

**Finance and Audit Committee Meeting  
New Mexico Lottery Authority  
August 14, 2024**

**MINUTES**

**Call to Order:** Committee Chair Paul Guerin called the meeting to order at 3:32 p.m. and asked for a roll call. Present and constituting a quorum were Paul Guerin and Othiamba Umi.

**Introductions:** NMLA staff present were Wilma Atencio, David Barden, Carolyn Cabell, Linh Coonan, Michael Boland, and Therle Smith. Attending virtually were Sheila Herrera, Partner with Moss Adams, and Elizabeth Nuñez, Assurance/Audit Manager with Moss Adams.

**Approval of Proposed Agenda:** O. Umi moved to approve the proposed agenda; P. Guerin seconded the motion. Motion carried 2-0.

**Public Comment:** None.

L. Romero joined meeting.

**REPORTS:**

**FY 2024 Financial Audit Entrance:** S. Herrera and E. Nuñez provided an overview of the upcoming financial audit for fiscal year 2024, including required communications and a timeline of the process. Moss Adams will design the audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement and in conformity with generally accepted accounting principles and New Mexico State Audit Rule, including determining whether internal controls over financial reporting are in place and being followed in accordance with policies and procedures. Any findings or concerns found during the audit will be discussed with management and shared with the stakeholders during the exit conference. The exit conference is tentatively planned for October with a submission of the audit report and financial statements to the State Auditor before November 1.

P. Guerin asked Moss Adams to provide an example of the fieldwork. E. Nuñez responded that a fieldwork example would be scheduling walkthroughs with employees to describe processes and procedures.

L. Romero asked whether the audit looks for internal fraud. S. Herrera responded that the financial audit is not necessarily designed to detect fraud. The internal controls they look at are specific to the financial statement accounts. E. Nuñez reported that there is a requirement of fraud inquiry in the audit process, in which the auditors will ask individuals if they suspect any fraud through their work process. D. Barden reported that the Lottery has segregation of duties in place.

D. Barden thanked S. Herrera and E. Nuñez and stated the Lottery looks forward to working with Moss Adams.

**Other Items:** None.

**Adjournment:** P. Guerin entertained a motion to adjourn. L. Romero moved to adjourn the meeting; O. Umi seconded the motion. Motion carried 3-0. The meeting adjourned at 4:00 p.m.

*Paul Guerin*

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P. Guerin, Committee Chair

Date: 9/19/24

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