

State of New Mexico
Department of Finance and Administration
Financial Control Division
AUTHORITY TO ISSUE WARRANTS

Check the appropriate policy request:

New Authority: _____ **Exemption Authority:** _____

State why efficiency or economy will be better achieved by state agency issuing warrants or waiving the prior submission requirements: (if additional space is needed, please attach a continuation sheet).

Attach a detailed report outlining agency compliance with the conditions and standards in NMAC 2.20.6, *Authority to Issue Warrants* . The report must be in the format prescribed on the following pages.

Fund Code _____ **Business Unit** _____ **Department** _____

Fiscal Year Authority Requested for: _____

Signed by Requesting Authority: _____ **Date:** _____
(Cabinet Secretary/Agency Director)

For FCD Use Only

Approved by: _____ **Date:** _____
Cash Control Unit Representative

Approved by: _____ **Date:** _____
Financial Control Division Director

Approved by: _____ **Date:** _____
DFA Cabinet Secretary

Expiration Date: _____

**Report on Meeting the Conditions and Standards in NMAC 2.20.6
for the Period January 1, Thru December 31**

SECTION NUMBER	STEP	DESCRIPTION
1	Internal Control Structure	
	1	How does management convey that integrity cannot be compromised?
	2	How does management convey a positive control environment whereby there is an attitude of control consciousness throughout the organization?
	3	How does management consider the potential effects of taking unusual risks?
	4	Explain how the organization maintains an up-to-date policies and procedures manual.
	5	Explain how the organization documents the internal control structure.
	6	Explain how management assesses risk and implements controls to mitigate risk to a reasonable level.
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2	Transactions are Recorded Daily in the Accounting Records	
	1	Explain how pertinent supporting documents are distributed to the assigned accounts receivable, accounts payable, and general ledger personnel.
	2	Explain the supervisory review process to ensure that transactions are recorded timely.
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3	Transactions are Properly Classified in the Agency's Records	
	1	Explain how staff applies U.S. Generally Accepted Accounting Principles (GAAP) when classifying transactions.
	2	Explain the supervisory review process to ensure the correct use of GAAP when classifying transactions.
	3	Explain the review process to determine if transactions have been recorded correctly.
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4	Reconciliation of Cash Account Records	
	1	Explain the review process to ensure that cash transactions have been properly recorded.
	2	Explain how staff follows up on existing or current cash reconciling items.

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SECTION NUMBER	STEP	DESCRIPTION
5	Transactions Comply with Federal and State Law	
	1	Explain what process management has implemented to ensure compliance with laws, contracts, and grant agreements pertinent to the organization's activities.
	2	Explain the training process for new management as it relates to understanding laws, contracts, and grant agreements pertinent to the organization.
	3	Explain the training process for staff (both new and existing) as it relates to understanding laws, contracts, and grant agreements pertinent to the organization.
6	Expenditures are for Public Benefit or Purpose	
	1	Explain the review process to ensure that expenditures are for public benefit, consistent with appropriation and expenditure authority, and are necessary.
	2	Explain the review process to ensure that all expenditures have been properly recognized.
7	Accounting Systems Record Transactions Timely, Completely and Accurately	
	1	Explain the review process to ensure subsidiary systems have been reconciled to the general ledger.
	2	Explain how management determines that transactions accurately reflect the result of the organization for each accounting period i.e., timeliness, correctness, and completeness.
	3	Explain how staff is trained to ensure that transactions are recorded timely, accurately, and completely.
8	Payments to Vendors are Accurate and Timely	
	1	Explain the authorization process for payments to vendors.
	2	Explain the process to certify goods and services.
	3	Explain how management conducts procurement code training for its staff or ensures that its staff is properly trained.
9	Information Requested by the Financial Control Division is Timely and Accurate	
	1	Explain how the condition or standard has been met.

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SECTION NUMBER	STEP	DESCRIPTION
10		Reporting of Financial Information to Management and Oversight Agencies is Timely, Complete, and Accurate
	1	Explain how the condition or standard has been met.
11		Audit of Agency Financial Statements is Completed by Established Deadline
	1	Explain how the condition or standard has been met.