



Macias, Gutierrez
& Co., P.C.

*Certified Public Accountants
Member AICPA, NMSCPA*

P. O. Box 712
Tierra Amarilla, New Mexico 87575
Phone/Fax 575.588.0607

November 5, 2018

Lonnie Sanchez, Treasurer
Acequia de Santa Cruz #13006
PO Box 1656
Santa Cruz, NM 87567

RE: Tier 3 Agreed-upon procedures (AUP) for the Acequia de Santa Cruz for the year ended
December 31, 2014

Dear Mr. Sanchez,

We are pleased to confirm our understanding of the nature and limitations of the services we are to provide for the Acequia de Santa Cruz.

We will apply the agreed-upon procedures, to which the Acequia de Santa Cruz and the Office of the State Auditor, have agreed, as listed in Exhibit A of the agreed-upon procedures contract, related to Tier 3 entities of the Audit Act, Section 12-6-3 B (4) NMSA 1978 and Section 2.2.2.16 NMAC. This engagement is solely to assist the Acequia de Santa Cruz with respect to the Audit Act, Section 12-6-3 B (4) NMSA 1978 and Section 2.2.2.16 NMAC for the year ended **December 31, 2014**. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described in the AUP, either for the purpose for which this report has been requested or for any other purpose. If, for any reason, we are unable to complete the procedures, we will describe any restrictions on the performance of the procedures in our report, or will not issue a report, as a result of this engagement.

Because the agreed-upon procedures listed in the agreed-upon procedures contract do not constitute an examination, we will not express an opinion as part of this engagement. In addition, we have no obligation to perform any procedures beyond those listed in the agreed-upon procedures contract.

We will submit a report listing the procedures performed and our findings. This report is intended solely for the use of the Acequia de Santa Cruz, the Office of the New Mexico State Auditor, the Department of Finance and Administration, Local Government Division and the NM Legislature and should not be used by those who did not agree to the procedures and take responsibility for the sufficiency of the procedures for their purposes. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

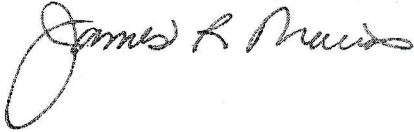
We plan to begin our procedures on approximately November 12, 2018 with completion of field work no later than November 16, 2018 and, unless unforeseeable problems are encountered, the engagement should be completed (report written) by November 30, 2018.

Lonnie Sanchez, Treasurer
Acequia de Santa Cruz
November 5, 2018
Page two

Our fees for these services will be billed at our standard hourly fees. The fee for this service for the year ended **December 31, 2014** will not exceed \$817.03 including New Mexico gross receipts tax. Our invoices for these fees will be rendered to the Acequia. Each invoice is payable on presentation. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and the State Auditor before continuing. Any amendment to the original contract requires State Auditor approval.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If additional specified parties of the report are added, we will require that they acknowledge in writing their responsibility for the sufficiency of the procedures.

Sincerely,
Macias, Gutierrez & Co., CPAs, P. C.



James R. Macias, CPA
President

RESPONSE:

This letter correctly sets forth the understanding of the Acequia de Santa Cruz.

Officer Signature

Title

Date