



State of New Mexico Office of the State Auditor

RULEMAKING RECORD

In connection with the 2022 Audit Rule, 2.2.2 NMAC, effective March 22, 2022, Office of the State Auditor (OSA) provides this rulemaking record.

Publications in the New Mexico register relating to the 2022 Audit Rule, which repealed and replaced the 2021 Audit Rule:

- 2022 Audit Rule, 2.2.2 NMAC, which had an effective date of March 22, 2022
 - a. Adopted Rules Issue 6 | New Mexico State Records Center and Archives
<https://www.srca.nm.gov/nmac/nmregister/xxxiii/2.2.2.html>
 - b. 2022 Audit Rule Direct Link - <https://www.saonm.org/wp-content/uploads/2022/03/2.2.2-032222.pdf>
- 2021 Audit Rule, 2.2.2 NMAC, which had an effective date of March 23, 2021
 - a. Adopted Rules, Issue 5 | New Mexico State Records Center and Archives
<https://www.srca.nm.gov/nmac/nmregister/xxxii/2.2.2.html>
 - b. 2021 Audit Rule direct link – <https://www.saonm.org/wp-content/uploads/2021/03/2.2.2-032321.pdf>

Technical information relied upon in formulating the Audit Rule:

- To the extent applicable, the full text for relevant technical information that served as a basis for proposed changes is available at the following sites:
 - a. American Institute of Certified Public Accountants (AICPA) Standards –
<https://us.aicpa.org/research/standards>
 - b. Government Accounting Standards Board (GASB)
<https://www.gasb.org/cs/ContentServer?c=Page&cid=1176160042391&d=&pagename=GASB%2FPage%2FGASBSectionPage>
 - c. U.S. Government Accountability Office (GAO) – Government Auditing Standards, (Yellowbook) 2018 Revision, April 2021 Technical Update
<https://www.gao.gov/assets/gao-21-368g.pdf>
 - d. 61-28B NMSA 1978 the NM Public Accountancy Act
<https://nmonesource.com/nmos/nmsa/en/item/4397/index.do#!fragment//BQCwhgzIBcwMYgK4DsDWszIQewE4BUBTADwBdoByCgSgBplTCIBFRQ3AT0otojlyYANKIDCSNACEyPoTC4EbDtypyFCAMp5SAIW4AlAKIAZIwDUAggDIRR2qTAAjaKWxxq1IA>
 - e. Office of Management and Budget - Circulars | The White House
<https://www.whitehouse.gov/omb/information-for-agencies/circulars/>

Video recording of the hearing:

- The public hearing on February 28, 2022, at 1:00 p.m. was recorded and can be viewed from the following links:
 - a. <https://www.saonm.org/auditing/financial-audits/state-auditor-rule/>
 - b. Direct link – <https://youtu.be/w3LEd4Yx23s>

Comments received during the public comment period and at the public hearing:

- The Office of the State Auditor (OSA) received no public comments during the public comment period from January 25, 2022, to February 28, 2022.
- There were no comments made during the public hearing.

Full text of the initial proposed rule, full text of the final adopted rule, and the concise explanatory statement filed with the state records administrator:

- Full text of the initial proposed rule is available on the OSA website at <https://www.saonm.org/auditing/financial-audits/state-auditor-rule/>
 - a. Direct link – <https://www.saonm.org/wp-content/uploads/2022/01/02.002.0002-2022-Proposed-Audit-Rule.pdf>
- Full text of the final adopted rule is available on the OSA website at <https://www.saonm.org/auditing/financial-audits/state-auditor-rule/>
 - a. Direct link – <https://www.saonm.org/wp-content/uploads/2022/03/2.2.2-032222.pdf>
- Concise Explanatory Statement is attached as **Exhibit 1**.

Corrections made by the state records administrator pursuant to Section 14-4-3 NMSA 1978:

- One minor, non-substantive correction, was made, which is attached as **Exhibit 2**.

Concise Explanatory Statement For Rulemaking Adoption:

Findings required for rulemaking adoption:

Findings MUST include:

- Reasons for adopting rule, including any findings otherwise required by law of the agency, and a summary of any independent analysis done by the agency;
- Reasons for any change between the published proposed rule and the final rule; and
- Reasons for not accepting substantive arguments made through public comment.

Issuing authority (If delegated, authority letter must be on file with ALD):

Name:

Check if authority has been delegated

☐

Title:

Signature: (BLACK ink only OR Digital Signature)



Date signed:

3/9/2022

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NOTIFICATION OF MINOR, NON-SUBSTANTIVE CORRECTION

March 24, 2022

To: Brian Colon, State Auditor
c/o Liza Kerr, Director, Compliance & Quality Control Division

From: Matthew Ortiz, Administrative Law Division
by designation for the State Records Administrator

Re: **2.2.2 NMAC, New Rule, Requirements for Contracting and Conducting Audits of Agencies: filed on March 10, 2022, published and effective on March 22, 2022.**

Pursuant to the authority granted under State Rules Act, Subsection D of Section 14-4-3 NMSA, please note that the following minor, non-substantive corrections to spelling, grammar and format have been made to all filed copies of the above rule:

Section 15: In subsection D, there was paragraph (1) without a paragraph (2). The erroneous paragraph number was renumbered to conform to correct legislative style.

A copy of this *Notification* will be filed with the official version of each of the above rules.

1205 Camino Carlos Rey | Santa Fe, NM 87507 | www.srca.nm.gov

Hon. Hector Balderas
Attorney General

Hon. Brian S. Colón
Chairman/State Auditor

Hon. Maggie Toulouse Oliver
Secretary of State

Debra Garcia y Griego
Department of Cultural Affairs

Kenneth Ortiz
General Services Department