditures and the means of financing them.

2. Appropriation request is reviewed by the SBD and additional information is obtained, if needed, agency budgets are consolidated, with revisions, and submitted as a tentative budget to the Governor of the State. The Governor's approved appropriation request is then submitted to the Legislature as the recommended appropriation request for the Commission.

3. Budget hearings are scheduled before the New Mexico House Appropriations and Senate Finance committees. The final outcome of these hearings is incorporated into the General Appropriations Act.

4. The Act is signed into law by the Governor of the State of New Mexico within the legally prescribed time limit.

5. The Commission submits, no later than May 1, to DFA an annual operating budget by category and line item based upon the appropriation made by the legislature. The DFA Budget Division reviews and approves the operating budget, which becomes effective on July 1. All subsequent budget adjustments must be approved by the director of the DFA - State Budget Division.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

Budgets and Budgetary Accounting (Continued)

6. Budget control for expenditures and encumbrances is at the appropriation program level. The Commission has only one program. All of the expenditures and encumbrances for that program are accounted for in the Commission's general fund.

7. Formal, budgetary integration is employed as a management control device during the fiscal year for the general fund.

8. The budget for the General Fund is on the modified accrual basis.

9. Any remaining SHARE fund 06000 balance not reserved for unexpended special or capital outlay multiple-year appropriations, must revert to the New Mexico State general fund by September 30th, as required by Section 6-5-10, NMSA 1978.

In accordance with the requirements of Section 2.2.2.10.A(2)(b) of NMAC Requirements for Contracting and Conducting Audits of Agencies and the allowance made by GASB Statement No. 34 footnote 53, the budgetary comparison statement has been included as part of the basic financial statements. It includes the reconciliation of the net change in fund balance (per budgetary basis) to the net change in fund balance stated on the statement of revenues, expenditures and changes in fund balance.

NOTE 3: INVESTMENT IN STATE GENERAL FUND INVESTMENT POOL

State law (Section 8-6-3 NMSA 1978) requires the Commission's cash to 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.

In June 2012 an independent expert diagnostic report revealed that statewide cash balances in the SHARE general ledger accounts had not been reconciled to the State General Fund Investment Pool maintained at the State Treasurer's Office since the implementation of SHARE in July 2006. Since then, State Controller/Financial Control Division Director, the Financial Control Division of the New Mexico Department of Finance and Administration (DFA/FCD), has taken an aggressive action toward appropriate resolution.

Phase I of the Cash Management Remediation Project (completed in May 2013) implemented statewide business process changes and corrected numerous SHARE system configurations. As a result of the changes and corrections, DFA/FCD was able to begin reconciling activity reported by the state's fiscal agent bank to the SHARE general ledger on a point-forward basis beginning February 1, 2013.

On July 11, 2014, DFA/FCD commenced the Historical Cash Reconciliation Project (Phase II) in partnership with Deloitte & Touche, LLP. The scope of this project was July 1, 2006 (SHARE implementation) to January 31, 2013 (the point at which DFA/FCD began reconciling cash activity as noted in the paragraph above). An effort in late 2014 was made to reconcile transactions but was unsuccessful in part due to incomplete data sets. The absence of all required data suggests that future efforts would be equally inconclusive, and therefore, do not merit additional energy.

NOTE 3: INVESTMENT IN STATE GENERAL FUND INVESTMENT POOL (Continued)

While the results of the Historical Cash Reconciliation Project did not yield the hope for closure, significant progress was made in the overall reconciliation process, and the FCD now has an operational model that effectively compares statewide claims against the State General Fund Investment Pool and resources held at the State Treasurer's Office. This process has been operational since March of 2015.

This process has now been reviewed by the independent public auditors performing audits of the General Fund, the Department of Finance and Administration, and the State of New Mexico's Comprehensive Annual Financial Report for fiscal year 2015. Each review of the process deemed it to be adequate and the findings related to the cash reconciliation were significantly reduced or eliminated. Successfully addressing this issue allowed the Department to reinstate $100 million that had been reserved as a loss contingency.

For 2018, the following assertions are provided:

The calculated difference between resources maintained by the State Treasurer's Office and the agency claims has remained stable and within a narrow and acceptable range (less than $200 thousand 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 State General Fund Investment Pool.

All claims will be honored at face value.

The Commission has policies and procedures in place to ensure that the cash balances in SHARE are correct to the extent that the Commission has controls (i.e. collection, depositing, reconciling, bank statement validation, and documentation of outstanding reconciling items) of the cash it receives and transfers to the state general fund and other state agencies pursuant to the state statute. Daily and monthly reconciliations procedures are in place to review all transactions of the Commission and to ensure that the information is correct and reported properly within the SHARE system. This reconciliation provides assurance to management that the balance reflected in the State General Fund Investment Pool account is accurate at the end of the reporting period.

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.

At June 30, 2018, the Commission had the following in pooled cash (Agency Code 60500; Fund Code 06000):

State General Fund Investment Pool	$63,784

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.

NOTE 3: INVESTMENT IN STATE GENERAL FUND INVESTMENT POOL (Continued)

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The New Mexico State Treasurer pools are not rated. For additional GASB 40 disclosure information regarding the investment in the New Mexico State Treasurer's General Fund Investment Pool, the reader should see the separate audit report for the State Treasurer's Office for the fiscal year ended June 30, 2018.

NOTE 4: COMPENSATED ABSENCES

Accrued Annual Leave:

Pursuant to Section 10-9-4(K), NMSA 1978, all of the Commission's employees fall under the State's exempt salary plan policies. The policy states that exempt employees shall be eligible to accrue leave based on cumulative years of service to the State. Cumulative years of service shall mean total years of employment with the State of New Mexico to include any combination of service as an executive exempt employee, a classified employee, a judicial employee or a legislative employee.

Exempt employees shall accrue leave as follows:

Years of Service		Accrual Rate Per Pay Period
At Least	Less Than	(In Hours)
0.0	11.0	4.62
11.0	15.0	5.54
15.0	>	6.15

Employees accumulate annual leave at a rate based on appointment date and length of continuous service. A maximum of 240 hours of annual leave may be carried forward after the pay period beginning in December and ending in January. When employees terminate, they are compensated at their current hourly rate for accumulated unpaid annual leave as of the date of termination, up to a maximum of 240 hours.

Employees accumulate sick leave at a rate of 3.69 hours per pay period. There is no limit to the amount of sick leave that an employee may accumulate. State agencies are allowed to pay fifty percent of each employee's hourly rate for accumulated sick leave over 600 hours, up to 120 hours. Payment may be made only once per fiscal year at a specified pay period in either January or July. The Commission has chosen to make such payments annually in January. Additionally, upon retirement, those employees with over 600 hours of accumulated sick leave have the option to convert 400 hours of such leave to cash at one half of their hourly rate. As of June 30, 2018, none of the Commission's employees had 600 or more hours of sick leave accumulated.

NOTE 4: COMPENSATED ABSENCES (Continued)

Accrued Annual Leave (Continued)

Fair Labor Standards Act (FLSA) nonexempt employees accumulate compensation time at the rate of 1.5 times the number of hours worked, in excess of forty hours per week, based on their regular hourly rate. Exempt and classified employees who are FLSA exempt accumulate compensation time at the same rate as the number of hours worked. Exempt employees were precluded from carrying forward any unused compensation time into the next calendar year after December 31, 2003. Overtime must be pre- approved by management. Payment of this liability can be made by compensated leave time or cash payment.

Accrued compensated absences consist of accumulated annual leave, sick leave between 600 and 720 hours, and compensatory leave for employees, including the related employer's matching FICA and Medicare payroll taxes and retirement contributions, per GASB Statement No. 16.

The changes in liabilities for compensated absences are as follows:

June 30, 2017	Additions	Deletions	June 30, 2018
$ 4,478	$ 6,030	$ (5,948)	$ 4,560

NOTE 5: CAPITAL ASSETS AND DEPRECIATION

The Change in the capital assets for the fiscal year ended June 30, 2018 is as follows:

	June 30, 2017	Additions	Deletions	June 30, 2018
Capital assets being depreciated				
Infomration techonology Equipment	$ 16,133	-	-	$ 16,133
Total capital assets being depreciated	16,133	-	-	16,133
Less accumulated depreciation				
Information Technology Equipment	16,133	-	-	16,133
Total accumulated depreciation	16,133	-	-	16,133
Capital assets being depreciated, net	$ -	$ -	$ -	$ -

Depreciation expense for the fiscal year ended June 30, 2018 was $ -0-.

NOTE 6: PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

Compliant with the requirements of Government Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions, and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68, the State of New Mexico has implemented the standards during fiscal year ending June 30, 2015.

NOTE 6: PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (Continued)

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). Disclosure requirements for governmental funds apply to the primary government as a whole, and as such, this information 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 CAFR and will be available, when issued, from the Office of the State Controller, Room 166, Bataan Memorial Building, 407 Galisteo Street, Santa Fe, New Mexico, 87501.

NOTE 7: 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 postemployment 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 Commission was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Commission 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 care policies.

Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions 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 event 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 postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

Funding Policy. The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Commission 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 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.

NOTE 7: POST EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (Continued)

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. For employees that were members of an enhanced retirement plan (state police and adult correctional Commissioner member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention Commissioner member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2018, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2018, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2014, the legislature shall review and adjust the 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 Health Care Act.

The Commission's contribution to the RHCA for the years ended June 30, 2018, 2017, and 2016 were $2,088, $1,685, and $1,478, respectively, which equal the required contributions for each year.

NOTE 8: INTERAGENCY TRANSFERS

The Commission received the following inter-agency operating transfers from the New Mexico Department of Finance and Administration (DFA) during the fiscal year ended June 30, 2018.

SHARE Fund	Account	Type of Funds Transferred	Amount
85300	499105	General Fund Appropriation	$ 293,100
Total			$ 293,100

NOTE 9: DUE TO STATE GENERAL FUND

The amount due to the State General Fund at June 30, 2018 is made up of the 2018 fiscal year reversion:

Year Ending June 30,	Amount
2018	33,794

NOTE 9: DUE TO STATE GENERAL FUND (Continued)

The Commission had the following reversions recorded during fiscal year 2018.

Year Ending June 30,	Appropriation	Reversion
2018	293,100	33,794

NOTE 10 – OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

- The Commission did not have deficit fund balance at year end June 30, 2018.
- The Commission did not have expenditures in excess of the budgeted appropriations for the year ended June 30, 2018.
- The Commission did not have any funds in which designated cash appropriations were in excess of available budget.

NOTE 11: RISK MANAGEMENT

The Commission is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Section 15-7-2 NMSA 1978 requires the General Services Department, Risk Management Division (RMD) to be responsible for the acquisition and administration of all insurance purchased by the state. Since 1977, various state statutes have been passed which allow RMD to insure, self-insure or use a combination of both. Risk management expenditures for the Commission are accounted for in the general fund. Any claims are processed through RMD. On September 1, and September 3 respectively of 2020 there were two lawsuits filed in the 2 ND JUDICIAL DISTRICT COURT where the Martin Luther King, Jr. Commission is named a party in the litigation.

NOTE 12: SUBSEQUENT EVENTS

The date to which events occurring after June 30, 2018, the date of the most recent statement of net position, have been evaluated for possible adjustment to the financial statements or disclosures is September 28, 2020 which is the date on which the financial statements were issued.

Subsequent to year end but before issuance of the financial statements former employees of the Martin Luther King, Jr. Commission were charged of fourteen and twelve counts, respectively, of fraud, making or permitting false public voucher, conspiracy to commit a felony, embezzlement, larceny, racketeering, conspiracy to commit racketeering related to the Governmental Conduct Act.

On September 1, 2020 there was a lawsuit filed against the Commission by a former employee "Complaint to enforce the New Mexico Inspection of Public Records Act and Petition for Writ to Mandamus Pursuant to NMSA 1978, Section 42-2-12 (B)." The case was legally confirmed to represent little to no liability to the Commission. On September 3, 2020 there was a lawsuit filed against the Commission by a former employee "Notice of Appeal and Complaint for violation of the New Mexico Human Rights Act and the New Mexico Whistleblower Protection Act". The case was legally confirmed to represent little to not liability to the Commission.

NOTE 13: SUBSEQUENT PRONOUNCEMENTS

In June 2018, GASB Statement No. 87 Leases was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The Commission is still evaluating how this pronouncement will affect the financial statements.

In April 2018, GASB Statement No. 88 *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not consistently provided. In addition, information about resources to liquidate debt and the risks associated with changes in terms associated with debt will be disclosed. As a result, users will have better information to understand the effects of debt on a government's future resource flows. The Commission is still evaluating how this pronouncement will affect the financial statements.

In June 2018, GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The Commission is still evaluating how this pronouncement will affect the financial statements.

In August 2018, GASB Statement No. 90*, Majority Equity Interests—an amendment of GASB Statement No. 14 and No. 61*, was issued. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. The Commission is still evaluating how this pronouncement will affect the financial statements.

Compliance Section

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*

Brian S. Colón
New Mexico State Auditor
The Martin Luther King Jr. Commission
Albuquerque, New Mexico

We have audited, 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, the financial statements of the governmental activities, the major fund, and the budgetary comparison of the general fund of the Martin Luther King JR. Commission (the "Commission"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated September 28, 2020.

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 opinion 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be material weaknesses as items FS 2014-001 and FS 2014-002.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 findings and responses as items NM 2014-003, NM 2014-005, and NM 2018-001.

Commission's Response to Findings

Commission's response to the findings identified in our audit are described in the accompanying schedule of findings and responses. Commission's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express not 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 Office's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Assurance Tax Accounting P.C.

Assurance Tax Accounting P.C
Albuquerque, New Mexico
September 28, 2020

THIS PAGE INTENTIONALLY LEFT BLANK

SECTION I – SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

1.	Type of auditor's report issued	Unmodified
2.	Internal Control over Financial Reporting	
	a. Material weaknesses identified?	Yes
	b. Significant deficiencies identified not considered to be material weaknesses?	None Noted
	c. Noncompliance material to the financial statements noted?	Yes

SECTION II – FINANCIAL STATEMENT FINDINGS AND RESPONSES

FS 2014-001 – Insufficient Supporting Documentation of Financial Statement Transactions (Repeated/Modified) – (Material Weakness)

Condition: The Commission did not possess adequate supporting documentation for the transactions tested during the year under audit. The following errors were noted.

- For forty-three of 56 payment vouchers, no manual signature for receiving/payment authorization.
- For eighteen of 56 payment vouchers, proper account code was not utilized.
- For one of 56 payment vouchers, not sufficient documentation to show compliance with law, rules & regulations.
- For one of 56 payment vouchers, no purchase order.
- For seven of 56 payment vouchers, purchase order date was not authorized prior to ordering items and/or the date of the invoice; no DFA procurement authorized.
- For one of 56 payment vouchers, no invoice.

No progress was made during the fiscal year 2018 audit with regards to this finding.

Criteria: The COSO 2013 Internal Control Integrated Framework provides guidelines for designing and implementing a system of internal controls that incorporates five necessary components of internal controls. These five components consist of the control environment, risk assessment, control activities, information and communication, and monitoring. Good accounting practices require the Commission to implement and follow sound accounting and internal control policies and procedures.

Effect: The Commission is not adhering to the proper accounting procedures to ensure reliable financial records are generated and maintained that can be utilized for reporting and decision making.

Cause: The Commission did not have the appropriate internal controls in place to ensure transactions and supporting documentation are adequate and complete.

Auditors' Recommendation: We recommend the Commission implement controls over their financial records in order to sufficiently support the balances presented on the financial statements.

Agency's Response: The Commission agrees with the finding. Because FY2018 audit was performed late, it resulted in the entity not being aware of the compliance and documentation requirements until October of 2020, consequently, the current Executive Director has put procedures in place that should resolve this during the fiscal year 2021.

SECTION II – FINANCIAL STATEMENT FINDINGS AND RESPONSES (Continued)

FS 2014-002 – Insufficient Supporting Documentation of Control Environment Items Pertaining to Governance and Management (Repeated/Modified) – (Material Weakness)

Condition: The Commission does not have documented entity-wide internal controls and are unable to provide evidence of adequate design and implementation of controls.

No progress was made during the fiscal year 2018 audit with regards to this finding.

Criteria: The COSO 2013 Internal Control Integrated Framework provides guidelines for designing and implementing a system of internal controls that incorporates five necessary components of internal controls. These five components consist of the control environment, risk assessment, control activities, information and communication, and monitoring. Good accounting practices require the Commission to implement and follow sound accounting and internal control policies and procedures. The lack of records available for management review, audit and reporting results in an inability to determine if the Commission's management and governance performed duties as required.

Effect: The Commission is not able to substantiate that is was performing its duties in relation to promoting a strong control environment and governing.

Cause: The Commission did not have the appropriate internal controls in place to ensure transactions and supporting documentation are adequate and complete.

Auditor's Recommendation: We recommend that the Commission ensure that an internal control system is in place and adequately documented pertaining to governance and management. This includes, but is not limited to, having written policies and procedures and standards of conduct addressing all aspects and activities and processes of oversight, training and education, communication and reporting mechanisms, enforcement and discipline guidelines, effective and disciplinary guidelines routine monitoring and auditing and prompt response to identified issues. Because of the significant turnover in management, a holistic look at the policies of the Commission is necessary.

Agency's Response: The Commission agrees with the finding. Because FY2018 audit was performed late, it resulted in the entity not being aware of the compliance and documentation requirements until October of 2020, consequently, the current Executive Director has put procedures in place that should resolve this finding during the fiscal year 2021.

SECTION III – FINDINGS SECTION 12-6-5 NMSA 1978 FINDINGS

NM 2014-003 – Late Reversions (Repeated/Modified) – (Material Noncompliance)

Condition: The Commission did not remit its FY17 reversion of $137,617 to the State General Fund by the statutory deadline of September 30, 2017.

No progress was made during the fiscal year 2018 audit with regards to this finding.

Criteria: Section 6-6-10, NMSA 1978 requires "all unreserved, undesignated fund balances in reverting funds and accounts as reflected in the central accounting system as of June 30, to revert by September 30, to the general fund." The Commission's reversion should have been remitted by the due date, September 30, for each respective year.

Effect: When a state agency does not remit the reversion to the State General Fund timely, the New Mexico Legislature does not have those funds available to re-appropriate them in the next year's budget.

Cause: The Commission has been working with the Department of Finance and Administration on how to revert monies to the State General Fund since the completion of the FY16 audit.

Auditor's Recommendation: We recommend that the Commission remit reversions annually to the State General Fund per the Department of Finance and Administration (DFA) annual closing instructions.

Agency's Response: The Commission agrees with the finding. Because FY2018 audit was performed late, it resulted in the entity not being aware of the compliance requirements until October of 2020, consequently, the current Executive Director has put procedures in place that should resolve this finding during the fiscal year 2021.

SECTION III – FINDINGS SECTION 12-6-5 NMSA 1978 FINDINGS

NM 2014-005 – IPA Recommendation Form and Audit Contract/Late Audit (Repeated/Modified) – (Material Noncompliance)

Condition: The audit contract was not submitted by the regulatory due date of June 1, 2018. In addition, the Commission did not submit its fiscal year 2018 audit by the regulatory due date of November 1, 2018.

No progress was made during the fiscal year 2018 audit with regards to this finding.

Criteria: New Mexico State Audit Rule 2.2.2.9 A item (1) required the audit to be submitted to the New Mexico State Auditor's Office by November 1, 2018. New Mexico State Audit Rule 2.2.2.9 A item (2) requires an audit finding in the event audit report is not delivered on time to the New Mexico State Auditor's Office.

Effect: Noncompliance with state audit rule referenced above. The users of the financial statements such as legislators do not have timely audit reports and financial statements for their review. Late audit reports could have an effect on state funding.

Cause: Because prior year audits were not completed timely, the current IPA recommendation and contract could not be submitted for approval to the State Auditor by the agency.

Auditor's Recommendation: We recommend the Commission work with New Mexico State Auditor's Office and Department of Finance and Administration to work towards submitting audits in a timely manner in the future.

Agency's Response: The Commission agrees with the finding. Because FY2018 audit was performed late, it resulted in the entity not being aware of the compliance and documentation requirements until October of 2020, consequently, the current Executive Director has put procedures in place that should resolve this finding during the fiscal year 2021.

SECTION III – FINDINGS SECTION 12-6-5 NMSA 1978 FINDINGS (Continued)

NM 2018-001 – Travel, Mileage and Per Diem Related Expenditures – (Other Noncompliance)

Condition: The following deficiencies were noted with regards to travel related expenditures. For 1 of 3 expenditures reviewed, the reimbursement had gratuity of $8.35 exceeding $6 per day.

Criteria: Appropriate policies and procedure shall be in compliance with the State issued New Mexico Administrative Code (NMAC). Agreement with the State Audit Compliance procedures are required by the State Auditor and the respective NMAC proceedings.

Effect: The Commission is not in compliance with the State Audit Compliance procedures and the New Mexico Administrative Code.

Cause: The Commission has a lack of internal control structure, experienced turnover in key management personnel, provided inadequate supplementation of documentation required by the Audit.

Auditors' Recommendation: Management should follow the appropriate recommendations provided by a State Approved Audit Firm and ensure that all staff is well aware and follows State Audit Compliance per NMAC.

Agency's Response: The Commission agrees with the finding. Because FY2018 audit was performed late, it resulted in the entity not being aware of the compliance and documentation requirements until October of 2020, consequently, the current Executive Director has put procedures in place that should resolve this finding during the fiscal year 2021.

SECTION IV – STATUS OF PRIOR YEAR FINDINGS

FS 2014-001 – Insufficient Supporting Documentation of Financial Statement Transactions – (Modified and Repeated)

FS 2014-002 – Insufficient Supporting Documentation of Control Environment Items Pertaining to Governance and Management (Modified and Repeated)

NM 2014-003 – Late Reversions (Modified and Repeated)

NM 2014-005 – IPA Recommendation Form and Audit Contract/Late Audit (Modified and Repeated)

SECTION IV – STATUS OF PRIOR YEAR FINDINGS

An exit conference was held on October 14, 2020. The following individuals were in attendance:

Representing Martin Luther King, Jr. Commission

Clarence Smith	Member
Dr. Doris A. Page	Member
Leonard Waites	Executive Director

Representing Assurance Tax Accounting PC

Johnny Mangu, MBA, CPA, CGMA	Principal

Representing the Office of the State Auditor

Brian S Colón	State Auditor
Natalie Cordova	Deputy State Auditor

AUDITOR PREPARED FINANCIALS

Assurance Tax Accounting PC prepared the GAAP-basis financial statements and footnotes of the Commission from the original books and records provide to them by the management of the Commission. The responsibility for the financial statements remains with the Commission.