

**STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
SANTA FE, NEW MEXICO**

**FINANCIAL STATEMENTS
JUNE 30, 2015**



Wealth Advisory

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Audit, Tax, and Consulting

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
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**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
OFFICIAL ROSTER
JUNE 30, 2015**

Office of the Secretary

Ed Burckle, Cabinet Secretary

Division Directors

Zella Cox, Administrative Services Division

George Morgan, Facilities Management Division

Lawrence Maxwell, Purchasing Division

Robert Newlin, State Printing Division

Anthony J. (AJ) Forte, Risk Management Division

James Chavez, Transportation Services Division

INDEPENDENT AUDITORS' REPORT

Mr. Ed Burckle, Secretary
State of New Mexico General Services Department and
Mr. Timothy Keller
New Mexico State Auditor

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparison for the general fund of the State of New Mexico General Services Department (the Department) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the Department's nonmajor governmental funds, nonmajor enterprise funds, and fiduciary funds and the budgetary comparisons for the major capital project funds, major enterprise funds and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2015, 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 misstatements, 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 auditors' 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 auditors consider 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.

Mr. Ed Burckle, Secretary
State of New Mexico General Services Department and
Mr. Timothy Keller
New Mexico State Auditor

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.

Basis for Qualified Opinion on Governmental Activities

Management has identified to us that records of land owned by the Department do not agree with the balances contained in the governmental activities in the government-wide financial statements. Accounting principles generally accepted in the United States of America require that land be recorded at historical cost or estimated fair value at the date of contribution on the government-wide financial statements. The amount by which this departure would affect the assets and net position of the governmental activities has not been determined.

Qualified Opinion on Governmental Activities

In our opinion, except for the effects of the matter described in the “Basis for Qualified Opinion on Governmental Activities” paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of the Department, as of June 30, 2015, and the changes in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, each major fund, and the aggregate remaining fund information of the Department, as of June 30, 2015, and the respective changes in financial position and where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund, nonmajor enterprise fund and each fiduciary fund of the Department as of June 30, 2015, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the major capital projects funds, major enterprise funds and all the nonmajor funds 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 Department are intended to present the financial position and changes in financial position of only that portion of the governmental activities, each major fund, the aggregate remaining fund information and all respective budgetary comparisons of the State of New Mexico that is attributable to the transactions of the Department. They do not purport to, and do not present fairly the financial position of the entire State of New Mexico as of June 30, 2015, and the changes in the financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Mr. Ed Burckle, Secretary
State of New Mexico General Services Department and
Mr. Timothy Keller
New Mexico State Auditor

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 through 12 be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the Department's financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The schedule of changes in assets and liabilities – agency funds and the schedule of vendor information for purchases exceeding \$60,000 (excluding GRT) – unaudited required by 2.2.2.NMAC is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of changes in assets and liabilities – agency funds required by 2.2.2 NMAC is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the schedule of changes in assets and liabilities – agency funds required by 2.2.2 NMAC is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The schedule of vendor information for purchases exceeding \$60,000 (excluding gross receipt tax) has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Mr. Ed Burckle, Secretary
State of New Mexico General Services Department and
Mr. Timothy Keller
New Mexico State Auditor

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 7, 2016 on our consideration of the Department'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 matters. 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 the 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 Department's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Albuquerque, New Mexico
January 7, 2016

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

The Management's Discussion and Analysis (MD&A) of the State of New Mexico General Services Department (Department) explains the Department's financial statements and gives our summary of the Department's finances for the fiscal year ended June 30, 2015. We ask that it be read together with the financial statements, which follow it.

Overview of the Financial Statements

The Department's financial statements include the Basic Financial Statements (BFS) and Required Supplementary Information (RSI). The BFS consist of the Government-Wide Financial Statements, Fund Financial Statements and the Notes to the Financial Statements.

Government-Wide Financial Statements. The government-wide financial statements consist of a statement of net position and a statement of activities. These statements cover all of the financial activities and resources of the Department as a whole, except fiduciary activities. Fiduciary activities are not included because the resources do not belong to the Department. The government-wide financial statements report the Department's governmental and business-type activities. Governmental activities are the activities financed by a general revenue appropriation, bonds or state and federal grant. Business-type activities are activities operated like a business. These activities provide goods or services for a fee on a cost reimbursement basis (i.e., are self-supporting).

The Statement of Net Position reports what the Department owned (assets) and owed (liabilities) at June 30, 2015. Net position is what will remain after all liabilities are paid off. Net position legally limited to a particular use is reported as restricted. Unrestricted net position is assets that can be used for any of the Department's purposes in future years.

The Statement of Activities reports the costs (expenses) of providing support services to other state agencies and local governments and the revenues obtained to finance them. The first column of the statement reports the Department's governmental and business-type activities by program. A program is a grouping of similar activities. For example, Program Support includes the support activities of the Office of the Secretary and the Administrative Services Division (which also operates the state's Inter-agency Mail Service). The second column lists each program's expenses. The next set of columns report program revenues (revenues earned by the programs themselves). The last three columns are obtained by subtracting program revenues from program expenses. They show the amounts by which programs covered their own costs with user fees, bond proceeds and grants. The bottom half of the statement shows the money appropriated and transferred to the Department from the State General Fund and other general revenues used to finance services.

Fund Financial Statements. The fund financial statements follow the government-wide financial statements. They provide more detail about the Department's major funds (as defined by GASB 34, the most material governmental and business-type funds, not the Department as a whole). Smaller funds (labeled non-major) are combined and reported in total under the other funds column. The financial details pertaining to these smaller funds are reported in the combining financial statements located in the supplemental schedules.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

Funds are a method of accounting used by the Department to keep track of specific revenue sources and expenditures for separate functions. Some funds are required by state law and by bond provisions. Management established other funds to control and manage money for particular purposes or to show that it is properly using certain financial resources. The Department uses three types of funds to account for its service activities.

Governmental Funds have a short-term focus. They report only current assets (cash, accounts receivable, etc.), current liabilities and financial resources that flowed in and out of the Department during the year. They are the governmental activities reported in the government-wide financial statements. The Department uses three types of governmental funds:

The General Fund is used to account for services funded by general revenue appropriations not accounted for in other funds.

Special Revenue Funds are used to give an accounting of the use of the proceeds of specific revenue sources. For example, the Procurement Assistance federal and state grant must be used to educate New Mexico businesses on how to do business with state, federal and local governments.

Capital Project Funds are used to track appropriations to the Department to build, acquire, renovate and improve state-owned buildings and land.

Proprietary Funds are used to report the Department's service activities that charge customers a fee. Most of the Department's services are included in proprietary funds. Like the government-wide financial statements, they report all assets (including capital assets), liabilities (short- and long-term), revenues, expenses, gains and loss. They report the services included in the business-type activities in the government-wide financial statements. The Department uses one kind of proprietary fund, Enterprise Funds, to account for services provided to external customers.

Fiduciary funds are used to account for resources the Department holds for others. The Department uses one kind of fiduciary fund, Agency Funds, to hold medical insurance premiums collected from other state agencies and other public bodies until the premiums are remitted to the insurance carriers. The Department is responsible for seeing that the assets in these funds are spent for their intended purpose. The finances of these funds are reported in a separate statement of fiduciary net assets. The resources of these funds are excluded from the government-wide financial statements because they cannot be used to finance the Department's operations.

Budgetary Comparisons. In addition to the MD&A, GASB 34 requires budgetary comparison schedules for the general fund and for each major special revenue fund that has a legally adopted annual budget to be presented. The budgetary comparison schedules should present both the original and the final appropriated budgets for the reporting period, as well as the actual inflows, outflows and balances, stated on the government's budgetary basis.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

As required by the Office of the State Auditor under 2.2.2 NMAC (the "Audit Rule"), the Statements of Revenues and Expenditures – Budget and Actual are also presented. This information is provided at the approved budget level to demonstrate compliance with legally authorized appropriations.

Notes to the Financial Statements. The notes to the financial statements consist of narratives and explanatory financial schedules that provide information that is essential to a user's understanding of the basic financial statements.

Financial Analysis of the Department as a Whole

**Table A-1
The Department's Net Position**

	FY 2015	FY 2014	Amount Change	Total % Change
Assets:				
Current Assets	\$ 159,051,152	\$ 138,245,745	\$ 20,805,407	15%
Capital Assets, Net	543,655,358	528,710,200	14,945,158	3%
Total Assets	<u>\$ 702,706,510</u>	<u>\$ 666,955,945</u>	<u>\$ 35,750,565</u>	5%
Liabilities:				
Current Liabilities	\$ 117,722,211	\$ 130,045,210	\$ (12,322,999)	-9%
Long-Term Liabilities	101,045,765	106,165,110	(5,119,345)	-5%
Total Liabilities	<u>218,767,976</u>	<u>236,210,320</u>	<u>(17,442,344)</u>	-7%
Net Position:				
Net Investment in				
Capital Assets	543,655,358	528,710,200	14,945,158	3%
Restricted	19,614,761	19,700,887	(86,126)	0%
Unrestricted	<u>(79,331,585)</u>	<u>(117,665,462)</u>	<u>38,333,877</u>	-33%
Total Net Position	<u>483,938,534</u>	<u>430,745,625</u>	<u>53,192,909</u>	12%
Total Liabilities and Net Position	<u>\$ 702,706,510</u>	<u>\$ 666,955,945</u>	<u>\$ 35,750,565</u>	5%

Net Position: Table A-1 summarizes the Department's net position for the fiscal year ending June 30, 2015. Total Department net position for fiscal year 2015 was \$483,938,534. The negative unrestricted balance is the result of the large deficit net position of the risk funds offsetting the positive amounts of capital assets. It should be noted that the risk fund amounts shown reflect actuarially estimated losses from claims incurred that the affected fund(s) would need to pay using the fund's June 30, 2015, asset balance. Such reporting is required by GASB 10. The New Mexico Risk Management Advisory Board recommends maintaining the asset balances at a minimum of at least 50 percent of the actuarially estimated losses. Therefore, any fund amount that has less than 100 percent in assets to pay its estimated incurred losses, and other liabilities, will show a deficit net asset balance. As a result of the recording of actuarially estimated losses from claims, the following risk funds have negative fund balances:

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

Public Liability Fund	\$ (70,413,437)
Workers' Compensation Retention	\$ (30,302,794)
Group Insurance Premium Stabilization	\$ (7,889,338)

The larger part of the Department's restricted net position (91%) represents payments that are restricted for insurance claims. They represent insurance premiums and contributions collected from other state agencies, local public bodies and employees that can only be spent to insure these entities and their employees against loss.

The \$79,331,585 deficit of unrestricted net position indicates there are not sufficient resources on hand to pay claims against the state in future years.

However, the Department had an increase in net position for the year in the amount of \$53,192,909.

The Department's claims reserve for risk management decreased this year by approximately \$2 million. These reserves are recorded based on calculations provided by an actuary.

**Table A-2
Changes in the Department's Net Position**

	<u>FY 2015</u>	<u>FY2014</u>	<u>Amount Change</u>	<u>Total % Change</u>
Revenues:				
Program Revenues:				
Capital Grants and Contributions	\$ -	\$ -	\$ -	
Charges for Services	12,149,249	11,213,497	935,752	8%
Risk Management	<u>455,363,364</u>	<u>421,278,348</u>	<u>34,085,016</u>	8%
Total Program Revenues	<u>467,512,613</u>	<u>432,491,845</u>	<u>35,020,768</u>	8%
General Revenues	<u>44,713,702</u>	<u>54,552,547</u>	<u>(9,838,845)</u>	-18%
Total Revenues	512,226,315	487,044,392	25,181,923	5%
Expenses:				
Employee Group Benefits	333,972,761	321,349,911	12,622,850	4%
Risk Management	72,912,535	62,912,556	9,999,979	16%
Other State Agency Transfers, Net	<u>52,148,110</u>	<u>60,983,459</u>	<u>(8,835,349)</u>	-14%
Total Expenses	<u>459,033,406</u>	<u>445,245,926</u>	<u>13,787,480</u>	3%
Change in Net Position	53,192,909	41,798,466	11,394,443	27%
Net Position, Beginning of Year	<u>430,745,625</u>	<u>388,947,159</u>	<u>41,798,466</u>	11%
Net Position, End of Year	<u>\$ 483,938,534</u>	<u>\$ 430,745,625</u>	<u>\$ 53,192,909</u>	12%

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

Changes in Net Position: The Department's change in net position for fiscal year FY15 was an increase of \$53,192,909 (Table A-2). The change is the difference between total program revenues, general revenues and the total cost of all programs and services. The increase indicates the Department's financial position as a whole has improved from the previous fiscal year, primarily because of increased revenues from risk management.

A major portion of the Department's revenues came from program revenues. Approximately 90% of total revenues came from service fees and insurance premiums collected from all state agencies, participating local public bodies and their employees. Only 10% of the Department's revenues came from general revenue appropriations, taxes and other general revenues.

Of the total cost of all programs and services of \$459,033,406, 73% of this amount, or \$333,972,761, is for group health and disability, dental, vision, long-term care and life insurance premiums paid to insurance companies on behalf of employees, former employees and retirees. \$72,912,535, or 16%, of the total cost pertains to public liability administration and claims payments.

Governmental Activities: General revenues of governmental activities decreased to \$43,997,079. The cost of all governmental activities this year decreased to \$34,032,200.

Business-type Activities: The cost of all business-type activities was \$425,001,206. Those who benefited from the services funded 100% of the cost.

Financial Analysis of the Department's Funds

Governmental Funds: Combined revenues and net financing sources from governmental fund types totaled \$45,977,929, a decrease of 18% from the preceding year. The decrease is primarily due to a decrease in severance tax bond proceeds.

Expenditures from governmental funds totaled \$45,985,011, a decrease of 27% from fiscal year 2014. The decrease in total governmental expenditures is primarily due to a decrease in capital project activity during the current year.

Proprietary Funds: Operating revenues and net non-operating revenues of the Department's business-type activities increased 8% from the previous year to \$464,748,422.

Expenses increased to \$425,001,206. The increase occurred primarily because of claims paid from risk liability funds.

Budget Comparisons

General Fund: For FY15, total actual revenues of \$13,973,749 varied from budgeted revenues by \$253,849. Total expenditures were \$13,840,863.

Capital Assets and Debt Management

Capital Assets: The Department's net capital assets increased by \$14,945,155 in 2015 (see Note 6).

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

Long-term Debt: The Department does not hold any long-term debt but does hold long-term liabilities consisting of kclaims payable of \$101,045,765.

Items Affecting the Department's Future

The Department's management believes that its future financial position could be affected by the following trends or events:

Rates for Services: The Department's business-type activities, as measured by the Statement of Revenues, Expenses and Changes in Net Assets for the major enterprise funds: State Unemployment Compensation Reserve, Public Liability, Worker's Compensation Retention, State Transportation Pool, Group Insurance Premium Stabilization and Other Enterprise Funds, show that two of the five funds have an operating loss. This indicates that the service rates as developed with the current methods are not sufficient to recover actual costs of the programs.

The largest loss was in Public Liability. Rate adjustments and reallocation of costs, which are currently in process, will help eliminate these losses.

The Risk Management Advisory Board recommends that all Risk Management funds maintain 50% soundness (Assets/Estimated Outstanding Losses). The cumulative Risk Management funds, based on total assets of \$102,907,849 and estimated outstanding losses and other liabilities of \$225,779,709 shows the Risk Management funds to be 46% sound.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

Requests for Information

This financial report is designed to provide a general overview of the Department's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Department's Administrative Services Division, PO Box 6850, Santa Fe, New Mexico 87502.

STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF NET POSITION
JUNE 30, 2015

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
CURRENT ASSETS			
Investment in the State General Fund			
Investment Pool	\$ 21,251,267	\$ 133,852,042	\$ 155,103,309
Receivables:			
Interest Receivable	-	-	-
Accounts/Trade Receivable	-	7,981,344	7,981,344
Allowance for Doubtful Accounts	-	(6,416,904)	(6,416,904)
Due From (to) Other Funds	(6,548)	6,358	(190)
Due from Other Agencies	2,350,129	9,148	2,359,277
Other Assets	-	-	-
Inventories	-	24,316	24,316
	<u>23,594,848</u>	<u>135,456,304</u>	<u>159,051,152</u>
Total Current Assets			
	23,594,848	135,456,304	159,051,152
NON-CURRENT ASSETS			
Capital Assets	977,629,663	28,871,656	1,006,501,319
Less Accumulated Depreciation	(439,706,587)	(23,139,374)	(462,845,961)
	<u>537,923,076</u>	<u>5,732,282</u>	<u>543,655,358</u>
Total Non-Current Assets			
	537,923,076	5,732,282	543,655,358
TOTAL ASSETS	<u>\$ 561,517,924</u>	<u>\$ 141,188,586</u>	<u>\$ 702,706,510</u>

	Primary Government		
	Governmental Activities	Business-type Activities	Total
LIABILITIES			
CURRENT LIABILITIES			
Bank Overdraft	\$ 827,235	\$ 278,927	\$ 1,106,162
Claims Payable	-	100,461,355	100,461,355
Accounts Payable	2,500,219	12,429,627	14,929,846
Unearned Revenue	-	-	-
Accrued Payroll	223,358	236,873	460,231
Due to State General Fund	118,800	-	118,800
Due to Other Agencies	-	295	295
Compensated Absences	297,708	347,814	645,522
	<u>3,967,320</u>	<u>113,754,891</u>	<u>117,722,211</u>
Total current liabilities			
	3,967,320	113,754,891	117,722,211
LONG-TERM LIABILITIES			
Claims Payable	-	101,045,765	101,045,765
Compensated Absences	-	-	-
	<u>3,967,320</u>	<u>214,800,656</u>	<u>218,767,976</u>
Total Liabilities			
	3,967,320	214,800,656	218,767,976
NET POSITION			
Net Investment in Capital Assets	537,923,076	5,732,282	543,655,358
Restricted for:			
Insurance/Claims	-	201,507,120	201,507,120
Capital Projects	19,614,761	-	19,614,761
Unrestricted	12,767	(79,344,352)	(79,331,585)
	<u>557,550,604</u>	<u>(73,612,070)</u>	<u>483,938,534</u>
Total Net Position			
	557,550,604	(73,612,070)	483,938,534
TOTAL LIABILITIES AND NET POSITION	<u>\$ 561,517,924</u>	<u>\$ 141,188,586</u>	<u>\$ 702,706,510</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2015**

FUNCTIONS/PROGRAMS	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES				
Program Support	\$ 7,665,077	\$ 3,480,814	\$ -	\$ -
Procurement Services	3,350,723	-	-	-
Business Office Space Management/Maintenance	33,594	-	-	-
Capital Projects	22,982,806	-	-	-
Total Governmental Activities	34,032,200	3,480,814	-	-
BUSINESS-TYPE ACTIVITIES				
Program Support	10,317,494	1,323,968	-	-
Risk Management	72,912,535	89,868,546	-	-
Employee Group Benefits	333,972,761	365,494,818	-	-
Transportation Services	7,798,416	7,344,467	-	-
Total Business-Type Activities	425,001,206	464,031,799	-	-
TOTAL	\$ 459,033,406	\$ 467,512,613	\$ -	\$ -

Net (Expenses) Revenue and Changes in Net Position

Governmental Activities	Business-type Activities	Total	
\$ (4,184,263)	\$ -	\$ (4,184,263)	
(3,350,723)	-	(3,350,723)	
(33,594)	-	(33,594)	
<u>(22,982,806)</u>	<u>-</u>	<u>(22,982,806)</u>	
(30,551,386)	-	(30,551,386)	
-	(8,993,526)	(8,993,526)	
-	16,956,011	16,956,011	
-	31,522,057	31,522,057	
<u>-</u>	<u>(453,949)</u>	<u>(453,949)</u>	
<u>-</u>	<u>39,030,593</u>	<u>39,030,593</u>	
(30,551,386)	39,030,593	8,479,207	
GENERAL REVENUES			
Transfers:			
Intra-Agency Transfers	(215,356)	215,356	-
Capital Asset Transfers, Net	1,499,964	-	1,499,964
Severance Tax Bond Proceeds	22,387,361	-	22,387,361
Appropriations - General Fund	13,595,600	641,800	14,237,400
Reversions - General Fund	(53,842)	-	(53,842)
Other State Agency Transfers, Net	6,357,293	(243,817)	6,113,476
Federal Funds	95,923	-	95,923
Interest Income	9,464	103,284	112,748
Gain on Disposal	-	-	-
Other Miscellaneous Revenue	320,672	-	320,672
<u>Total General Revenues</u>	<u>43,997,079</u>	<u>716,623</u>	<u>44,713,702</u>
CHANGE IN NET POSITION	13,445,693	39,747,216	53,192,909
NET POSITION - BEGINNING	<u>544,104,911</u>	<u>(113,359,286)</u>	<u>430,745,625</u>
NET POSITION - ENDING	<u>\$ 557,550,604</u>	<u>\$ (73,612,070)</u>	<u>\$ 483,938,534</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2015**

	Major Funds			Other Governmental Funds	Total Governmental
	17400 General Fund	86300 Capital Buildings Repair Fund	89200 STB Projects		
ASSETS					
Investment in the State General Fund Investment Pool	\$ 1,181,318	\$ 9,421,613	\$ -	\$ 10,648,336	\$ 21,251,267
Receivables:					
Interest	-	-	-	-	-
Due from Other Funds	-	-	220,903	-	220,903
Due from Other Agencies	-	539,075	1,804,401	6,653	2,350,129
Other assets	-	-	-	-	-
Inventories	-	-	-	-	-
TOTAL ASSETS	\$ 1,181,318	\$ 9,960,688	\$ 2,025,304	\$ 10,654,989	\$ 23,822,299
LIABILITIES					
Due to the State General Fund Investment Pool	\$ -	\$ -	\$ 827,235	\$ -	\$ 827,235
Accounts Payable	548,090	578,264	1,198,069	175,796	2,500,219
Unearned Revenue	-	-	-	-	-
Accrued Payroll	197,405	-	-	25,953	223,358
Due to Other Funds	6,548	-	-	220,903	227,451
Due to State General Fund	118,800	-	-	-	118,800
Due to Other Agencies	-	-	-	-	-
Total Liabilities	870,843	578,264	2,025,304	422,652	3,897,063
FUND BALANCE					
Nonspendable:					
Inventories	-	-	-	-	-
Restricted	-	9,382,424	-	10,232,337	19,614,761
Committed	310,475	-	-	-	310,475
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	310,475	9,382,424	-	10,232,337	19,925,236
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,181,318	\$ 9,960,688	\$ 2,025,304	\$ 10,654,989	\$ 23,822,299

See accompanying Notes to Financial Statements

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2015**

TOTAL FUND BALANCE - GOVERNMENTAL FUNDS (GOVERNMENTAL FUND BALANCE SHEET)	\$	19,925,236
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p> <p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
The cost of capital assets is:		977,629,663
Accumulated depreciation is:		<u>(439,706,587)</u>
Total capital assets		537,923,076
<p>Long-term and certain other liabilities, such as compensated absences, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.</p>		
		<u>(297,708)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES - (STATEMENT OF NET POSITION)	\$	<u><u>557,550,604</u></u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2015**

	Major Funds			Other Governmental Funds	Total Governmental
	17400	86300	89200		
	General Fund	Capital Buildings Repair Fund	STB Projects		
REVENUES					
Service Fees/Premiums	\$ -	\$ 1,366,205	\$ -	\$ 2,114,609	\$ 3,480,814
Federal Funds	-	-	-	95,923	95,923
Interest Income	-	8,099	-	1,365	9,464
Other	253,849	-	-	66,823	320,672
Total Revenues	253,849	1,374,304	-	2,278,720	3,906,873
EXPENDITURES					
Current Expenditures:					
Personnel Services	4,579,944	-	-	530,476	5,110,420
Employee Benefits	2,279,227	-	-	281,999	2,561,226
In-State Travel	1,809	-	-	4,260	6,069
Out-of-State Travel	5,218	-	-	-	5,218
Maintenance and Repairs	1,252,210	564,868	319,376	33,307	2,169,761
Supplies	302,357	-	105,519	62,947	470,823
Contractual Services	562,936	-	-	1,735,711	2,298,647
Operating Costs	3,170,385	-	11,845	168,493	3,350,723
Other Costs	7,485	-	999	13,823	22,307
Capital Outlay	1,486,834	6,078,978	21,546,031	877,974	29,989,817
Total Expenditures	13,648,405	6,643,846	21,983,770	3,708,990	45,985,011
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(13,394,556)	(5,269,542)	(21,983,770)	(1,430,270)	(42,078,138)
OTHER FINANCING SOURCES (USES)					
Severance Tax Bond Proceeds	-	-	22,387,361	-	22,387,361
Intra-Agency Transfer	(192,458)	(73,501)	(403,591)	454,194	(215,356)
Transfers:					
General and Special Appropriations	13,595,600	-	-	-	13,595,600
Reversions to State General Fund	(53,842)	-	-	-	(53,842)
Other State Agency Transfers, Net	124,300	6,232,993	-	-	6,357,293
NET OTHER FINANCING SOURCES (USES)	13,473,600	6,159,492	21,983,770	454,194	42,071,056
NET CHANGE IN FUND BALANCES	79,044	889,950	-	(976,076)	(7,082)
FUND BALANCES, BEGINNING OF YEAR	231,431	8,492,474	-	11,208,413	19,932,318
FUND BALANCES, END OF YEAR	\$ 310,475	\$ 9,382,424	\$ -	\$ 10,232,337	\$ 19,925,236

See accompanying Notes to Financial Statements

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2015**

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS (STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES)	\$	(7,082)
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Amounts reported for governmental activities in the Statement of Activities are different because:

In the Statement of Activities, certain operating expenses - compensated absences (sick and annual leave) are measured by the amounts earned during the year. In the Governmental Funds, however, expenditures for these items are measured by the amounts of financial resources used (essentially, the amounts actually paid). The decrease in the liabilities for the fiscal year was: 6,569

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts were:

Capital outlay		29,989,817
Transfer in of capital assets		1,499,964
Depreciation expense		(18,043,575)
Excess of capital outlay and transfers over depreciation expense		13,446,206

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES (STATEMENT OF ACTIVITIES)	\$	13,445,693
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**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
MAJOR GOVERNMENTAL FUND – BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015**

	GENERAL FUND - TOTAL			Variance From Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES AND OTHER FINANCING SOURCES				
Appropriations	\$ 13,595,600	\$ 13,595,600	\$ 13,595,600	\$ -
Interest	-	-	-	-
Other Revenues	-	-	253,849	253,849
Other Financing Sources	124,300	124,300	124,300	-
Total Revenue	13,719,900	13,719,900	13,973,749	<u>\$ 253,849</u>
FUND BALANCE	<u>174,804</u>	<u>174,804</u>		
TOTAL REVENUES, OTHER FINANCING SOURCES AND FUND BALANCE BUDGETED	<u>\$ 13,894,704</u>	<u>\$ 13,894,704</u>		
EXPENDITURES AND OTHER FINANCING USES				
Personal Services and Employee Benefits	\$ 7,530,400	\$ 6,866,942	\$ 6,859,171	\$ 7,771
Contractual Services	357,800	565,900	562,936	2,964
Other	5,800,704	6,269,404	6,226,298	43,106
Other Financing Uses	205,800	192,458	192,458	-
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 13,894,704</u>	<u>\$ 13,894,704</u>	13,840,863	<u>\$ 53,841</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FUNDING SOURCES (USES)			132,886	
NON-BUDGETED RECONCILING ITEMS				
Reversions to State General Fund			<u>(53,842)</u>	
NET CHANGE IN FUND BALANCE			79,044	
FUND BALANCE, BEGINNING OF YEAR			<u>231,431</u>	
FUND BALANCE, END OF YEAR			<u>\$ 310,475</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF NET POSITION – ENTERPRISE FUNDS
JUNE 30, 2015**

	35300 State Unemployment Compensation Reserve	35700 Public Liability	35900 Workers' Compensation Retention	36500 State Transportation Pool	75200 Group Insurance Premium Stabilization	Other Enterprise Funds	Total
ASSETS							
Current Assets:							
Investment in the State General Fund Investment Pool	\$ 20,498,713	\$ 36,291,065	\$ 18,970,617	\$ 2,255,905	\$ 38,083,468	\$ 17,752,274	\$ 133,852,042
Receivables:							
Interest Receivable	-	-	-	-	-	-	-
Accounts/Trade Receivable	2,436,630	1,647,976	1,027,476	703,417	893,420	1,272,425	7,981,344
Allowance for Doubtful Accounts	(2,436,630)	(1,642,976)	(1,027,476)	(118,473)	(324,282)	(867,067)	(6,416,904)
Due from Other Funds	-	-	-	9,213	20	780	10,013
Due from Other Agencies	1,442	2,652	1,396	-	2,525	1,133	9,148
Other Assets	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	24,316	24,316
Total Current Assets	20,500,155	36,298,717	18,972,013	2,850,062	38,655,151	18,183,861	135,459,959
Non-Current Assets:							
Capital Assets	-	-	-	24,421,006	-	4,450,650	28,871,656
Accumulated Depreciation	-	-	-	(20,695,588)	-	(2,443,786)	(23,139,374)
Total Non-Current Assets	-	-	-	3,725,418	-	2,006,864	5,732,282
TOTAL ASSETS	\$ 20,500,155	\$ 36,298,717	\$ 18,972,013	\$ 6,575,480	\$ 38,655,151	\$ 20,190,725	\$ 141,192,241

See accompanying Notes to Financial Statements

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF NET POSITION – ENTERPRISE FUNDS (CONTINUED)
JUNE 30, 2015**

	35300 State Unemployment Compensation Reserve	35700 Public Liability	35900 Workers' Compensation Retention	36500 State Transportation Pool	75200 Group Insurance Premium Stabilization	Other Enterprise Funds	Total
LIABILITIES							
Current Liabilities:							
Due to the State General							
Fund Investment Pool	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 278,927	\$ 278,927
Claims Payable	5,313,899	42,040,971	11,436,601	-	38,964,322	2,705,562	100,461,355
Accounts Payable	1,211,450	1,526,395	257,407	529,184	7,579,734	1,325,457	12,429,627
Unearned Revenue	-	-	-	-	-	-	-
Accrued Payroll	-	-	-	31,045	-	205,828	236,873
Due to Other Funds	-	-	-	600	210	2,845	3,655
Due to Other Agencies	-	-	-	-	223	72	295
Compensated Absences	-	-	-	60,764	-	287,050	347,814
Total Current Liabilities	6,525,349	43,567,366	11,694,008	621,593	46,544,489	4,805,741	113,758,546
Long-Term Liabilities:							
Claims Payable	-	63,144,788	37,580,799	-	-	320,178	101,045,765
Compensated Absences	-	-	-	-	-	-	-
Total Liabilities	6,525,349	106,712,154	49,274,807	621,593	46,544,489	5,125,919	214,804,311
NET POSITION							
Invested in Capital Assets	-	-	-	3,725,418	-	2,006,864	5,732,282
Unrestricted	13,974,806	(70,413,437)	(30,302,794)	2,228,469	(7,889,338)	13,057,942	(79,344,352)
Total Net Position	13,974,806	(70,413,437)	(30,302,794)	5,953,887	(7,889,338)	15,064,806	(73,612,070)
TOTAL LIABILITIES AND NET POSITION	\$ 20,500,155	\$ 36,298,717	\$ 18,972,013	\$ 6,575,480	\$ 38,655,151	\$ 20,190,725	\$ 141,192,241

See accompanying Notes to Financial Statements

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION – ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2015**

	35300 State Unemployment Compensation Reserve	35700 Public Liability	35900 Workers' Compensation Retention
OPERATING REVENUES			
Charges for Premiums/Services	15,464,762	50,077,441	25,030,381
Interest Income	16,954	34,526	15,727
Other Revenue	-	-	-
	<u>15,481,716</u>	<u>50,111,967</u>	<u>25,046,108</u>
Total Operating Revenues			
OPERATING EXPENSES			
Personnel Services	-	-	-
Employee Benefits	-	-	-
In-State Travel	-	-	-
Out-of-State Travel	-	-	-
Maintenance and Repairs	-	-	-
Supplies	-	29,188	31,688
Contractual Services	76,800	14,239,527	1,131,452
Depreciation	-	-	-
Operating Costs	2,770,465	366,239	116,430
Other Costs	-	29,100,339	15,717,002
	<u>2,847,265</u>	<u>43,735,293</u>	<u>16,996,572</u>
Total Operating Expenses			
OPERATING INCOME/(LOSS)	12,634,451	6,376,674	8,049,536
NON-OPERATING REVENUES (EXPENSES)			
Gain on Disposal of Capital Assets	-	-	-
Intra-Agency Transfers	(50,400)	(3,886,483)	(2,026,000)
Transfers:			
General Appropriations	-	-	-
Other State Agency Transfers	-	(249,817)	-
Other State Funds	-	-	-
	<u>(50,400)</u>	<u>(4,136,300)</u>	<u>(2,026,000)</u>
Total Non-Operating Revenues (Expenses)			
CHANGE IN NET POSITION	12,584,051	2,240,374	6,023,536
NET POSITION (DEFICIT) - BEGINNING	<u>1,390,755</u>	<u>(72,653,811)</u>	<u>(36,326,330)</u>
NET POSITION (DEFICIT) - ENDING	<u>\$ 13,974,806</u>	<u>\$ (70,413,437)</u>	<u>\$ (30,302,794)</u>

See accompanying Notes to Financial Statements

36500 State Transportation Pool	75200 Group Insurance Premium Stabilization	Other Enterprise Funds	Total
6,543,600	350,030,056	16,449,116	463,595,356
-	24,428	11,649	103,284
105,876	-	330,567	436,443
6,649,476	350,054,484	16,791,332	464,135,083
848,158	-	5,505,933	6,354,091
645,697	-	2,597,090	3,242,787
9,042	-	22,753	31,795
11,592	-	13,793	25,385
1,310,194	-	267,868	1,578,062
38,961	18,871	655,097	773,805
47,959	17,741,825	5,950,010	39,187,573
1,073,135	-	188,223	1,261,358
2,969,801	-	7,349,197	13,572,132
50,441	313,607,875	498,561	358,974,218
7,004,980	331,368,571	23,048,525	425,001,206
(355,504)	18,685,913	(6,257,193)	39,133,877
-	-	-	-
(345,078)	(1,067,100)	7,590,417	215,356
-	-	641,800	641,800
-	-	6,000	(243,817)
-	-	-	-
(345,078)	(1,067,100)	8,238,217	613,339
(700,582)	17,618,813	1,981,024	39,747,216
6,654,469	(25,508,151)	13,083,782	(113,359,286)
<u>\$ 5,953,887</u>	<u>\$ (7,889,338)</u>	<u>\$ 15,064,806</u>	<u>\$ (73,612,070)</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF CASH FLOWS – ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2015**

	35300 State Unemployment Compensation Reserve	35700 Public Liability	35900 Workers' Compensation Retention
OPERATING ACTIVITIES			
Premiums/Service Fees Received	\$ 15,604,735	\$ 50,004,448	\$ 25,045,738
Other Income	-	-	-
Cash Paid to Suppliers	(9,234,652)	(45,834,954)	(16,789,237)
Cash Paid to Employees	-	-	-
Net Cash Provided (Used) by Operating Activities	6,370,083	4,169,494	8,256,501
NON-CAPITAL FINANCING ACTIVITIES			
Appropriation from/Reversion to State General Fund	-	-	-
Transfers	(50,400)	(4,136,300)	(2,026,000)
Net Cash Provided (Used) by Non-Capital Financing Activities	(50,400)	(4,136,300)	(2,026,000)
CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of Capital Assets	-	-	-
Proceeds from the Sale of Capital Assets	-	-	-
Capital Lease and Expenditures	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	-
NET INCREASE (DECREASE) IN CASH	6,319,683	33,194	6,230,501
CASH, BEGINNING OF YEAR	14,179,030	36,257,871	12,740,116
CASH, END OF YEAR	<u>\$ 20,498,713</u>	<u>\$ 36,291,065</u>	<u>\$ 18,970,617</u>

36500	75200		
State Transportation Pool	Group Insurance Premium Stabilization	Other Enterprise Funds	Total
\$ 6,872,912	\$ 350,184,568	\$ 16,966,405	\$ 464,678,806
105,876	-	-	105,876
(4,936,620)	(332,918,625)	(19,961,316)	(429,675,404)
(1,497,358)	-	(5,728,866)	(7,226,224)
544,810	17,265,943	(8,723,777)	27,883,054
-	-	641,800	641,800
(345,078)	(1,067,100)	7,596,417	(28,461)
(345,078)	(1,067,100)	8,238,217	613,339
(2,716,242)	-	(44,065)	(2,760,307)
-	-	-	-
-	-	-	-
(2,716,242)	-	(44,065)	(2,760,307)
(2,516,510)	16,198,843	(529,625)	25,736,086
4,772,415	21,884,625	18,281,899	108,115,956
<u>\$ 2,255,905</u>	<u>\$ 38,083,468</u>	<u>\$ 17,752,274</u>	<u>\$ 133,852,042</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF CASH FLOWS – ENTERPRISE FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	<u>35300</u>	<u>35700</u>	<u>35900</u>
	State Unemployment Compensation Reserve	Public Liability	Workers' Compensation Retention
RECONCILIATION OF CHANGE IN NET POSITION TO NET CASH FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ 12,634,451	\$ 6,376,674	\$ 8,049,536
Adjustments:			
Depreciation	-	-	-
Decrease (increase) in assets:			
Accounts Receivable and Due from Other Agencies and Funds	123,019	1,964	(370)
Inventories	-	-	-
Other Assets	-	-	-
Increase (Decrease) in Liabilities:			
Claims Payable	(497,923)	(2,099,661)	160,250
Accounts Payable and Due to Other Agencies and Funds	(5,889,464)	(109,483)	48,058
Accrued Expenses	-	-	(973)
Accrued Compensated Absences	-	-	-
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>\$ 6,370,083</u>	<u>\$ 4,169,494</u>	<u>\$ 8,256,501</u>

36500	75200		
State Transportation Pool	Group Insurance Premium Stabilization	Other Enterprise Funds	Total
\$ (355,504)	\$ 18,685,913	\$ (6,257,193)	\$ 39,133,877
1,073,135	-	188,223	1,261,358
329,312	130,084	6,801	590,810
	-	217,729	217,729
	-	115,276	115,276
	1,074,421	(613,926)	(1,976,839)
(498,628)	(2,624,475)	(2,361,469)	(11,435,461)
(781)	-	(10,655)	(12,409)
(2,724)	-	(8,563)	(11,287)
<u>\$ 544,810</u>	<u>\$ 17,265,943</u>	<u>\$ (8,723,777)</u>	<u>\$ 27,883,054</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES – AGENCY FUNDS
JUNE 30, 2015**

	Agency Funds
ASSETS	
Investment in the State General Fund Investment Pool	\$ 1,928,027
Due from Other Funds	190
	1,928,217
TOTAL ASSETS	\$ 1,928,217
LIABILITIES	
Accounts Payable	\$ 544,240
Deposits Held in Custody for Others	1,383,977
	1,928,217
TOTAL LIABILITIES	\$ 1,928,217

STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 DEFINITION OF REPORTING ENTITY

The State of New Mexico General Services Department (the Department) was created to increase the efficiency and responsiveness of New Mexico State Government by consolidating certain governmental functions within a single department and by providing support services for other governmental entities. Specific programs accomplish a number of services, including building maintenance and security, transportation, capital projects and improvements, central purchasing, and printing.

The financial reporting entity, as defined by the Government Accounting Standards Board (GASB), consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. This definition of the reporting entity is based primarily on the notion of financial accountability as the "cornerstone of all financial reporting in government."

The chief executive of the Department is the Secretary, who is appointed by the Governor of New Mexico and is a member of the Governor's cabinet. The Department is included in the State's reporting entity. These financial statements include all funds over which the Department Secretary has oversight responsibility. The functions of the Department are administered through the following divisions: Building Services, Administrative Services, Facilities Maintenance, Risk Management, State Purchasing and Transportation. Overall support is provided by the Administrative Services Division and the Office of the Secretary.

The Department had no component units during the year ended June 30, 2015.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates in Preparing Financial Statements

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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Financial Reporting Entity

The financial statements for the Department have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations, constitutes GAAP for governmental units. The more significant of these accounting policies are described below.

STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-wide 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 non-fiduciary funds of the Department and exclude fiduciary funds. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The components of net position are invested in capital assets, net of related debt (if applicable) and restricted and unrestricted.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 or segment, 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 are reported as general revenues. Indirect expenses are allocated to other costs.

Separate financial statements are provided for governmental funds and proprietary (enterprise) 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.

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, as are the proprietary (enterprise) funds and the fiduciary funds financial statements. 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 imposed by the provider have been met.

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

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the Department first uses restricted net assets.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund financial statements report detailed information about the Department. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to GASB No. 33 (as it relates to non-exchange and exchange transactions), the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenues when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met, under most circumstances, should be reported as advances by the provider and as a deferred inflow of resources by the recipient. Derived tax revenues (gas, motor vehicle) are included as revenue when the underlying transaction takes place. Any non-exchange transactions (including grants, taxes and contributions) are not recognized until they are measurable or reasonably estimable.

Proprietary (enterprise) funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The accounts of the Department are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance/net position, revenues and expenditures/expenses. The various funds are summarized by type in the accompanying financial statements.

The following fund types are used by the Department:

Governmental-type Funds – Governmental-type funds are those through which most governmental functions of the Department are financed. The acquisition, use and balances of the Department's expendable available financial resources and the related liabilities (except those accounted for in enterprise funds) are accounted for through governmental-type funds. Governmental fund types have fund balance, classified as follows: nonspendable, restricted, committed, assigned and unassigned. The measurement focus is upon determination of changes in financial position rather than upon net income determination. The following are the government fund types:

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

General Fund – The General Fund is the general operating fund of the Department. It is used to account for the general operations of the Department in carrying out its specific functions. The primary source of revenue for the General Fund is State appropriations. The General Fund exists through the annual budget approval.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects or debt service) that are restricted or committed to expenditures for specific purposes.

Capital Projects Funds – Capital Projects funds are used to account for financial resources that are restricted, committed or assigned to be used for the acquisition or construction of major capital facilities.

Major governmental-type funds in addition to the general fund include:

Capital Buildings Repair Fund – A capital projects fund used to account for repairs, remodeling and equipping of capitol buildings and adjacent lands, and to repair or replace building machinery and building equipment located in the capitol building.

Severance Tax Bond (STB) Projects – A capital projects fund used to account for the acquisition, improvement, alteration or reconstruction of long-term assets.

The governmental-type funds identified below did not have budget authority for the fiscal year, nor did they have any financial activity or balances. Because of this, they have not been included for presentation in the financial statements.

Fund No.	Description
89000	American Recovery and Reinvestment Act
36400	Laws of 2004
30600	Laws of 2003
24900	Laws of 2002
76600	Laws of 2000
35500	Laws of 1999

Business-type Funds – Enterprise funds are used to account for the Department’s ongoing activities where the intent of the State is that the costs and expenses, including depreciation, of providing goods and services to other departments or agencies of the governmental unit or to other unrelated governmental units, on a continuing basis, be financed or recovered primarily through user or customer charges.

STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Major enterprise-type funds include:

State Unemployment Compensation Reserve – accounts for the administration of all contributions collected and payments made to beneficiaries pursuant to the Unemployment Compensation Law.

Public Liability – provides liability insurance for state agencies and their employees and for any local public body participating in the fund and pays claims and judgments under the certificate of coverage.

Workers' Compensation Retention – accounts for the purchase and administration of workers' compensation insurance for employees of state agencies.

State Transportation Pool – provides transportation for all state agencies in the Santa Fe and Albuquerque, New Mexico areas.

Group Insurance Premium Stabilization – accounts for premiums collected under the *Consolidated Omnibus Budget Reconciliation Act (COBRA)* from former employees of the Department who have elected to continue their health insurance coverage with the Department's carrier.

Fiduciary Funds (Agency Funds) – These funds are used to account for assets held by the Department as an agent for individuals, private organizations, other governments and/or other funds. Agency funds are custodial in nature and do not involve measurement of results of operations.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Department did not have any items that qualified for reporting in this category as of June 30, 2015.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Department did not have any items that were required to be reported in this category as of June 30, 2015.

STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Data

Per the General Appropriation Act, Laws of 2010, Chapter 6, Section 3, item M, "For the purpose of administering the General Appropriation Act of 2010 and approving operating budgets, the state of New Mexico shall follow the modified accrual basis of accounting for governmental funds in accordance with the manual of model accounting practices issued by the department of finance and administration." The budget is adopted on the modified accrual basis of accounting, except for accounts payable accrued at the end of the fiscal year that do not get paid by the statutory deadline per Section 6-10-4 NMSA 1978. Those accounts payable that do not get paid timely must be paid out of the next year's budget. Encumbrances related to single year appropriations lapse at year end. Appropriation periods are sometimes for periods in excess of twelve months (multiple-year appropriations). When multiple-year appropriation periods lapse, the authority for the budget also lapses and encumbrances can no longer be charged to that budget. The legal level of budgetary control is at the appropriation unit level.

The unexpended State General Fund appropriation to the Department lapses at year end and reverts to the State General Fund. The Department may also receive funding from various special appropriations. The language of a particular special appropriation determines when it lapses and whether or not unexpended balances revert to the State General Fund.

Cash Deposits

The Department is required by statute to deposit any money received into the State Fiscal Agent Bank. Balances maintained at the end of the day are pooled and invested by the State Treasurer in repurchase agreements. The State Treasurer issues separate financial statements that disclose the collateral pledged to secure these deposits, categories of risk involved and the market value of purchased investments, which may differ from the cash deposited by the Department. Cash and cash equivalents are defined to include cash on deposit with banks or the State Treasurer.

Receivables

All accounts/trade receivables represent uncollected insurance premiums or fees for services rendered to external parties. Receivables in excess of 120 days comprise the Department's allowance for doubtful accounts.

Inventories

Inventories are valued at the lower of cost (first-in, first-out method) or market and consist of expendable supplies held for consumption and raw materials used in the printing department.

The Department also maintains an inventory of Federal Surplus Property for resale to other state departments or agencies, local government or not-for-profit organizations. This inventory is not recorded on the financial statements of the Department as it is not considered to be a financial or capital resource.

STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Restricted Resources

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the Department's policy to use restricted resources first. When expenditures/expenses 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 Department's policy to spend committed resources first.

Capital Assets and Depreciation

Capital assets are stated at cost or estimated cost, and include land, buildings, computer software, property and equipment constructed with Department resources and acquired with State appropriations and government grant funds. They also include certain land and buildings transferred from other departments and agencies of the State of New Mexico under the provisions of the Property Control Act (Section 12-6-10, NMSA 1978). Capitalized asset additions made through governmental funds are recorded as capital outlay expenditures in the respective funds and recorded in the government-wide financial statements. Items greater than \$5,000 are capitalized.

Capital assets acquired by enterprise funds are reported in those funds at cost or at estimated fair value at the time of donation. Provisions for depreciation are computed using the straight-line method and charged to operations of enterprise funds over the assets' estimated useful lives using the straight-line method. Estimated useful lives are 10 to 40 years for building and improvements; 3 to 6 years for motor vehicles and motorized equipment; and 4 to 20 years for furniture, machinery and equipment.

Capital assets for the governmental activities are recorded on the government-wide financial statements and depreciated over the same estimated useful lives using the straight-line method.

Compensated Absences

A total of 12 days of sick leave per year may be accumulated by each employee. Employees are paid for accumulated sick leave annually, or upon retirement or other termination, but only for accumulated sick leave in excess of 600 hours. Annually, employees may be paid 50% of the excess over 600 hours, up to a maximum of 120 hours. Upon retirement or termination, employees are paid 50% of the excess over 600 hours, up to a maximum of 400 hours. Employees may accrue from 10 days to 20 days of annual leave per year, depending on the years of service. Employees are paid for the accumulated annual leave upon retirement or other termination. A maximum of 30 days of annual leave may be accumulated by each employee.

Compensated absences liabilities are computed using the regular pay and termination pay rates in effect at the financial statement date, plus an additional amount for compensation-related payments such as social security and Medicare taxes computed using rates in effect at that date.

STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund Transactions

Quasi-external transactions are accounted for as revenues and expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made for it that are properly applicable to another fund are recorded as expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

On fund financial statements, receivables and payables (resulting from short-term interfund loans and as a result of transactions between the funds) are classified as "Due to/from other funds."

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are various charges between the business-type activities and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Pensions

In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27*. This Statement improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards governing accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

In January 2013, GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment of GASB Statement No. 68*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Compliant with the requirements of Government Accounting Standards Board Statement No.68 and No.71, the State of New Mexico has implemented the standards for the fiscal year ending June 30, 2015.

The General Services Department, 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). Overall, the total pension liability exceeds Plan net position resulting in a Net pension liability. The State has determined the State's share of the net pension liability to be a liability of the State as a whole, rather than any agency or department of the State and will

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions (Continued)

not be reported in the department or agency level financial statements of the State. All required disclosures 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 General Fund and the CAFR and will be available, when issued, from the Office of State Controller, Room 166, Bataan Memorial Building, 407 Galisteo Street, Santa Fe, New Mexico, 87501.

Restricted Expendable Net Position

GASB Pronouncement Number 46 states that net position is legally enforceable, meaning that a government can be compelled by an external party (i.e., citizen, public interest group, etc.) to use resources only as created by the legislation. The three categories of net position are net investment in capital assets, restricted and unrestricted.

Restricted expendable net position is created to either 1) satisfy legal covenants that require a portion of the fund balance be segregated, or 2) identify the portion of the fund balance that is not appropriated for future expenditures. Specific restricted net position accounts are summarized below:

Restricted for insurance/claims – Amounts to be paid in the future on risk management insurance and various other claims.

Restricted for capital projects – Resources that must be used to acquire capital assets.

NOTE 3 STATE GENERAL FUND INVESTMENT POOL

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.

Agency claims against the SGFIP and fiduciary resources held at STO to fulfill those claims were not reconciled from the inception of SHARE (the State's centralized accounting system), in July 2006 through January 2013, which caused uncertainty as to the validity of the claims and the ability of fiduciary resources to fulfill those claims. As a result of business process and systems configuration changes made during the Cash Management Remediation Project Phase I, the Department of Finance and Administration's Financial Control division began reconciling transactional activity reported by the State's fiscal agent

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 3 STATE GENERAL FUND INVESTMENT POOL (CONTINUED)

bank to the SHARE general ledger on a point-forward basis beginning February 1, 2013. In March 2015, the Financial Control Division implemented a reconciliation process that compares statewide agency claims against the resources held in the SGFIP at STO. This process is known as the claims to resources reconciliation. The claims to resources reconciliation process has been applied to fiscal year-end 2014 and the months from January 2015 through June 2015.

Agency claims on the SGFIP will be honored in their entirety. Any adjustment necessary to the claims balance will be applied against the General Operating Reserve. No portion of the adjustment shall be allocated to any specific agency that participates in the SGFIP.

The Department has established daily and monthly procedures that mitigate the risk of misstatement of the Department's balances within the Pool. In addition, as required by Section 6-5-2.1 (J) NMSA 1978, DFA/FCD is to complete, on a monthly basis, reconciliation with the balances and accounts kept by the state treasurer and adopt and promulgate rules regarding reconciliation for state agencies.

NOTE 4 INTEREST IN THE STATE GENERAL FUND INVESTMENT POOL

State law (Section 8-6-3 NMSA 1978) requires the Department's cash be managed by the New Mexico State Treasurer's Office. Accordingly, the investments of the Department consist of an interest in the State General Fund Investment Pool managed by the New Mexico State Treasurer's Office.

At June 30, 2015, the Department had the following invested in the State General Fund Investment Pool:

State General Fund Investment Pool*	\$155,925,174
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*Includes cash overdraft of \$827,235 in Fund 892, and \$278,927 in Fund 806.

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.

Credit Risk

The New Mexico State Treasurer pools are not rated.

For additional GASB 40 disclosure information regarding cash held by the New Mexico State Treasurer, the reader should see the separate audit report for the New Mexico State Treasurer's Office for the fiscal year ended June 30, 2015.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 4 INTEREST IN THE STATE GENERAL FUND INVESTMENT POOL (CONTINUED)

The fair values of the investments maintained at the New Mexico State Treasurer's Office are as follows at June 30, 2015:

Investment	Balance, June 30, 2015
New Mexico State Treasurer's Office*	
General Fund Investment Pool (Primary Government)	\$ 153,997,147
Agency Fund Total	1,928,027
 Total	 \$ 155,925,174

*Includes cash overdraft of \$827,235 in Fund 892, and \$278,927 in Fund 806.

Pledged Collateral (Custodial Credit Risk)

In accordance with Section 6-10-7 NMSA 1978, deposits of public monies are to be collateralized in an aggregate equal to 50% of deposits in excess of Federal Deposit Insurance Corporation (FDIC) insurance coverage. Deposits are exposed to custodial risks if they are not covered by depository insurance.

Detail of pledged collateral specific to this agency is unavailable because the bank commingles pledged collateral for all state funds it holds. However, the State Treasurer's Office collateral bureau monitors pledged collateral for all state funds held by state agencies in such "authorized" bank accounts.

The New Mexico State Treasurer's office is responsible to ensure that all accounts have collateral at the required level for amounts in excess of FDIC coverage. The New Mexico State Treasurer issues separate financial statements, which disclose the collateral pledged to secure these deposits, the categories of risk involved, and the market value of purchased investments, which may differ from the cash deposited by the Department.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 5 INTERFUND AND INTERAGENCY RECEIVABLES AND PAYABLES

Interfund receivables and payables as of June 30, 2015, are as follows:

	Due From Other Funds	Due To Other Funds
Governmental Funds:		
Major Governmental Funds:		
General Fund – 17400	\$ -	\$ 6,548
STB Projects – 89200	220,903	-
Other Governmental Funds	-	220,903
Total Governmental Funds	220,903	227,451
Enterprise Funds:		
Major Enterprise Funds:		
State Transportation Pool – 36500	9,213	600
Group Insurance Premium Stabilization - 75200	20	210
Other Enterprise Funds	780	2,845
Total Enterprise Funds	10,013	3,655
Fiduciary Funds	190	-
Total All Funds	\$ 231,106	\$ 231,106

All interfund transactions are expected to be settled within one year.

Due from other state agencies as of June 30, 2015, are as follows:

	Due From Other State Agencies	Fund No.	Amount	Due From Agency/Purpose	Fund No.	Amount
State Unemployment Compensation		35300	\$ 1,442	SIC - Self Earning Interest Income	80100	\$ 1,442
LPB Unemployment Compensation		35400	383	SIC - Self Earning Interest Income	80100	383
Public Property Reserve		35600	600	SIC - Self Earning Interest Income	80100	600
Public Liability		35700	2,652	SIC - Self Earning Interest Income	80100	2,652
Surety Bond		35800	38	SIC - Self Earning Interest Income	80100	38
Workers' Compensation Retention		35900	1,396	SIC - Self Earning Interest Income	80100	1,396
Group Insurance Premium Stabilization		75200	2,183	DCA - Attorney Fees	53000	2,183
Group Insurance Premium Stabilization		75203	342	EMNRD - Reimbursement	20010	342
Property Control Reserve		78500	108	SIC - Self Earning Interest Income	80100	108
State Printing		80600	112	TJDA - Printing Services	16400	112
Capitol Buildings Repair		86300	538,402	SIC - LGPF Distribution	16400	538,402
Capitol Buildings Repair		86300	673	SIC - Self Earning Interest Income	80100	673
STB Projects		89200	1,804,401	DFA - Severance Tax Draw	19000	1,804,401
Laws of 2005		97000	6,545	EMNRD - MOU	19900	6,545
Total All Funds			\$ 2,359,277			\$ 2,359,277

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 5 INTERFUND AND INTERAGENCY RECEIVABLES AND PAYABLES (CONTINUED)

Due to other state agencies as of June 30, 2015 are as follows:

Due To Other State Agencies	Fund No.	Amount	Due To Agency/ Purpose	Fund No.	Amount
General Fund	17400	\$ 118,800	DFA - Reversions/Warrants	85300	\$ 118,800
Surplus Property	36000	72	TRD - Gross Receipts Tax	83200	72
Group Insurance Premium Stabilization	75200	223	TRD - Employee Withholding Tax	83200	223
Total All Funds		<u>\$ 119,095</u>			<u>\$ 119,095</u>

The purpose of all interfund and interagency balances is to record the services that the Department provides to other funds and agencies (e.g., information processing, printing, insurance, etc.).

NOTE 6 CAPITAL ASSETS

Governmental-Type Activities	Balance, June 30, 2014	Additions	Transfers *	Deletions	Balance, June 30, 2015
Building and Improvements	\$ 859,914,649	\$ 2,782,805	\$ 84,516,437	\$ (607,588)	\$ 946,606,303
Machinery	11,490,723	3,046,530	(4,851,019)	(7,438)	9,678,796
Construction in Progress	55,557,615	23,898,111	(78,165,454)	-	1,290,272
Total	926,962,987	29,727,446	1,499,964	(615,026)	957,575,371
Accumulated Depreciation:					
Buildings and Improvements	(420,504,407)	(17,719,816)	(870,040)	607,588	(438,486,675)
Machinery and Equipment	(1,773,631)	(323,759)	870,040	7,438	(1,219,912)
Total Accumulated Depreciation	(422,278,038)	(18,043,575)	-	615,026	(439,706,587)
Land	19,791,921	262,371	-	-	20,054,292
Net Total	<u>\$ 524,476,870</u>	<u>\$ 11,946,242</u>	<u>\$ 1,499,964</u>	<u>\$ -</u>	<u>\$ 537,923,076</u>

Depreciation expense of \$18,043,575 was charged to the Capital Projects function.

*During the fiscal year, the Department was transferred and took possession of an \$838,376 building from the New Mexico Department of Health and a \$661,588 building from the New Mexico Children, Youth and Families Department. The total transfer of buildings of \$1,499,964 is shown above as a transfer in to Buildings and Improvements. The Department Facilities Services Division is responsible for the oversight and maintenance of State of New Mexico owned buildings.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 6 CAPITAL ASSETS (CONTINUED)

Business-type Activities Capital Assets

A summary of changes in business-type activities capital assets follows:

<u>Business-type Activities</u>	<u>Balance, June 30, 2014</u>	<u>Additions</u>	<u>Adjustments/ Deletions</u>	<u>Balance, June 30, 2015</u>
Aircraft, Autos and Trucks	\$ 24,507,352	\$ 2,716,242	\$ (398,349)	\$ 26,825,245
Buildings and Improvements	1,798	-	-	1,798
Furniture and Fixtures	49,843	-	-	49,843
Machinery and Equipment	1,107,630	19,041	-	1,126,671
Information Technology	843,075	25,024	-	868,099
Total	<u>26,509,698</u>	<u>2,760,307</u>	<u>(398,349)</u>	<u>28,871,656</u>
Accumulated Depreciation:				
Aircraft, Autos and Trucks	(20,509,782)	(1,172,667)	398,349	(21,284,100)
Buildings and Improvements	(1,798)	-	-	(1,798)
Furniture and Fixtures	(49,843)	-	-	(49,843)
Machinery and Equipment	(1,047,900)	(12,999)	-	(1,060,899)
Information Technology	(667,042)	(75,692)	-	(742,734)
Total Accumulated Depreciation	<u>(22,276,365)</u>	<u>(1,261,358)</u>	<u>398,349</u>	<u>(23,139,374)</u>
Net Total	<u>\$ 4,233,333</u>	<u>\$ 1,498,949</u>	<u>\$ -</u>	<u>\$ 5,732,282</u>

Depreciation expense of \$1,073,135 was charged to Transportation Services and \$188,223 was charged to Program Support.

NOTE 7 LEASES (ENTERPRISE FUNDS)

Operating Leases

Lease expenditures/expenses for the year ended June 30, 2015 totaled approximately \$2,969,931. Lease expense for vehicles approximates the revenue earned by the Department for leasing these vehicles to other state agencies. The Department has other lease agreements with related expenses reflected in the individual funds' operating costs.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 7 LEASES (ENTERPRISE FUNDS) (CONTINUED)

The following is a schedule by year of future minimum lease payments for various buildings, copiers and vehicles at June 30, 2015:

Years ending June 30:

Years Ending June 30,	
2016	\$ 2,999,681
2017	2,999,681
2018	348,515
2019	-
2020 and thereafter	-
Total	<u>\$ 6,347,877</u>

NOTE 8 INSURANCE CLAIMS PAYABLE (ENTERPRISE FUNDS)

The State of New Mexico manages its risks internally and sets aside assets for claim settlement through Enterprise Funds within the Risk Management Division (RMD) of the General Services Department. The RMD services all claims for risk of loss to which the State is exposed, including general liability, property and casualty, workers' compensation, employee health and accident, and unemployment compensation. The Department has reinsurance for liability and civil rights claims in the amounts of \$1,050,000 each. Civil rights claims may exceed this amount and the Department has reinsurance from \$5,000,000 to \$10,000,000. The Department would then be liable for the remaining above \$10,000,000. All funds, agencies and authorities of the State participate in Risk Management. Risk Management allocates the cost of providing claims servicing and claims payment by charging a "premium" to each fund, agency or public authority based on claims history and exposure of each participant. The charge considers recent trends in actual claims experience of the State as a whole, and makes provision for catastrophic losses.

Risk Management fund liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are reevaluated annually to take into consideration recent settled claims, the frequency of claims and other economic and social factors.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 8 INSURANCE CLAIMS PAYABLE (ENTERPRISE FUNDS) (CONTINUED)

Insurance claims payable of \$201,507,120 were reported by the Department through June 30, 2015. The amounts of the liabilities are determined by independent actuarial consultants to the Department. The total liability is shown in the accompanying financial statements at the present value of the payments, computed at 2% annual rate between June 30, 2015, and the date the claims are ultimately expected to be paid.

Insurance claims payable presented are actuarial computed estimates of the costs of administering, defending and settling claims for events that had occurred as of the year end. Since these estimates are based on historical information and various statistical measures, actual amounts paid may vary significantly from the amount estimated by the fund actuaries and reported herein.

The basis of estimating the liabilities for unpaid claims is found in the independent actuarial report. The following shows the reconciliation of changes in the unpaid claims in the Risk Management Funds, which are stated at present value:

Fund	Balance, June 30, 2014	Incurred (net of Actuarial Provision)	Payments	Balance, June 30, 2015
35300 State Unemployment	\$ 5,811,822	\$ (496,683)	\$ (1,240)	\$ 5,313,899
35400 Local Public Body	1,278,601	325,469	(435,012)	1,169,058
35600 Public Property Reserve	2,355,208	5,943,110	(6,445,542)	1,852,776
35700 Public Liability	107,285,420	26,994,736	(29,094,397)	105,185,759
35800 Surety Bond	5,857	247,508	(249,459)	3,906
35900 Workers' Compensation	48,857,150	15,717,002	(15,556,752)	49,017,400
75200 Group Insurance Premium	37,889,901	313,582,958	(312,508,537)	38,964,322
Net Total	<u>\$ 203,483,959</u>	<u>\$ 362,314,100</u>	<u>\$(364,290,939)</u>	<u>\$ 201,507,120</u>

Fund	Balance, June 30, 2013	Incurred (net of Actuarial Provision)	Payments	Balance, June 30, 2014
35300 State Unemployment	\$ 7,929,361	\$ (2,116,344)	\$ (1,195)	\$ 5,811,822
35400 Local Public Body	1,744,459	1,236,614	(1,702,472)	1,278,601
35600 Public Property Reserve	1,749,559	6,449,895	(5,844,246)	2,355,208
35700 Public Liability	108,463,084	16,737,225	(17,914,889)	107,285,420
35800 Surety Bond	5,857	(251,508)	251,508	5,857
35900 Workers' Compensation	50,532,737	13,453,786	(15,129,373)	48,857,150
75200 Group Insurance Premium	42,250,043	285,435,426	(289,795,568)	37,889,901
Net Total	<u>\$ 212,675,100</u>	<u>\$ 320,945,094</u>	<u>\$(330,136,235)</u>	<u>\$ 203,483,959</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 9 COMPENSATED ABSENCES

The compensated absence liability of the governmental funds has typically been liquidated by the general fund in prior years. The changes in accrued compensated absences for governmental activities are as follows:

Governmental Activities				
Balance, June 30, 2014	Increase	Adjustments/ (Decrease)	Balance, June 30, 2015	Amounts Due within One Year
<u>\$ 304,277</u>	<u>\$ 313,170</u>	<u>\$ (319,739)</u>	<u>\$ 297,708</u>	<u>\$ 297,708</u>

The changes in accrued compensated absences for business-type activities are as follows:

Business Type				
Balance, June 30, 2014	Increase	Adjustments/ (Decrease)	Balance, June 30, 2015	Amounts Due within One Year
<u>\$ 380,379</u>	<u>\$ 365,878</u>	<u>\$ (398,443)</u>	<u>\$ 347,814</u>	<u>\$ 347,814</u>

NOTE 10 JOINT POWERS AGREEMENTS

The Department entered into an agreement with the Office of the Governor for cooperative funding and representation for collective bargaining cases and negotiations. The Office of the Governor designated the State Personnel Director as the Governor's designee for preparation for collective bargaining negotiations. The State Personnel Office will administer a contract with a consultant to assess the current collective bargaining agreements, develop a strategy for negotiating the new agreements, and provide assistance with other labor issues. The term of this agreement is from May 23, 2011 and will remain in effect until terminated by the Office of the Governor, in writing.

The General Services Department Risk Management Division (GSD RMD) provides legal representation of New Mexico Corrections Department (NMCD) employees by NMCD's Office of General Counsel in those pro se cases for which NMCD employers are provided by GSD RMD pursuant to the New Mexico Tort Claims Act and GSD RMD's certificate of insurance with NMCD. The term is from July 1, 2012, to June 30, 2016, and is funded with \$987,384 in other state funds. The Department will pay any settlements authorized and any judgments resulting from trials.

The General Services Department Office of the Secretary entered into an agreement with the Department of Information Technology (DoIT), wherein DoIT will provide public information officer and records custodian duties and GSD will reimburse DoIT 50% with respect to the cost of employment and related expenses.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 10 JOINT POWERS AGREEMENTS (CONTINUED)

The General Services Department Property Control Division (now Facilities Management Division) entered into an agreement with the Energy, Minerals, and Natural Resources Department (EMNRD) to implement an energy efficiency program called WISE to install approved equipment and components for the purpose of reducing state buildings' energy consumption. The term of the agreement is from October 1, 2012, to September 30, 2015 and is funded through Executive Order 12372 not to exceed \$1,250,000.00.

The General Services Department Facilities Management Division entered into an agreement with the Department of Health (DOH) to retain the services of Ms. Ivy Martinez to provide part-time services as a Team Leasing Specialist. The term of this MOU was from February 11, 2015, to June 30, 2015. GSD and NMED also entered into an agreement for Mr. Robert Levin to provide consultation services for information technology infrastructure with regard to state property leasing activities. The term of this MOU was from December 23, 2014, to June 30, 2015.

Pursuant to the MOU between the SFPS and the GSD entered into on 5, January 2015, the agreement confirms the parties' commitment and mutual cooperation in pursuing partnering activities between government entities that may produce community and constituency benefits beyond what might be produced independently. No compensation shall be exchanged between the parties as a result of this Agreement. GSD's relationship with the student will be that of the workplace, in an employment like environment for an internship only. This means there is no compensation from GSD to the student other than the experience and supervision. There is no wage, compensation package or benefits. The student is an intern only, and therefore not entitled to Workers Compensation.

Participants	Responsible Party	Description	Term	Total Amount	Current Year Amount	Books Recorded
Office of the Governor/GSD	State Personnel Office	See above	May 2011 until terminated by the Office of the Governor	\$ 27,636	\$697	GSD
NMCD/GSD	GSD	See above	July 2012 - June 2016	\$ 987,384	\$ 249,817	GSD
GSD/DFA	GSD	See above	January 2015	\$ -	\$ 33,140	GSD
GSD/DoIT	GSD	See above	February 2015 - until terminated by GSD	\$ -	\$ 18,202	GSD
GSD/EMNRD	EMNRD	See above	January 2013 - September 2015	\$ 232,694	\$ 95,922	GSD
GSD/DOH	GSD	See above	February 2015 - June 2015	\$ -	\$ 4,016	GSD
GSD/NMED	GSD	See above	February 2015 - June 2015	\$ -	\$ 516	GSD
GSD/SFPS	GSD	See above	January 2015 - June 2015	\$ -	\$ -	-

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 11 OPERATING TRANSFERS

Transfers between funds for the year ended June 30, 2015, are as follows:

Fund Description	Fund #	Transfer In	Transfer Out	Net
Governmental Funds				
General Fund - Major	17400	\$ -	\$ (192,458)	\$ (192,458)
Administrative Cost Fund	12500	524,090	(47,000)	477,090
Purchasing Division Fees Fund	28600	-	(22,897)	(22,897)
Capital Buildings Repair Fund	86300	-	(73,500)	(73,500)
Capital Projects - 2011 Appropriation	89200	47,000	(450,591)	(403,591)
Total Governmental Funds		571,090	(786,446)	(215,356)
Enterprise Funds				
Program Support Fund	19700	3,796,334	-	3,796,334
Risk Management Operating Fund	35200	8,245,783	(3,127,303)	5,118,480
State Unemployment Compensation Fund	35300	-	(50,400)	(50,400)
LPB Unemployment Compensation	35400	-	(230,900)	(230,900)
Public Property Reserve	35600	-	(522,100)	(522,100)
Public Liability Fund - Major	35700	-	(3,886,483)	(3,886,483)
Surety Bond	35800	-	(462,800)	(462,800)
Workers' Compensations Retention Fund-Major	35900	-	(2,026,000)	(2,026,000)
Surplus Property Bureau Fund	36000	-	(25,273)	(25,273)
State Transportation Fund - Major	36500	-	(345,078)	(345,078)
State Aircraft Bureau Fund	41700	-	(26,603)	(26,603)
Group Insurance Premium Stabilization - Major	75200	-	(1,067,100)	(1,067,100)
State Printing Fund	80600	-	(56,721)	(56,721)
Total Enterprise Funds		12,042,117	(11,826,761)	215,356
Total		<u>\$ 12,613,207</u>	<u>\$ (12,613,207)</u>	<u>\$ -</u>

Transfers from (to) other state agencies for the year ended June 30, 2015, are as follows:

Agency Number	17400 General Fund	86300 Capital Projects Repair Fund	Governmental Funds Subtotal	35700 Public Liability	41700 State Aircraft Pool	Enterprise Funds Subtotal
34100	\$ 124,300	\$ -	\$ 124,300	\$ -	\$ 6,000	\$ 6,000
50500	-	-	-	(249,817)	-	(249,817)
33700	-	6,232,993	6,232,993	-	-	-
	<u>\$ 124,300</u>	<u>\$ 6,232,993</u>	<u>\$ 6,357,293</u>	<u>\$ (249,817)</u>	<u>\$ 6,000</u>	<u>\$ (243,817)</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2015**

NOTE 12 REVERSIONS

The Department had reversions listed in the operating statements for fiscal years as follows:

		<u>Year of Appropriation</u>		
17400	General Fund	2015	\$	53,842

In accordance with statute Section 6-5-10(A) NMSA 1978, all unrestricted balances in reverting funds and accounts as reflected in the SHARE system as of June 30 shall revert. \$118,800 is payable at June 30, 2015, and due by September 30, 2015. This payable may be adjusted within 45 days of the release of this audit by the New Mexico Office of the State Auditor.

NOTE 13 PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

Plan Description

Substantially all of the Department’s full-time employees participate in a public employee retirement system authorized under the Public Employees’ Retirement Act (Chapter 10, Article 11 NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, New Mexico 87504-2123. The report is also available on PERA’s website at www.pera.state.nm.us.

Funding Policy

Plan members are required to contribute 8.92% of their gross salary. The Department is required to contribute 16.99% of the gross covered salary. The contribution requirements of plan members and the Department are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The Department’s contributions to PERA for the fiscal years ending June 30, 2015, 2014 and 2013 were \$1,906,046, \$1,751,072, and \$1,689,687, respectively, which equal the amount of the required contributions for each fiscal year.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 14 POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN

Plan Description

The Department 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 Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board 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 the 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 Board 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.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

**NOTE 14 POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN
(CONTINUED)**

Funding Policy (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 officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2015, 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, 2015, 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, 2015, 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 Department's contributions to the RHCA for the years ended June 30, 2015, 2014 and 2013 were \$224,450, \$211,410, and \$193,678, respectively, which equal the requirement contributions for each year.

NOTE 15 COMMITMENTS AND CONTINGENCIES

Litigation

The Department has been named as defendant in several lawsuits or complaints. Neither the final outcome nor the amount of potential loss from these cases is presently determinable. However, management estimates that the potential loss to the Department, if any, is not likely to be material to the Department's financial statements.

In addition, the Risk Management Division is named as defendant in several lawsuits or complaints. The cases outstanding at June 30, 2015, have been included in the actuary's determination of "claims payable."

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 15 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Risk Management

The Department is exposed to various risks of loss for which the Department carries insurance with the State of New Mexico Risk Management Division (an enterprise fund within the Department). Coverage is provided for the following:

Workers' Compensation	General Liability
Civil Rights and Foreign Jurisdiction	Automobile
Aircraft	Property
Money and Securities	Employee Fidelity Bond
Health/Life	Short-term and Long-term Disability
Law Enforcement	Medical Malpractice

NOTE 16 – NET POSITION DEFICITS

The following funds had net position deficits at June 30, 2015:

Enterprise Funds:

35700	Public Liability	357	\$(70,413,437)
35900	Workers' Compensation Retention	359	(30,302,794)
75200	Group Insurance Premium Stabilization	752	(7,889,338)
80600	State Printing	806	(298,571)

The Public Liability, State Unemployment Compensation and Workers' Compensation Retention funds are Risk Management funds that include claims liabilities (see Note 8, Insurance Claims Payable) based on future actuarial estimated losses from claims incurred that the affected funds would need to pay using June 30, 2015 net position balances. Such reporting is required by GASB 10 Accounting and Financial Reporting for Risk Financing and Related Insurance Issues. The New Mexico Risk Management Advisory Board recommends maintaining the position balances at a minimum of at least 50 percent of the actuarial estimated losses. While the Public Liability and the State Unemployment Compensation funds are above 50 percent soundness, the Department is working on increasing insurance premium fees to help make the Workers' Compensation Retention fund reach this level.

NOTE 17 FUND BALANCE

In the governmental fund financial statements, fund balances are classified as:

Nonspendable – Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 17 FUND BALANCE (CONTINUED)

Restricted – Amounts that can be spent only for specific purposes where constraints placed on the resources are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

Committed – Amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Legislative and Executive branches of the State. The committed portion is committed for maintenance and utility costs.

Assigned – Amounts that are constrained by the Legislative and Executive branches' intent to be used for specific purposes or, in some cases, by legislation.

Unassigned – All amounts not included in other spendable classifications.

		<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>
17400	General Fund			
	Maintenance Costs	\$ -	\$ 310,475	\$ -
86300	Capitol Building Repair Fund			
	State Building Repair	9,382,424	-	-
12500	Administrative Costs			
	Capital Projects	1,061,300	-	-
28600	Purchasing Division Fees			
	Procurement Services	3,568,652	-	-
28700	Public Building Repair			
	State Building Repair	2,343,583	-	-
78500	Property Control Reserve			
	Capital Projects	1,536,723	-	-
28500	Tobacco Tax: DOH Facilities			
	Capital Projects	1,649,458	-	-
64100	Laws of 2006			
	Capital Projects	66,823	-	-
97000	Laws of 2005			
	Capital Projects	5,798	-	-
		<u>\$ 19,614,761</u>	<u>\$ 310,475</u>	<u>\$ -</u>

STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 18 SUBSEQUENT ACCOUNTING PRONOUNCEMENTS

GASB has issued the following statements, which are applicable in future years. At this time, management has not determined the impact, if any on the District.

Statement No. 72

Fair Value Measurement and Application

Effective Date: The requirements of this Statement are effective for financial statements for reporting periods beginning after June 15, 2015

This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of *fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

Statement No. 73

Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68

Effective Date: The provisions in Statement 73 are effective for fiscal years beginning after June 15, 2015—except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68, which are effective for fiscal years beginning after June 15, 2016.

The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68 for pension plans and pensions that are within their respective scopes.

STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 18 SUBSEQUENT ACCOUNTING PRONOUNCEMENTS (CONTINUED)

The requirements of this Statement extend the approach to accounting and financial reporting established in Statement 68 to all pensions, with modifications as necessary to reflect that for accounting and financial reporting purposes, any assets accumulated for pensions that are provided through pension plans that are not administered through trusts that meet the criteria specified in Statement 68 should not be considered pension plan assets. It also requires that information similar to that required by Statement 68 be included in notes to financial statements and required supplementary information by all similarly situated employers and nonemployer contributing entities.

This Statement also clarifies the application of certain provisions of Statements 67 and 68 with regard to the following issues:

1. Information that is required to be presented as notes to the 10-year schedules of required supplementary information about investment-related factors that significantly affect trends in the amounts reported
2. Accounting and financial reporting for separately financed specific liabilities of individual employers and nonemployer contributing entities for defined benefit pensions
3. Timing of employer recognition of revenue for the support of nonemployer contributing entities *not* in a special funding situation.

Statement No. 74

Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans

Effective Date: The provisions in Statement 74 are effective for fiscal years beginning after June 15, 2016.

The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

This Statement replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement 43, and Statement No. 50, *Pension Disclosures*.

STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 18 SUBSEQUENT ACCOUNTING PRONOUNCEMENTS (CONTINUED)

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB, as well as for certain nonemployer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities.

The scope of this Statement includes OPEB plans—defined benefit and defined contribution—administered through trusts that meet the following criteria:

- Contributions from employers and nonemployer contributing entities to the OPEB plan and earnings on those contributions are irrevocable.
- OPEB plan assets are dedicated to providing OPEB to plan members in accordance with the benefit terms.
- OPEB plan assets are legally protected from the creditors of employers, nonemployer contributing entities, and the OPEB plan administrator. If the plan is a defined benefit OPEB plan, plan assets also are legally protected from creditors of the plan members.

This Statement also includes requirements to address financial reporting for assets accumulated for purposes of providing defined benefit OPEB through OPEB plans that are *not* administered through trusts that meet the specified criteria.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*

Effective Date: The provisions in Statement 76 are effective for reporting periods beginning after June 15, 2015. Earlier application is encouraged.

The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015, and should be applied retroactively. Earlier application is permitted.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
GENERAL FUND DESCRIPTION
JUNE 30, 2015**

The General Fund (Fund 17400) is used to account for all resources traditionally associated with governments that are not required to be accounted for in another fund. The General Fund is a reverting fund and includes the following:

Purchasing Division

Facilities Maintenance Division

Building Services Division

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
COMBINING BALANCE SHEET – BY FUND TYPE –
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015**

	Special Revenue Funds	Capital Projects Funds	Total
ASSETS			
Investment in State General Fund			
Investment Pool	\$ 7,216,867	\$ 3,431,469	\$ 10,648,336
Receivables:			
Interest Receivable	-	-	-
Due from Other Funds	-	-	-
Due from Other Agencies	-	6,653	6,653
Other Assets	-	-	-
Inventories	-	-	-
	<u>\$ 7,216,867</u>	<u>\$ 3,438,122</u>	<u>\$ 10,654,989</u>
TOTAL ASSETS	<u><u>\$ 7,216,867</u></u>	<u><u>\$ 3,438,122</u></u>	<u><u>\$ 10,654,989</u></u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Due to the State General			
Fund Investment Pool	\$ -	\$ -	\$ -
Accounts Payable	170,379	5,417	175,796
Unearned Revenue	-	-	-
Accrued Payroll	25,953	-	25,953
Due to Other Funds	47,000	173,903	220,903
Due to State General Fund	-	-	-
Due to Other Agencies	-	-	-
	<u>243,332</u>	<u>179,320</u>	<u>422,652</u>
Total Liabilities	243,332	179,320	422,652
FUND BALANCE			
Nonspendable:			
Inventories	-	-	-
Restricted	6,973,535	3,258,802	10,232,337
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
	<u>6,973,535</u>	<u>3,258,802</u>	<u>10,232,337</u>
Total Fund Balances	6,973,535	3,258,802	10,232,337
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 7,216,867</u></u>	<u><u>\$ 3,438,122</u></u>	<u><u>\$ 10,654,989</u></u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES – BY FUND TYPE –
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2015**

	Special Revenue Funds	Capital Projects Funds	Total
REVENUES			
Service Fees/Premiums	\$ 2,114,609	\$ -	\$ 2,114,609
Federal Funds	-	95,923	95,923
Interest Income	-	1,365	1,365
Other	-	66,823	66,823
Total Revenues	2,114,609	164,111	2,278,720
EXPENDITURES			
Current:			
Personnel Services	530,476	-	530,476
Employee Benefits	281,999	-	281,999
In-State Travel	4,260	-	4,260
Out-of-State Travel	-	-	-
Maintenance and Repairs	27,648	5,659	33,307
Supplies	62,947	-	62,947
Contractual Services	1,735,711	-	1,735,711
Operating Costs	168,493	-	168,493
Other Costs	13,823	-	13,823
Capital Outlay	382,154	495,820	877,974
Total Expenditures	3,207,511	501,479	3,708,990
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$ (1,092,902)	\$ (337,368)	\$ (1,430,270)

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES – BY FUND TYPE –
 NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)
 YEAR ENDED JUNE 30, 2015**

	Special Revenue Funds	Capital Projects Funds	Total
	<u> </u>	<u> </u>	<u> </u>
OTHER FINANCING SOURCES (USES)			
Severance Tax Bond Proceeds	\$ -	\$ -	\$ -
Intra-Agency Transfer	454,194	-	454,194
Transfers:			
General Appropriations	-	-	-
Reversions to State General Fund	-	-	-
Other State Agency Transfers	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Other Financing Sources (Uses)	<u>454,194</u>	<u>-</u>	<u>454,194</u>
NET CHANGE IN FUND BALANCES	(638,708)	(337,368)	(976,076)
FUND BALANCES, BEGINNING OF YEAR	<u>7,612,243</u>	<u>3,596,170</u>	<u>11,208,413</u>
FUND BALANCES, END OF YEAR	<u><u>\$ 6,973,535</u></u>	<u><u>\$ 3,258,802</u></u>	<u><u>\$ 10,232,337</u></u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
NON-MAJOR FUNDS
YEAR ENDED JUNE 30, 2015**

SPECIAL REVENUE FUNDS DESCRIPTIONS:

Administrative Costs Fund

The Administrative Costs Fund (Fund 12500, non-reverting FY04, Section 15-33-10 NMSA 1978) was created by the Laws of 2001, Chapter 319, for the purpose of accounting for Capital Projects overhead expenses. Transfers are made from Capital Projects to cover administrative costs of each project as expenses are incurred.

Purchasing Division Fees Fund

The Purchasing Division Fees Fund (Fund 28600, non-reverting) was created by the Laws of 1984, Chapter 65 (13-1-104, NMSA 1978) for the purpose of accounting for the collection and expenditure of registration fees for qualified vendors submitting bids to provide the State of New Mexico with tangible items of personal property, construction or services. Fees collected are expended for the actual, direct cost of furnishing copies of a public notice or invitation for bids to the prospective bidders.

Public Buildings Repair Fund

The Public Buildings Repair Fund (Fund 28700, non-reverting, Section 15-3B-18 NMSA) was created by the Laws of 1996, Chapter 46, House bill 349 for the purpose of expenditure related to necessary repair, renovation and purchase of physical plant equipment for public buildings owned by the state and under the control of the Facilities Maintenance Division. The fund shall consist of appropriations, building use fees, gifts, grants, donations and bequests.

Procurement Assistance Program Fund

The Procurement Assistance Program Fund (Fund 58500, reverting and non-reverting, 13-1-185 NMSA 1978) was established as a separate fund in fiscal year 1999. The purpose of separating this activity from the General Fund activities of the State Purchasing Division is to simplify accounting and reporting for its revenues, which include both vendor fees and a federal grant.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
COMBINING BALANCE SHEET – NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2015**

	12500 Administrative Costs	28600 Purchasing Division Fees	28700 Public Buildings Repair	58500 Procurement Assistance Program	Total
ASSETS					
Investment in the State General Fund Investment Pool	\$ 1,225,960	\$ 3,647,324	\$ 2,343,583	\$ -	\$ 7,216,867
Receivables:					
Interest Receivable	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Due from Other Agencies	-	-	-	-	-
Other Assets	-	-	-	-	-
Inventories	-	-	-	-	-
Total Assets	\$ 1,225,960	\$ 3,647,324	\$ 2,343,583	\$ -	\$ 7,216,867
LIABILITIES					
Due to the State General Fund Investment Pool	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	117,660	52,719	-	-	170,379
Unearned Revenue	-	-	-	-	-
Accrued Payroll	-	25,953	-	-	25,953
Due to Other Funds	47,000	-	-	-	47,000
Due to State General Fund	-	-	-	-	-
Due to Other Agencies	-	-	-	-	-
Total Liabilities	164,660	78,672	-	-	243,332
FUND BALANCES					
Nonspendable:					
Inventories	-	-	-	-	-
Restricted	1,061,300	3,568,652	2,343,583	-	6,973,535
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	1,061,300	3,568,652	2,343,583	-	6,973,535
Total Liabilities and Fund Balances	\$ 1,225,960	\$ 3,647,324	\$ 2,343,583	\$ -	\$ 7,216,867

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2015**

	12500 Administrative Costs	28600 Purchasing Division Fees	28700 Public Buildings Repair	58500 Procurement Assistance Program	Total
REVENUES					
Service Fees/Premiums	\$ -	\$ 2,055,558	\$ 59,051	\$ -	\$ 2,114,609
Interest Income	-	-	-	-	-
Other	-	-	-	-	-
Total Revenues	-	2,055,558	59,051	-	2,114,609
EXPENDITURES					
Current Expenditures:					
Personnel Services	-	530,476	-	-	530,476
Employee Benefits	-	281,999	-	-	281,999
In-State Travel	4,260	-	-	-	4,260
Out-of-State Travel	-	-	-	-	-
Maintenance and Repairs	5,481	18,446	3,721	-	27,648
Supplies	35,108	27,839	-	-	62,947
Contractual Services	1,721,688	14,023	-	-	1,735,711
Operating Costs	72,245	96,248	-	-	168,493
Other Costs	13,823.00	-	-	-	13,823
Capital Outlay	291,918	90,236	-	-	382,154
Total Expenditures	2,144,523	1,059,267	3,721	-	3,207,511
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,144,523)	996,291	55,330	-	(1,092,902)
OTHER FINANCING SOURCES (USES)					
Severance Tax Bond Proceeds	-	-	-	-	-
Intra-Agency Transfer	477,091	(22,897)	-	-	454,194
Transfers:					
General and Special Appropriations	-	-	-	-	-
Reversions to State General Fund	-	-	-	-	-
Other State Agency Transfers	-	-	-	-	-
Net Other Financing Sources (Uses)	477,091	(22,897)	-	-	454,194
NET CHANGE IN FUND BALANCES	(1,667,432)	973,394	55,330	-	(638,708)
Fund Balances - Beginning	2,728,732	2,595,258	2,288,253	-	7,612,243
FUND BALANCES - ENDING	<u>\$ 1,061,300</u>	<u>\$ 3,568,652</u>	<u>\$ 2,343,583</u>	<u>\$ -</u>	<u>\$ 6,973,535</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
MAJOR AND NON-MAJOR FUNDS
YEAR ENDED JUNE 30, 2015**

CAPITAL PROJECTS FUNDS DESCRIPTIONS:

Capitol Buildings Repair Fund – Major Fund

The Capitol Buildings Repair Fund (Fund 86300) was created by the Laws of 2001, Chapter 19, Section 17, to account for repairs, remodeling and equipping of capitol buildings and adjacent lands and to repair or replace building machinery and building equipment located in capitol buildings. Financing is provided through transfers from the State Land Office and the State Investment Council of all income, including earnings on investments, derived from lands granted to the State by the U.S. Congress for legislative, executive and judicial public buildings. Balances in this fund are non-reverting. Two percent of this fund shall be transferred annually to a “state capital maintenance fund”, hereby created, as a special perpetual fund for the upkeep and maintenance of the capitol renovation and capital grounds.

Property Control Reserve Fund

The Property Control Reserve Fund (Fund 78500) was created by the Laws of 1998, Chapter 58 (15-3-24.2, NMSA 1978) for the purpose of providing a reserve account from which the Facilities Maintenance Division can purchase or construct state office buildings. Such buildings are to be purchased or built to alleviate the State’s reliance on leased offices in Santa Fe, New Mexico. Fund revenues consist mainly of proceeds from the sale of property under the division’s control. Expenditures are subject to legislative appropriations and balances are non-reverting.

Capital Improvement Funds (Various)

The Capital Improvement Funds are used to account for the acquisition, improvement, alteration or reconstruction of long-term assets, including land, buildings, machinery, furniture and equipment. The Capital Improvement Funds are appropriated to the Facilities Maintenance Division for capital out projects specified by the Legislature in accordance with State statutes. The primary sources of financing for Capital Projects and Capital Improvement Funds are provided through State General Fund appropriations, severance tax bond proceeds and general obligation bond proceeds.

The Capital Improvement Funds include the following:

- 28500 Tobacco Tax: DOH Facilities - reverting
- 97000 Laws of 2005 - reverting
- 35500 Laws of 1999 – reverting
- 64100 Laws of 2006 - reverting
- 93100 General Fund Projects - reverting
- 89200 Severance Tax Bond (STB) Projects (Major Fund) – reverting

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
COMBINING BALANCE SHEET – NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2015**

	78500 Property Control Reserve	28500 Tobacco Tax: DOH Facilities	97000 Laws of 2005	35500 Laws of 1999	64100 Laws of 2006	93100 General Fund Projects	Total
ASSETS							
Investment in the State General Fund	\$ 1,536,615	\$ 1,649,458	\$ 4,670	\$ -	\$ 240,726	\$ -	\$ 3,431,469
Receivables:							
Interest Receivable	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-
Due from Other Agencies	108	-	6,545	-	-	-	6,653
Other Assets	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-
Total Assets	\$ 1,536,723	\$ 1,649,458	\$ 11,215	\$ -	\$ 240,726	\$ -	\$ 3,438,122
LIABILITIES							
Due to the State General Fund Investment Pool	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	5,417	-	-	-	5,417
Unearned Revenue	-	-	-	-	-	-	-
Accrued Payroll	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	173,903	-	173,903
Due to State General Fund	-	-	-	-	-	-	-
Due to Other Agencies	-	-	-	-	-	-	-
Total Liabilities	-	-	5,417	-	173,903	-	179,320
FUND BALANCES (DEFICIT)							
Nonspendable:							
Inventories	-	-	-	-	-	-	-
Restricted	1,536,723	1,649,458	5,798	-	66,823	-	3,258,802
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total Fund Balances	1,536,723	1,649,458	5,798	-	66,823	-	3,258,802
Total Liabilities and Fund Balances	\$ 1,536,723	\$ 1,649,458	\$ 11,215	\$ -	\$ 240,726	\$ -	\$ 3,438,122

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2015**

	78500 Property Control Reserve	28500 Tobacco Tax: DOH Facilities	97000 Laws of 2005	35500 Laws of 1999	64100 Laws of 2006	93100 General Fund Projects	Total
REVENUES							
Service Fees/Premiums	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	95,923	-	-	-	95,923
Interest Income	1,365	-	-	-	-	-	1,365
Other	-	-	-	-	66,823	-	66,823
Total Revenues	1,365	-	95,923	-	66,823	-	164,111
EXPENDITURES							
Current:							
Personnel Services	-	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-	-
In-State Travel	-	-	-	-	-	-	-
Out-of-State Travel	-	-	-	-	-	-	-
Maintenance & repairs	5,659	-	-	-	-	-	5,659
Supplies	-	-	-	-	-	-	-
Contractual Services	-	-	-	-	-	-	-
Operating Costs	-	-	-	-	-	-	-
Other Costs	-	-	-	-	-	-	-
Capital Outlay	399,897	-	95,923	-	-	-	495,820
Total Expenditures	405,556	-	95,923	-	-	-	501,479
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(404,191)	-	-	-	66,823	-	(337,368)
OTHER FINANCING SOURCES (USES)							
Severance Tax Bond Proceeds	-	-	-	-	-	-	-
Intra-Agency Transfers	-	-	-	-	-	-	-
Transfers:							
General Appropriations	-	-	-	-	-	-	-
Reversions to State General Fund	-	-	-	-	-	-	-
Other State Agency Transfers	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	(404,191)	-	-	-	66,823	-	(337,368)
Fund Balances - Beginning	1,940,914	1,649,458	5,798	-	-	-	3,596,170
FUND BALANCES - ENDING	\$ 1,536,723	\$ 1,649,458	\$ 5,798	\$ -	\$ 66,823	\$ -	\$ 3,258,802

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
NON-MAJOR SPECIAL REVENUE FUNDS – BUDGET AND ACTUAL
(BUDGETARY BASIS)
YEAR ENDED JUNE 30, 2015**

	ADMINISTRATIVE COSTS			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES AND OTHER FINANCING SOURCES				
Service Fees	\$ -	\$ -	\$ -	\$ -
Severance Tax Bond Proceeds	-	-	-	-
Appropriations	-	-	-	-
Interest	-	-	-	-
Budgeted Fund Balance	-	-	-	-
Other Revenues	-	-	-	-
Other Financing Sources	-	-	477,091	477,091
Total Revenues and Other Financing Sources	-	-	477,091	<u>\$ 477,091</u>
Fund Balance	<u>3,985,282</u>	<u>3,985,282</u>		
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED	<u><u>\$ 3,985,282</u></u>	<u><u>\$ 3,985,282</u></u>		
EXPENDITURES AND OTHER FINANCING USES				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	3,116,371	3,536,371	1,721,688	1,814,683
Other Costs	868,911	448,911	422,835	26,076
Other Financing Uses	-	-	-	-
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u><u>\$ 3,985,282</u></u>	<u><u>\$ 3,985,282</u></u>	<u>2,144,523</u>	<u>\$ 1,840,759</u>
NET CHANGE IN FUND BALANCE			(1,667,432)	
FUND BALANCE, JULY 1, 2014			<u>2,728,732</u>	
FUND BALANCE, JUNE 30, 2015			<u><u>\$ 1,061,300</u></u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
NON-MAJOR SPECIAL REVENUE FUNDS – BUDGET AND ACTUAL
(BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	PURCHASING DIVISION FEES			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES AND OTHER FINANCING SOURCES				
Service Fees	\$ 1,062,400	\$ 1,062,400	\$ 2,055,558	\$ 993,158
Severance Tax Bond Proceeds	-	-	-	-
Appropriations	-	-	-	-
Interest	-	-	-	-
Other Revenues	-	-	-	-
Other Financing Sources	-	-	-	-
Total Revenues and Other Financing Sources	1,062,400	1,062,400	2,055,558	<u>\$ 993,158</u>
Fund Balance	<u>20,700</u>	<u>170,700</u>		
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED	<u>\$ 1,083,100</u>	<u>\$ 1,233,100</u>		
EXPENDITURES AND OTHER FINANCING USES				
Personnel Services and Employee Benefits	\$ 898,300	\$ 878,300	812,475	\$ 65,825
Contractual Services	10,000	30,000	14,023	15,977
Other Costs	150,700	300,700	232,769	67,931
Other Financing Uses	24,100	24,100	22,897	1,203
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 1,083,100</u>	<u>\$ 1,233,100</u>	1,082,164	<u>\$ 150,936</u>
NET CHANGE IN FUND BALANCE			973,394	
FUND BALANCE, JULY 1, 2014			<u>2,595,258</u>	
FUND BALANCE, JUNE 30, 2015			<u>\$ 3,568,652</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
NON-MAJOR SPECIAL REVENUE FUNDS – BUDGET AND ACTUAL
(BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	PUBLIC BUILDINGS REPAIR			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES AND OTHER FINANCING SOURCES				
Service Fees	\$ 2,134,100	\$ 2,134,100	\$ 59,051	\$ (2,075,049)
Severance Tax Bond Proceeds	-	-	-	-
Appropriations	-	-	-	-
Interest	-	-	-	-
Other Revenues	-	-	-	-
Other Financing Sources	-	-	-	-
	<u>2,134,100</u>	<u>2,134,100</u>	<u>59,051</u>	<u>\$ (2,075,049)</u>
Total Revenues and Other Financing Sources	2,134,100	2,134,100	59,051	<u>\$ (2,075,049)</u>
Fund Balance	<u>1,200,000</u>	<u>1,200,000</u>		
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED	<u>\$ 3,334,100</u>	<u>\$ 3,334,100</u>		
EXPENDITURES AND OTHER FINANCING USES				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	2,600,000	2,600,000	-	2,600,000
Other Costs	734,100	734,100	3,721	730,379
Other Financing Uses	-	-	-	-
	<u>3,334,100</u>	<u>3,334,100</u>	<u>3,721</u>	<u>\$ 3,330,379</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 3,334,100</u>	<u>\$ 3,334,100</u>	<u>3,721</u>	<u>\$ 3,330,379</u>
NET CHANGE IN FUND BALANCE			55,330	
FUND BALANCE, JULY 1, 2014			<u>2,288,253</u>	
FUND BALANCE, JUNE 30, 2015			<u>\$ 2,343,583</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
NON-MAJOR SPECIAL REVENUE FUNDS – BUDGET AND ACTUAL
(BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	PROCUREMENT ASSISTANCE PROGRAM			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES AND OTHER				
FINANCING SOURCES				
Service Fees	\$ -	\$ -	\$ -	\$ -
Severance Tax Bond Proceeds	-	-	-	-
Appropriations	-	-	-	-
Interest	-	-	-	-
Other Revenues	-	-	-	-
Other Financing Sources	-	-	-	-
	-	-	-	-
Total Revenues and Other Financing Sources	-	-	-	<u>\$ -</u>
Fund Balance	-	-		
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES AND OTHER FINANCING USES				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	-	-	-	-
Other Financing Uses	-	-	-	-
	-	-	-	-
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
NET CHANGE IN FUND BALANCE				-
NON-BUDGETED RECONCILING ITEMS				
Reversions to State General Fund				
NET CHANGE IN FUND BALANCE				-
FUND BALANCE, JULY 1, 2014				-
FUND BALANCE, JUNE 30, 2015			<u>\$ -</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL
(BUDGETARY BASIS)
YEAR ENDED JUNE 30, 2015**

	PROPERTY CONTROL RESERVE FUND			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Budgetary Basis)	Over (Under)
REVENUES AND OTHER FINANCING SOURCES				
Service Fees	\$ -	\$ -	\$ -	\$ -
Severance Tax Bond Proceeds	-	-	-	-
Appropriations	2,300,000	2,300,000	-	(2,300,000)
Interest	-	-	1,365	1,365
Other Revenues	-	-	-	-
Other Financing Sources	-	-	-	-
Total Revenues and Other Financing Sources	2,300,000	2,300,000	1,365	<u>\$ (2,298,635)</u>
Fund Balance	-	-	-	
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED	<u>\$ 2,300,000</u>	<u>\$ 2,300,000</u>	<u>1,365</u>	
EXPENDITURES AND OTHER FINANCING USES				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	2,300,000	2,300,000	405,556	1,894,444
Other Uses	-	-	-	-
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 2,300,000</u>	<u>\$ 2,300,000</u>	<u>405,556</u>	<u>\$ 1,894,444</u>
NET CHANGE IN FUND BALANCE			(404,191)	
FUND BALANCE, JULY 1, 2014			<u>1,940,914</u>	
FUND BALANCE, JUNE 30, 2015			<u>\$ 1,536,723</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL
(BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	TOBACCO TAX: DOH FACILITIES			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Budgetary Basis)	Over (Under)
REVENUES AND OTHER FINANCING SOURCES				
Service Fees	\$ -	\$ -	\$ -	\$ -
Severance Tax Bond Proceeds	10,382,572	10,382,572	-	(10,382,572)
Other Financing Sources	-	-	-	-
Total Revenue	10,382,572	10,382,572	-	<u>\$ (10,382,572)</u>
Total Revenues and Other Financing Sources	-	-	-	
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED	<u>\$ 10,382,572</u>	<u>\$ 10,382,572</u>	-	
EXPENDITURES AND OTHER FINANCING USES				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	10,247,947	10,247,947	-	10,247,947
Other Financing Uses	134,625	134,625	-	134,625
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 10,382,572</u>	<u>\$ 10,382,572</u>	-	<u>\$ 10,382,572</u>
NET CHANGE IN FUND BALANCE			-	
FUND BALANCE, JULY 1, 2014			<u>1,649,458</u>	
FUND BALANCE, JUNE 30, 2015			<u>\$ 1,649,458</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL
(BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	LAWS OF 2005			
	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final	Amounts (Budgetary Basis)	
REVENUES AND OTHER FINANCING SOURCES				
Service Fees	\$ -	\$ -	\$ -	\$ -
Federal Funds	305,234	305,234	95,923	(209,311)
Appropriations	-	-	-	-
Other Revenues	-	-	-	-
Other Financing Sources	302,500	302,500	-	(302,500)
 Total Revenues and Other Financing Sources	 607,734	 607,734	 95,923	 <u>\$ (511,811)</u>
 Fund Balance	 -	 -	 -	
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED	 <u>\$ 607,734</u>	 <u>\$ 607,734</u>	 <u>95,923</u>	
EXPENDITURES AND OTHER FINANCING USES				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	524,907	524,907	95,923	428,984
Other Costs	82,827	82,827	-	82,827
Other Financing Uses	-	-	-	-
TOTAL EXPENDITURES AND OTHER FINANCING USES	 <u>\$ 607,734</u>	 <u>\$ 607,734</u>	 <u>95,923</u>	 <u>\$ 511,811</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FUNDING SOURCES (USES)				-
NON-BUDGETED RECONCILING ITEMS				
Reversions of Capital Project Funds			-	
NET CHANGE IN FUND BALANCE			-	
FUND BALANCE, JULY 1, 2014			5,798	
FUND BALANCE, JUNE 30, 2015			<u>\$ 5,798</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL
(BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	LAWS OF 1999			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Budgetary Basis)	Over (Under)
REVENUES AND OTHER FINANCING SOURCES				
Service Fees	\$ -	\$ -	\$ -	\$ -
Severance Tax Bond Proceeds			-	-
Appropriations	-	-	-	-
Interest	-	-	-	-
Other Revenues	-	-	-	-
Other Financing Sources	-	-	-	-
	<hr/>			
Total Revenues and Other Financing Sources	-	-	-	<u><u>\$ -</u></u>
Fund Balance	-	-	-	
	<hr/>			
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>-</u></u>	
EXPENDITURES AND OTHER FINANCING USES				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	-	-	-	-
Other Financing Uses	-	-	-	-
	<hr/>			
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>-</u></u>	<u><u>\$ -</u></u>
NON-BUDGETED RECONCILING ITEMS				
Reversions of Capital Project Funds			-	
	<hr/>			
NET CHANGE IN FUND BALANCE			-	
FUND BALANCE, JULY 1, 2014			-	
	<hr/>			
FUND BALANCE, JUNE 30, 2015			<u><u>\$ -</u></u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL
(BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	LAWS OF 2006			
	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final	Amounts (Budgetary Basis)	
REVENUES AND OTHER FINANCING SOURCES				
Service Fees	\$ -	\$ -	\$ -	\$ -
Severance Tax Bond Proceeds	19,802,492	19,802,492	-	(19,802,492)
Appropriations	-	-	-	-
Interest	-	-	-	-
Other Revenues	-	-	66,823	66,823
Other Financing Sources	-	-	-	-
Total Revenues and Other Financing Sources	19,802,492	19,802,492	66,823	<u><u>\$(19,735,669)</u></u>
Fund Balance	-	-	-	
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED	<u><u>\$ 19,802,492</u></u>	<u><u>\$ 19,802,492</u></u>	<u>66,823</u>	
EXPENDITURES AND OTHER FINANCING USES				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	19,566,002	19,566,002	-	19,566,002
Other Uses	236,490	236,490	-	236,490
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u><u>\$ 19,802,492</u></u>	<u><u>\$ 19,802,492</u></u>	<u>-</u>	<u><u>\$ 19,802,492</u></u>
NET CHANGE IN FUND BALANCE			66,823	
FUND BALANCE, JULY 1, 2014			-	
FUND BALANCE, JUNE 30, 2015			<u><u>\$ 66,823</u></u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL
(BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	GENERAL FUND PROJECTS			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance Over (Under)
	Original	Final		
REVENUES AND OTHER FINANCING SOURCES				
Service Fees	\$ -	\$ -	\$ -	\$ -
Severance Tax Bond Proceeds			-	-
Other Financing Sources	-	-	-	-
	-----	-----	-----	-----
Total Revenues and Other Financing Sources	-	-	-	<u>\$ -</u>
Fund Balance	-	-	-	
	-----	-----	-----	
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED	<u>\$ -</u>	<u>\$ -</u>	-	
EXPENDITURES AND OTHER FINANCING USES				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	-	-	-	-
Other Uses	-	-	-	-
	-----	-----	-----	-----
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
NET CHANGE IN FUND BALANCE			-----	-
FUND BALANCE, JULY 1, 2014			-	-
FUND BALANCE, JUNE 30, 2015			<u>\$ -</u>	-

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL
(BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	CAPITOL BUILDING REPAIR			
	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final	Amounts (Budgetary Basis)	
REVENUES AND OTHER FINANCING SOURCES				
Service Fees	\$ -	\$ -	\$ 1,366,205	\$ 1,366,205
Interest	-	-	8,099	8,099
Other Revenues	32,217,357	32,217,357	-	(32,217,357)
Other Financing Sources	<u>3,726,022</u>	<u>3,726,022</u>	<u>6,232,993</u>	<u>2,506,971</u>
 Total Revenues and Other Financing Sources	 35,943,379	 35,943,379	 7,607,297	 <u><u>\$ (28,336,082)</u></u>
 Fund Balance	 <u>-</u>	 <u>-</u>	 <u>-</u>	
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED	 <u><u>\$ 35,943,379</u></u>	 <u><u>\$ 35,943,379</u></u>	 <u>7,607,297</u>	
EXPENDITURES AND OTHER FINANCING USES				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	766,878	766,878	-	766,878
Other Costs	37,571,517	37,571,517	6,643,847	30,927,670
Other Uses	<u>265,104</u>	<u>265,104</u>	<u>73,501</u>	<u>191,603</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	 <u><u>\$ 38,603,499</u></u>	 <u><u>\$ 38,603,499</u></u>	 <u>6,717,348</u>	 <u><u>\$ 31,886,151</u></u>
NET CHANGE IN FUND BALANCE			889,949	
FUND BALANCE, JULY 1, 2014			<u>8,492,474</u>	
FUND BALANCE, JUNE 30, 2015			<u><u>\$ 9,382,423</u></u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL
(BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	SEVERANCE TAX BOND PROJECTS			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Budgetary Basis)	Over (Under)
REVENUES AND OTHER FINANCING SOURCES				
Service Fees	\$ -	\$ -	\$ -	\$ -
Severance Tax Bond Proceeds	148,519,924	148,519,924	22,387,361	(126,132,563)
Appropriations	-	-	-	-
Other Revenues	-	-	-	-
Other Financing Sources	-	-	-	-
Total Revenues and Other Financing Sources	148,519,924	148,519,924	22,387,361	<u>\$ (126,132,563)</u>
Fund Balance	-	-	-	
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED				
	<u>\$ 148,519,924</u>	<u>\$ 148,519,924</u>	<u>22,387,361</u>	
EXPENDITURES AND OTHER FINANCING USES				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	146,013,933	146,013,933	21,983,770	124,030,163
Other Financing Uses	2,505,991	2,505,991	403,591	2,102,400
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 148,519,924</u>	<u>\$ 148,519,924</u>	<u>22,387,361</u>	<u>\$ 126,132,563</u>
NET CHANGE IN FUND BALANCE			-	
FUND BALANCE, JULY 1, 2014			-	
FUND BALANCE, JUNE 30, 2015			<u>\$ -</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
MAJOR AND NON-MAJOR FUNDS
YEAR ENDED JUNE 30, 2015**

ENTERPRISE FUNDS DESCRIPTIONS:

Administrative Services Division and Office of the Secretary

The Administrative Services Division and Office of the Secretary (Fund 19700, non-reverting) provides program support for the Department. Both Divisions were separated from the General Fund in fiscal year 2002. The Office of the Secretary is responsible to the Governor for the operations of the Department. It is his duty to manage all operations of the Department and to administer and enforce the laws with which he or the Department is charged. The Administrative Services Division provides financial, purchasing, budget and personnel-related services for its parent agency, the General Services Department.

Transportation Services Division

State Transportation Pool (Major Fund 36500, non-reverting, Chapter 15, Article 8, NMSA 1978) provides transportation for all state agencies in the Santa Fe and Albuquerque, New Mexico areas.

Surplus Property Bureau (Fund 36000, non-reverting, Section 15-4-3 NMSA 1978) administers federal and state surplus property. The surplus property is sold to qualified organizations at a discounted fee prescribed by the United States General Services Administration.

State Aircraft Pool (Fund 41700, non-reverting, Aviation Services Fund, Section 15-9-4.1 NMSA 1978) provides transportation services via the State aircraft to all governmental entities.

Communications Division

State Printing (Fund 80600, non-reverting) is responsible for all large printing work for the State Government agencies.

Risk Management Division

Public Liability (Major Fund 35700, non-reverting, Section 15-7-2 NMSA 1978) provides for liability insurance for State agencies and their employees and for any local public body participating in this fund and pays claims and judgments against governmental entities or their employees covered by a certificate of coverage. Financing is provided through collections and transfers from governmental entities and interest on invested funds. This is a major fund.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
MAJOR AND NON-MAJOR FUNDS
YEAR ENDED JUNE 30, 2015**

ENTERPRISE FUNDS DESCRIPTIONS - continued:

Risk Management Division - continued

Workers' Compensation Retention (Major Fund 35900, non-reverting, Section 15-7-6 NMSA 1978) accounts for the purchase and administration of workers' compensation insurance and provides appropriate reserves for workers' compensation coverage for employees of the State agencies. Financing is provided through the collection and transfer of funds from State agencies for workers' compensation, and from interest earned on investments.

Group Insurance Premium Stabilization (Major Fund 75200, non-reverting, Section 15-7-2C NMSA 1978) is used to account for premiums collected under the Consolidated Omnibus Budget Reconciliation Act (COBRA) from former employees of the Department who have elected to continue their health insurance coverage with the Department's carrier, and for retiree participation in the group insurance plans.

This fund is also used to account for money appropriated, employers' contributions, employees' contributions, insurance proceeds and other income from group life, vision care, dental care, health and disability insurance plans.

Risk Management Operating Account (Fund 35200, non-reverting) serves as an enterprise fund to the other Risk Funds within the Risk Management Division. The Operating Account assesses an administrative fee to the Risk Funds and is reflected in income. The Risk Funds report the assessment as part of expenses within each Risk Fund.

State Unemployment Compensation Reserve (Major Fund 35300, non-reverting, Section 15-7-2 NMSA 1978) accounts for the administration of all contributions collected and payments made to beneficiaries pursuant to the Unemployment Compensation Law. The fund is self-insured and financing is provided through billings to State government agencies and interest on invested funds.

Local Public Body (LPB) Unemployment Compensation (Fund 35400, non-reverting, Section 15-7-2 NMSA 1978) accounts for the administration of unemployment compensation benefits paid to public employees of local public bodies of the State of New Mexico who have agreed to participate in the fund activity. Financing is provided through assessments made to local public bodies pursuant to the rate schedule prescribed by the Risk Management Division and interest on invested funds.

Surety Bond (Fund 35800, non-reverting, Section 15-7-2 NMSA 1978) accounts for surety bond coverage of all or any portion of the surety bond risk of State agencies covered by a surety bond certificate of coverage issued by the Department. Financing is provided through the collection or transfer of funds from each State agency to cover costs of coverage of employees of that agency, and from interest earned on investments.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
MAJOR AND NON-MAJOR FUNDS
YEAR ENDED JUNE 30, 2015**

MAJOR AND NON-MAJOR FUNDS

ENTERPRISE FUNDS DESCRIPTIONS - continued:

Risk Management Division - continued

Public Property Reserve (Fund 35600, non-reverting, Section 15-7-2 NMSA 1978) accounts for the purchase and administration of property insurance and the payment of any claim covered by a certificate of coverage, used by the Risk Management Division. Financing is provided through assessments to State agencies. Interest on invested funds is retained in the State of New Mexico General Fund.

Rates of the Risk Management Division are based upon the costs of insurance coverage purchased from third-party carriers or the direct cost of coverage for any risk not insured. Rates are also weighted to reflect the respective risk of each agency.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
COMBINING STATEMENT OF NET POSITION –
NON-MAJOR ENTERPRISE FUNDS
JUNE 30, 2015**

	19700	36000	41700	80600
	Administrative Services Division	Surplus Property Bureau	State Aircraft Pool	State Printing
ASSETS				
CURRENT ASSETS				
Investment in the State General Fund Investment Pool	\$ 438,635	\$ 579,260	\$ 477,863	\$ -
Receivables:				
Interest Receivable	-	-	-	-
Accounts/Trade Receivables	7,687	49,763	37,266	183,706
Allowance for Doubtful Accounts	(390)	(7,485)	(22,089)	(89,109)
Due from Other Funds	-	-	600	180
Due from Other Agencies	-	-	-	112
Other Assets	-	-	-	-
Inventories	14,918	-	-	9,398
	<u>460,850</u>	<u>621,538</u>	<u>493,640</u>	<u>104,287</u>
Total Current Assets	460,850	621,538	493,640	104,287
NON-CURRENT ASSETS				
Capital Assets	412,212	144,329	2,477,372	1,397,085
Accumulated Depreciation	<u>(269,671)</u>	<u>(116,004)</u>	<u>(659,279)</u>	<u>(1,384,635)</u>
	<u>142,541</u>	<u>28,325</u>	<u>1,818,093</u>	<u>12,450</u>
Total Non-Current Assets	142,541	28,325	1,818,093	12,450
TOTAL ASSETS	<u>\$ 603,391</u>	<u>\$ 649,863</u>	<u>\$ 2,311,733</u>	<u>\$ 116,737</u>

35200 Risk Management Operating Account	35400 LPB Unemployment Compensation	35800 Surety Bond	35600 Public Property Reserve	Total
\$ 2,181,983	\$ 5,685,279	\$ 497,820	\$ 7,891,434	\$ 17,752,274
-	-	-	-	-
-	204,905	247,959	541,139	1,272,425
-	(204,905)	(1,950)	(541,139)	(867,067)
-	-	-	-	780
-	383	38	600	1,133
-	-	-	-	-
-	-	-	-	24,316
2,181,983	5,685,662	743,867	7,892,034	18,183,861
19,652	-	-	-	4,450,650
(14,197)	-	-	-	(2,443,786)
5,455	-	-	-	2,006,864
<u>\$ 2,187,438</u>	<u>\$ 5,685,662</u>	<u>\$ 743,867</u>	<u>\$ 7,892,034</u>	<u>\$ 20,190,725</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
 COMBINING STATEMENT OF NET POSITION –
 NON-MAJOR ENTERPRISE FUNDS (CONTINUED)
 JUNE 30, 2015**

	19700	36000	41700	80600
	Administrative Services Division	Surplus Property Bureau	State Aircraft Pool	State Printing
LIABILITIES AND NET ASSETS				
LIABILITIES				
Current Liabilities:				
Due to the State General Fund Investment Pool	\$ -	\$ -	\$ -	\$ 278,927
Claims Payable	-	-	-	-
Accounts Payable	233,138	7,357	94,037	106,019
Unearned Revenue	-	-	-	-
Accrued Payroll	81,888	9,317	7,210	16,692
Due to Other Funds	741	374	174	609
Due to Other Agencies	-	72	-	-
Compensated Absences	128,832	20,623	28,189	13,061
Total Current Liabilities	444,599	37,743	129,610	415,308
LONG-TERM LIABILITIES				
Claims Payable	-	-	-	-
Compensated Absences	-	-	-	-
Total Long-Term Liabilities	-	-	-	-
Total Liabilities	444,599	37,743	129,610	415,308
NET POSITION				
Invested in Capital Assets	142,541	28,325	1,818,093	12,450
Unrestricted	16,251	583,795	364,030	(311,021)
Total Net Position	158,792	612,120	2,182,123	(298,571)
TOTAL LIABILITIES AND NET POSITION	\$ 603,391	\$ 649,863	\$ 2,311,733	\$ 116,737

35200 Risk Management Operating Account	35400 LPB Unemployment Compensation	35800 Surety Bond	35600 Public Property Reserve	Total
\$ -	\$ -	\$ -	\$ -	\$ 278,927
-	1,169,058	2,331	1,534,173	2,705,562
34,052	280,606	-	570,248	1,325,457
-	-	-	-	-
90,721	-	-	-	205,828
947	-	-	-	2,845
-	-	-	-	72
96,345	-	-	-	287,050
222,065	1,449,664	2,331	2,104,421	4,805,741
-	-	1,575	318,603	320,178
-	-	-	-	-
-	-	1,575	318,603	320,178
222,065	1,449,664	3,906	2,423,024	5,125,919
5,455	-	-	-	2,006,864
1,959,918	4,235,998	739,961	5,469,010	13,057,942
1,965,373	4,235,998	739,961	5,469,010	15,064,806
<u>\$ 2,187,438</u>	<u>\$ 5,685,662</u>	<u>\$ 743,867</u>	<u>\$ 7,892,034</u>	<u>\$ 20,190,725</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION – NON-MAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2015**

	19700	36000	41700	80600
	Administrative Services Division	Surplus Property Bureau	State Aircraft Pool	State Printing
OPERATING REVENUE				
Service Fees/Premiums	\$ 8,645	474,733	82,838	\$ 1,313,735
Interest Income	-	-	-	-
Other Revenue	1,588	137,420	-	-
Total Revenues	10,233	612,153	82,838	1,313,735
OPERATING EXPENSES				
Personnel Services	2,016,439	257,810	197,597	359,622
Employee Benefits	800,605	187,283	113,061	142,437
In-State Travel	2,867	1,815	2,188	-
Out-of-State Travel	2,303	1,736	7,416	1,347
Maintenance and Repairs	41,717	-	167,026	11,052
Supplies	184,164	13,961	1,743	380,899
Contractual Services	457,313	79,910	290	7,985
Depreciation	79,348	2,839	98,720	7,200
Operating Costs	271,272	27,742	188,873	401,262
Other Costs	3,189	(9,586)	16,522	30,170
Total Expenses	3,859,217	563,510	793,436	1,341,974
Operating Income (Loss)	(3,848,984)	48,643	(710,598)	(28,239)
NON-OPERATING REVENUE (EXPENSE):				
Intra-Agency Transfers	3,796,334	(25,273)	(26,603)	(56,721)
Gain (Loss) on Disposal of Capital Assets	-	-	-	-
Transfers:				
General Appropriations	-	-	641,800	-
Other State Agency Transfers	-	-	6,000	-
Other State Funds	-	-	-	-
TOTAL NON-OPERATING REVENUE (EXPENSE)	3,796,334	(25,273)	621,197	(56,721)
CHANGE IN NET POSITION	(52,650)	23,370	(89,401)	(84,960)
NET POSITION, BEGINNING OF YEAR	211,442	588,750	2,271,524	(213,611)
NET POSITION, END OF YEAR	\$ 158,792	\$ 612,120	\$ 2,182,123	\$ (298,571)

35200 Risk Management Operating Account	35400 LPB Unemployment Compensation	35800 Surety Bond	35600 Public Property Reserve	Total
\$ -	\$ 2,195,574	\$ 3,934	\$ 12,369,657	\$ 16,449,116
-	4,802	596	6,251	11,649
77,665	109,543	1,951	2,400	330,567
77,665	2,309,919	6,481	12,378,308	16,791,332
2,674,465	-	-	-	5,505,933
1,353,704	-	-	-	2,597,090
15,883	-	-	-	22,753
991	-	-	-	13,793
48,073	-	-	-	267,868
74,330	-	-	-	655,097
103,496	51,200	4,433	5,245,383	5,950,010
116	-	-	-	188,223
258,481	-	(247,508)	6,449,075	7,349,197
23,254	435,012	-	-	498,561
4,552,793	486,212	(243,075)	11,694,458	23,048,525
(4,475,128)	1,823,707	249,556	683,850	(6,257,193)
5,118,480	(230,900)	(462,800)	(522,100)	7,590,417
-	-	-	-	-
-	-	-	-	641,800
-	-	-	-	6,000
-	-	-	-	-
5,118,480	(230,900)	(462,800)	(522,100)	8,238,217
643,352	1,592,807	(213,244)	161,750	1,981,024
1,322,021	2,643,191	953,205	5,307,260	13,083,782
\$ 1,965,373	\$ 4,235,998	\$ 739,961	\$ 5,469,010	\$ 15,064,806

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
COMBINING STATEMENT OF CASH FLOWS –
NON-MAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2015**

	19700	36000	41700	80600
	Administrative Services Division	Surplus Property Bureau	State Aircraft Pool	State Printing
OPERATING ACTIVITIES				
Premiums/Service Fees Received	\$ 10,233	\$ 618,823	\$ 77,225	\$ 1,313,443
Other Income	-			
Cash Paid to Suppliers	(1,060,806)	(96,539)	(442,839)	(757,283)
Cash Paid to Employees	(2,803,604)	(440,608)	(283,093)	(499,439)
Net Cash Provided (Used) by Operating Activities	(3,854,177)	81,676	(648,707)	56,721
NON-CAPITAL FINANCING ACTIVITIES				
Appropriation From/Reversion to State General Fund	-	-	641,800	-
Transfers	3,796,334	(25,273)	(20,603)	(56,721)
Net Cash Provided (Used) by Non-Capital Financing Activities	3,796,334	(25,273)	621,197	(56,721)
CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of Capital Assets	(19,453)	(19,041)	-	-
Proceeds from the Sale of Capital Assets	-	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Ac	(19,453)	(19,041)	-	-
NET INCREASE (DECREASE) IN CASH	(77,296)	37,362	(27,510)	-
CASH, BEGINNING OF YEAR	515,931	541,898	505,373	-
CASH, END OF YEAR	\$ 438,635	\$ 579,260	\$ 477,863	\$ -

35200 Risk Management Operating Account	35400 LPB Unemployment Program	35800 Surety Bond	35600 Public Property Reserve	Total
\$ 189,334	\$ 2,372,584	\$ 6,481	\$ 12,378,282	\$ 16,966,405
(4,058,824)	(1,876,859)	(4,850)	(11,663,316)	(19,961,316)
(1,702,122)	-	-	-	(5,728,866)
(5,571,612)	495,725	1,631	714,966	(8,723,777)
-	-	-	-	641,800
5,118,480	(230,900)	(462,800)	(522,100)	7,596,417
5,118,480	(230,900)	(462,800)	(522,100)	8,238,217
(5,571)	-	-	-	(44,065)
-	-	-	-	-
(5,571)	-	-	-	(44,065)
(458,703)	264,825	(461,169)	192,866	(529,625)
2,640,686	5,420,454	958,989	7,698,568	18,281,899
<u>\$ 2,181,983</u>	<u>\$ 5,685,279</u>	<u>\$ 497,820</u>	<u>\$ 7,891,434</u>	<u>\$ 17,752,274</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
COMBINING STATEMENT OF CASH FLOWS –
NON-MAJOR ENTERPRISE FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	19700	36000	41700	80600
	Administrative Services Division	Surplus Property Bureau	State Aircraft Pool	State Printing
RECONCILIATION OF CHANGE IN NET POSITION TO NET CASH FROM				
OPERATING ACTIVITIES				
Operating Income (Loss)	\$ (3,848,984)	\$ 48,643	\$ (710,598)	\$ (28,239)
Adjustments:				
Depreciation	79,348	2,839	98,720	7,200
(Increase) Decrease in Assets:				
Accounts Receivable, Interest Receivable and Due from Other Agencies and Funds	431	57,744	(5,613)	25,905
Inventories	3,243	-	-	214,486
Other Assets	-	-	-	-
Increase (Decrease) in Liabilities:				
Insurance Claim Payable	-	-	-	-
Accounts Payable and Due to Other Agencies and Funds	(101,655)	(32,035)	(58,781)	(165,251)
Accrued Expenses	23,621	-	-	3,376
Accrued Compensated Absences	(10,181)	4,485	27,565	(756)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (3,854,177)	\$ 81,676	\$ (648,707)	\$ 56,721

35200 Risk Management Operating Account	35400 LPB Unemployment Compensation	35800 Surety Bond	35600 Public Property Reserve	Total
\$ (4,475,128)	\$ 1,823,707	\$ 249,556	\$ 683,850	\$ (6,257,193)
116	-	-	-	188,223
111,669	62,665	(245,974)	(26)	6,801
-	-	-	-	217,729
115,276	-	-	-	115,276
-	(109,543)	(1,951)	(502,432)	(613,926)
(1,292,891)	(1,281,104)	-	570,248	(2,361,469)
(978)	-	-	(36,674)	(10,655)
(29,676)	-	-	-	(8,563)
<u>\$ (5,571,612)</u>	<u>\$ 495,725</u>	<u>\$ 1,631</u>	<u>\$ 714,966</u>	<u>\$ (8,723,777)</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS)
YEAR ENDED JUNE 30, 2015**

	ADMINISTRATIVE SERVICES DIVISION			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Service Fees	\$ -	\$ -	\$ 8,645	\$ 8,645
Other Revenues	-	-	1,588	1,588
Other Financing Sources	3,995,700	3,995,700	3,796,334	(199,366)
Total Revenue	<u>3,995,700</u>	<u>3,995,700</u>	<u>3,806,567</u>	<u>(189,133)</u>
Net Position Balance	<u>-</u>	<u>-</u>		
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED	<u><u>\$ 3,995,700</u></u>	<u><u>\$ 3,995,700</u></u>		
EXPENSES				
Personal Services and Employee Benefits	\$ 3,253,200	\$ 2,977,200	2,817,044	\$ 160,156
Contractual Services	303,200	490,900	457,313	33,587
Other Costs	439,300	527,600	505,512	22,088
Other Financing Uses	-	-	-	-
Total Expenses Before Depreciation	<u><u>\$ 3,995,700</u></u>	<u><u>\$ 3,995,700</u></u>	<u>3,779,869</u>	<u>\$ 215,831</u>
Depreciation Not Budgeted			<u>79,348</u>	
Total Expenses			<u>3,859,217</u>	
CHANGE IN NET POSITION			(52,650)	
NET POSITION, JULY 1, 2014			<u>211,442</u>	
NET POSITION, JUNE 30, 2015			<u><u>\$ 158,792</u></u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	SURPLUS PROPERTY BUREAU			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Service Fees	\$ 739,100	\$ 739,100	\$ 547,428	\$ (191,672)
Other Revenues	-	-	64,725	64,725
Other Financing Sources	-	-	-	-
Total Revenue	<u>739,100</u>	<u>739,100</u>	<u>612,153</u>	<u>(126,947)</u>
Net Position Balance	<u>9,700</u>	<u>9,700</u>		
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED	<u>\$ 748,800</u>	<u>\$ 748,800</u>		
EXPENSES				
Personal Services and Employee Benefits	\$ 506,100	\$ 466,100	445,093	\$ 21,007
Contractual Services	69,000	109,000	79,910	29,090
Other Costs	147,100	147,100	35,668	111,432
Other Financing Uses	26,600	26,600	25,273	1,327
Total Expenses Before Depreciation	<u>\$ 748,800</u>	<u>\$ 748,800</u>	<u>585,944</u>	<u>\$ 162,856</u>
Depreciation Not Budgeted			<u>2,839</u>	
Total Expenses			<u>588,783</u>	
CHANGE IN NET POSITION			23,370	
NET POSITION, JULY 1, 2014			<u>588,750</u>	
NET POSITION, JUNE 30, 2015			<u>\$ 612,120</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	STATE AIRCRAFT POOL			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Service Fees	\$ -	\$ -	\$ -	\$ -
Appropriations	641,800	641,800	641,800	-
Interest	-	-	-	-
Other Revenues	135,000	135,000	82,838	(52,162)
Other Financing Sources	6,000	6,000	6,000	-
Total Revenue	<u>782,800</u>	<u>782,800</u>	<u>730,638</u>	<u>(52,162)</u>
Net Position Balance	<u>-</u>	<u>-</u>		
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED	<u>\$ 782,800</u>	<u>\$ 782,800</u>		
EXPENSES				
Personal Services and Employee Benefits	\$ 304,200	\$ 304,200	304,120	\$ 80
Contractual Services	3,000	3,000	290	2,710
Other Costs	447,600	447,600	383,768	63,832
Other Financing Uses	28,000	28,000	26,603	1,397
Total Expenses Before Depreciation	<u>\$ 782,800</u>	<u>\$ 782,800</u>	<u>714,781</u>	<u>\$ 68,019</u>
Compensated Absences Not Budgeted			6,538	
Depreciation Not Budgeted			<u>98,720</u>	
Total Expenses			<u>820,039</u>	
CHANGE IN NET POSITION			(89,401)	
NET POSITION, JULY 1, 2014			<u>2,271,524</u>	
NET POSITION, JUNE 30, 2015			<u>\$ 2,182,123</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	STATE PRINTING			Variance From Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Service Fees	\$ 1,664,900	\$ 1,664,900	\$ 1,313,735	\$ (351,165)
Other Revenues	-	-	-	-
Total Revenue	<u>1,664,900</u>	<u>1,664,900</u>	<u>1,313,735</u>	<u>(351,165)</u>
Net Position Balance	-	-		
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED	<u><u>\$ 1,664,900</u></u>	<u><u>\$ 1,664,900</u></u>		
EXPENSES				
Personal Services and Employee Benefits	\$ 910,100	\$ 895,100	502,059	\$ 393,041
Contractual Services	12,000	27,000	-	27,000
Other Costs	683,100	683,100	618,229	64,871
Other Financing Uses	59,700	59,700	56,721	2,979
Total Expenses Before Depreciation	<u><u>\$ 1,664,900</u></u>	<u><u>\$ 1,664,900</u></u>	<u>1,177,009</u>	<u>\$ 487,891</u>
Write-off of Inventory Not Budgeted			214,486	
Depreciation Not Budgeted			<u>7,200</u>	
Total Expenses			<u>1,398,695</u>	
CHANGE IN NET POSITION			(84,960)	
NET POSITION, JULY 1, 2014			<u>(213,611)</u>	
NET POSITION, JUNE 30, 2015			<u><u>\$ (298,571)</u></u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

RISK MANAGEMENT OPERATING ACCOUNT				
	Budgeted Amounts		Actual Amounts	Variance From
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Service Fees	\$ -	\$ -	\$ -	\$ -
Other Revenues	-	-	77,665	77,665
Other Financing Sources	8,245,800	8,245,800	8,245,783	(17)
Total Revenue	<u>8,245,800</u>	<u>8,245,800</u>	<u>8,323,448</u>	<u>77,648</u>
Net Position Balance	<u>-</u>	<u>-</u>		
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED				
	<u>\$ 8,245,800</u>	<u>\$ 8,245,800</u>		
EXPENSES				
Personal Services and Employee Benefits	\$ 4,265,300	\$ 4,265,300	4,028,169	\$ 237,131
Contractual Services	169,300	155,000	103,496	51,504
Other Costs	522,900	537,200	421,012	116,188
Other Financing Uses	3,288,300	3,288,300	3,127,303	160,997
Total Expenses Before Depreciation	<u>\$ 8,245,800</u>	<u>\$ 8,245,800</u>	<u>7,679,980</u>	<u>\$ 565,820</u>
Depreciation Not Budgeted			<u>116</u>	
Total Expenses			<u>7,680,096</u>	
CHANGE IN NET POSITION			643,352	
NET POSITION, JULY 1, 2014			<u>1,322,021</u>	
NET POSITION, JUNE 30, 2015			<u>\$ 1,965,373</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	LOCAL PUBLIC BODY UNEMPLOYMENT COMPENSATION			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Service Fees	\$ 2,244,000	\$ 2,244,000	\$ 2,195,574	\$ (48,426)
Interest	-	-	4,802	4,802
Other Revenues	-	-	109,543	109,543
Total Revenue	<u>2,244,000</u>	<u>2,244,000</u>	<u>2,309,919</u>	<u>65,919</u>
Net Position Balance	<u>-</u>	<u>-</u>		
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED	<u>\$ 2,244,000</u>	<u>\$ 2,244,000</u>		
EXPENSES				
Personal Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	90,000	90,000	51,200	38,800
Other Costs	1,923,100	1,923,100	435,012	1,488,088
Other Financing Uses	230,900	230,900	230,900	-
Total Expenses Before Depreciation	<u>\$ 2,244,000</u>	<u>\$ 2,244,000</u>	<u>717,112</u>	<u>\$ 1,526,888</u>
Depreciation Not Budgeted			-	
Claims Reserves Not Budgeted			-	
Total Expenses			<u>717,112</u>	
CHANGE IN NET POSITION			1,592,807	
NET POSITION, JULY 1, 2014			<u>2,643,191</u>	
NET POSITION, JUNE 30, 2015			<u>\$ 4,235,998</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	SURETY BOND			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Service Fees	\$ 71,500	\$ 71,500	\$ 3,934	\$ (67,566)
Interest	-	-	596	596
Other Revenue	-	-	249,459	249,459
Total Revenue	<u>71,500</u>	<u>71,500</u>	<u>253,989</u>	<u>182,489</u>
Net Position Balance	<u>504,900</u>	<u>504,900</u>		
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED	<u><u>\$ 576,400</u></u>	<u><u>\$ 576,400</u></u>		
EXPENSES				
Personal Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	67,000	67,000	4,433	62,567
Other Costs	46,600	46,600	-	46,600
Other Financing Uses	<u>462,800</u>	<u>462,800</u>	<u>462,800</u>	<u>-</u>
Total Expenses Before Non-Budgeted Items	<u><u>\$ 576,400</u></u>	<u><u>\$ 576,400</u></u>	<u>467,233</u>	<u>\$ 109,167</u>
NON BUDGETED ITEMS				
Allowance for Uncollectible Accounts			-	
Depreciation Not Budgeted			<u>-</u>	
Total Expenses			<u>467,233</u>	
CHANGE IN NET POSITION			(213,244)	
NET POSITION, JULY 1, 2014			<u>953,205</u>	
NET POSITION, JUNE 30, 2015			<u><u>\$ 739,961</u></u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	PUBLIC PROPERTY RESERVE			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Service Fees	\$ 10,462,100	\$ 10,462,100	\$ 12,369,657	\$ 1,907,557
Interest			6,251	6,251
Other Revenue	-	-	2,400	2,400
Total Revenue	<u>10,462,100</u>	<u>10,462,100</u>	<u>12,378,308</u>	<u>1,916,208</u>
Net Position Balance	-	2,620,000		
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED	<u>\$ 10,462,100</u>	<u>\$ 13,082,100</u>		
EXPENSES				
Personal Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	4,354,900	4,974,900	4,960,307	14,593
Other Costs	5,585,100	7,585,100	6,449,075	1,136,025
Other Uses	522,100	522,100	522,100	-
Total Expenses Before Depreciation	<u>\$ 10,462,100</u>	<u>\$ 13,082,100</u>	<u>11,931,482</u>	<u>\$ 1,150,618</u>
Request to Pay Prior Year Not Budgeted			285,076	
Depreciation Not Budgeted			-	
Total Expenses			<u>12,216,558</u>	
CHANGE IN NET POSITION			161,750	
NET POSITION, JULY 1, 2014			<u>5,307,260</u>	
NET POSITION, JUNE 30, 2015			<u>\$ 5,469,010</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	STATE UNEMPLOYMENT COMPENSATION RESERVE			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Service Fees	\$ 14,582,000	\$ 14,582,000	\$ 15,464,762	\$ 882,762
Interest	-	-	16,954	16,954
Other Revenues	-	-	-	-
Total Revenue	<u>14,582,000</u>	<u>14,582,000</u>	<u>15,481,716</u>	<u>899,716</u>
Net Position Balance	-	-		
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED	<u><u>\$ 14,582,000</u></u>	<u><u>\$ 14,582,000</u></u>		
EXPENSES				
Personal Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	200,000	200,000	76,800	123,200
Other Costs	14,331,600	14,331,600	2,770,465	11,561,135
Other Financing Uses	<u>50,400</u>	<u>50,400</u>	<u>50,400</u>	<u>-</u>
Total Expenses Before Depreciation	<u><u>\$ 14,582,000</u></u>	<u><u>\$ 14,582,000</u></u>	<u>2,897,665</u>	<u><u>\$ 11,684,335</u></u>
Depreciation Not Budgeted			-	
Claims Reserves Not Budgeted			<u>-</u>	
Total Expenses			<u>2,897,665</u>	
CHANGE IN NET POSITION			12,584,051	
NET POSITION, JULY 1, 2014			<u>1,390,755</u>	
NET POSITION, JUNE 30, 2015			<u><u>\$ 13,974,806</u></u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	PUBLIC LIABILITY			Variance From Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Service Fees	\$ 46,351,800	\$ 46,351,800	\$ 50,077,441	\$ 3,725,641
Interest			34,526	
Other Revenue	-	-	-	-
Total Revenue	<u>46,351,800</u>	<u>46,351,800</u>	<u>50,111,967</u>	<u>3,725,641</u>
Net Position Balance	<u>364,000</u>	<u>5,364,000</u>		
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED	<u><u>\$ 46,715,800</u></u>	<u><u>\$ 51,715,800</u></u>		
EXPENSES				
Personal Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	14,672,800	17,672,800	13,882,119	3,790,681
Other Costs	27,906,700	29,906,700	29,495,766	410,934
Other Financing Uses	4,136,300	4,136,300	4,136,300	-
Total Expenses Before Depreciation	<u><u>\$ 46,715,800</u></u>	<u><u>\$ 51,715,800</u></u>	<u>47,514,185</u>	<u><u>\$ 4,201,615</u></u>
Request to Pay Prior Year Not Budgeted			357,408	
Depreciation Not Budgeted			-	
Claims Reserves Not Budgeted			-	
Total expenses			<u>47,871,593</u>	
CHANGE IN NET POSITION			2,240,374	
NET POSITION, JULY 1, 2014			<u>(72,653,811)</u>	
NET POSITION, JUNE 30, 2015			<u><u>\$ (70,413,437)</u></u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	WORKERS' COMPENSATION RETENTION			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Service Fees	\$ 22,514,000	\$ 22,514,000	\$ 25,030,381	\$ 2,516,381
Interest	-	-	15,727	15,727
Total Revenue	<u>22,514,000</u>	<u>22,514,000</u>	<u>25,046,108</u>	<u>2,532,108</u>
Net Position Balance	<u>-</u>	<u>350,400</u>		
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED	<u><u>\$ 22,514,000</u></u>	<u><u>\$ 22,864,400</u></u>		
EXPENSES				
Personal Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	2,046,800	2,466,800	1,131,452	1,335,348
Other Costs	18,441,600	18,371,600	15,865,120	2,506,480
Other Financing Uses	2,026,000	2,026,000	2,026,000	-
Total Expenses Before Depreciation	<u><u>\$ 22,514,400</u></u>	<u><u>\$ 22,864,400</u></u>	<u>19,022,572</u>	<u>\$ 3,841,828</u>
Depreciation Not Budgeted			-	
Claims Reserves Not Budgeted			-	
Total expenses			<u>19,022,572</u>	
CHANGE IN NET POSITION			6,023,536	
NET POSITION, JULY 1, 2014			<u>(36,326,330)</u>	
NET POSITION, JUNE 30, 2015			<u><u>\$(30,302,794)</u></u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	STATE TRANSPORTATION POOL			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Service Fees	\$ 6,217,500	\$ 6,217,500	\$ 6,543,600	\$ 326,100
Other Revenues	-	-	105,876	105,876
Total Revenue	<u>6,217,500</u>	<u>6,217,500</u>	<u>6,649,476</u>	<u>431,976</u>
Net Position Balance	<u>3,813,500</u>	<u>3,813,500</u>		
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED	<u><u>\$ 10,031,000</u></u>	<u><u>\$ 10,031,000</u></u>		
EXPENSES				
Personal Services and Employee Benefits	\$ 1,580,900	\$ 1,540,900	1,493,855	\$ 47,045
Contractual Services	55,000	135,000	47,959	87,041
Other Costs	8,031,900	7,991,900	4,390,033	3,601,867
Other Financing Uses	<u>363,200</u>	<u>363,200</u>	<u>345,078</u>	<u>18,122</u>
Total Expenses Before Depreciation	<u><u>\$ 10,031,000</u></u>	<u><u>\$ 10,031,000</u></u>	<u>6,276,925</u>	<u>\$ 3,754,075</u>
Depreciation Not Budgeted			<u>1,073,133</u>	
Total Expenses			<u>7,350,058</u>	
CHANGE IN NET POSITION			(700,582)	
NET POSITION, JULY 1, 2014			<u>6,654,469</u>	
NET POSITION, JUNE 30, 2015			<u><u>\$ 5,953,887</u></u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	GROUP INSURANCE PREMIUM STABILIZATION			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Service fees	\$ 353,660,100	\$ 353,660,100	\$350,030,056	\$ (3,630,044)
Interest	-	-	24,428	24,428
Other revenues	-	-	-	-
Other financing sources	-	-	-	-
Total revenue	353,660,100	353,660,100	350,054,484	\$ (3,605,616)
Net position balance	-	-		
TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED	<u>\$ 353,660,100</u>	<u>\$ 353,660,100</u>		
EXPENSES				
Personal services and employee benefits	\$ -	\$ -	-	\$ -
Contractual services	20,562,800	20,562,800	17,760,696	2,802,104
Other costs	353,660,100	353,660,100	313,607,875	40,052,225
Other uses	1,067,100	1,067,100	1,067,100	-
Total expenses before depreciation	<u>\$ 375,290,000</u>	<u>\$ 375,290,000</u>	332,435,671	\$ 42,854,329
Depreciation Not Budgeted			-	
Total expenses			<u>332,435,671</u>	
CHANGE IN NET POSITION			17,618,813	
NET POSITION, JULY 1, 2014			<u>(25,508,151)</u>	
NET POSITION, JUNE 30, 2015			<u>\$ (7,889,338)</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
FIDUCIARY FUNDS DESCRIPTIONS
YEAR ENDED JUNE 30, 2015**

Purchasing Division

The Bond Securities (Fund 75100) is used to account for bid securities of contractors bidding on construction projects who elect to remit cash directly to State Purchasing instead of obtaining bonding from a surety company.

Risk Management Division

The Insurance Carrier Premiums (Fund 56100) was established in fiscal year 2001 to hold both the employer's and employee's share of vision, long-term care and life insurance premiums until they are remitted to the Davis Vision and Prudential insurance companies. The premiums are collected from state agencies, participating local public bodies and their employees.

Administrative Services Division

Governor's Residence Preservation Fund (Fund 11490) was established in fiscal year 2013 to account for gifts, donations, and bequests of money to the Governor's Residence Advisory Commission (the Commission), as well as appropriations made to the Commission. Earnings from the investment of the fund shall be credited to the fund. Expenditure of the fund shall be only for the purpose for which the Commission was created and shall be paid to the Commission upon vouchers signed by the chairman of the Commission and warrants issued by the Secretary of Finance and Administration.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
 COMBINING STATEMENT OF FIDUCIARY ASSETS
 AND LIABILITIES - AGENCY FUNDS
 YEAR ENDED JUNE 30, 2015**

	75100 Bond Securities	56100 Insurance Carrier Premiums	11490 Gov Residence Preservation	Total
ASSETS				
Investment in the State General Fund				
Investment Pool	\$ 150	\$ 1,914,065	\$ 13,812	\$ 1,928,027
Due from Other Funds	-	190	-	190
TOTAL ASSETS	<u>\$ 150</u>	<u>\$ 1,914,255</u>	<u>\$ 13,812</u>	<u>\$ 1,928,217</u>
LIABILITIES				
Accounts Payable	-	\$ 544,073	167	\$ 544,240
Deposits Held for Others	150	1,370,182	13,645	1,383,977
TOTAL LIABILITIES	<u>\$ 150</u>	<u>\$ 1,914,255</u>	<u>\$ 13,812</u>	<u>\$ 1,928,217</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES – AGENCY FUNDS
YEAR ENDED JUNE 30, 2015**

	Balance as of June 30, 2014	Additions	Deletions	Balance as of June 30, 2015
75100 BOND SECURITIES				
ASSETS				
Investment in the State General Fund Investment Pool	\$ 150	\$ -	\$ -	\$ 150
TOTAL ASSETS	\$ 150	\$ -	\$ -	\$ 150
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Deposits Held in Custody for Others	150	-	-	150
TOTAL LIABILITIES	\$ 150	\$ -	\$ -	\$ 150
56100 INSURANCE CARRIER PREMIUMS				
ASSETS				
Investment in the State General Fund Investment Pool	\$ 1,794,249	\$ 6,723,598	\$ 6,603,782	\$ 1,914,065
Deposits Due from Others	-	-	-	-
Due from Other Funds	-	190	-	190
TOTAL ASSETS	\$ 1,794,249	\$ 6,723,788	\$ 6,603,782	\$ 1,914,255
LIABILITIES				
Accounts Payable	\$ 544,032	\$ 6,603,823	\$ 6,603,782	\$ 544,073
Deposits Held in Custody for Others	1,250,217	6,723,788	6,603,823	1,370,182
TOTAL LIABILITIES	\$ 1,794,249	\$ 13,327,611	\$ 13,207,605	\$ 1,914,255

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES – AGENCY FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	Balance as of June 30, 2014	Additions	Deletions	Balance as of June 30, 2015
11490 GOV RESIDENCE PRESERVATION				
ASSETS				
Investment in the State General Fund				
Investment Pool	\$ 5,143	\$ 12,750	\$ 4,081	\$ 13,812
TOTAL ASSETS	\$ 5,143	\$ 12,750	\$ 4,081	\$ 13,812
LIABILITIES				
Accounts Payable	\$ -	\$ 4,000	\$ 3,833	\$ 167
Deposits Held in Custody for Others	5,143	12,759	4,257	13,645
TOTAL LIABILITIES	\$ 5,143	\$ 16,759	\$ 8,090	\$ 13,812

	Balance as of June 30, 2014	Additions	Deletions	Balance as of June 30, 2015
TOTAL ALL AGENCY FUNDS				
ASSETS				
Investment in the State General Fund				
Investment Pool	\$ 1,799,542	\$ 6,736,348	\$ 6,607,863	\$ 1,928,027
Deposits Due from Others	-	-	-	-
Due from Other Funds	-	190	-	190
TOTAL ASSETS	\$ 1,799,542	\$ 6,736,538	\$ 6,607,863	\$ 1,928,217
LIABILITIES				
Accounts Payable	\$ 544,032	\$ 6,607,823	\$ 6,607,615	\$ 544,240
Deposits Held in Custody for Others	1,255,510	6,736,547	6,608,080	1,383,977
TOTAL LIABILITIES	\$ 1,799,542	\$ 13,344,370	\$ 13,215,695	\$ 1,928,217

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) - UNAUDITED
YEAR ENDED JUNE 30, 2015**

RFB#/RFP#/State-Wide Price Agreement #	Type of Procurement		Awarded Vendor	Amount of Awarded Contract	Amount of Amended Contract	Name and Physical Address of ALL Vendors that Responded	In-State/Out of State Vendor (Y or N) (Based on Statutory Definition)	Was the Vendor In-State and Chose Veteran's Preference (Y or N)	Brief Description of Scope of Work
50-35000-14-05711	CONSTRUCTION	ITB	SOUTH CAPITOL LANDSCAPING AND LIGHTING RENOVATION	0000049445		1183 - LONGHORN CONSTRUCTION SERVICES, INC			
50-35000-14-05730	CONSTRUCTION	ITB	WISE LIGHTING REPLACEMENT AT RUNNELS, MONTOYA & SIMMS BLDGS, SANTA FE	0000081759		Omega Electrical Contractors, Inc.	All Vendors in State	Apic - Resident	Replace interior lighting fixtures in the Runnels
50-35000-14-05730	CONSTRUCTION	ITB	WISE LIGHTING REPLACEMENT AT RUNNELS, MONTOYA & SIMMS BLDGS, SANTA FE	0000097177		Apic Solutions, Inc.	All Vendors in State	Apic - Resident	Replace interior lighting fixtures in the Runnels
50-35000-14-05806	CONSTRUCTION	RFP	ALZHEIMER & SKILLED NURSING FACILITY	0000054696		3841 - SUNDT CONSTRUCTION, INC.	4 Vendors in State 2 Out of State	Federally funded - Preferences were not submitted or applied	Establish a Contract for eighty six thousand (86,000) SF, two-level long term nursing home. Thirty nine (39) bed Special Care (Alzheimer's) 'House' to provide care for residents with low to moderate levels of dementia and a twenty (20) bed Skilled Nursing 'House' to provide care for residents requiring either physical rehab or higher levels of nursing care. The two (2) houses are combined into one (1) facility that has all of the necessary operations space for staff to provide care for the residents. The facility also includes a lobby and lounge areas, offices, pharmacy, laundry, Wellness Center, out-resident lab & small theatre.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) – UNAUDITED (CONTINUED)
YEAR ENDED JUNE 30, 2015**

RFB#/RFP#/State-Wide Price Agreement #	Type of Procurement			Awarded Vendor		Amount of Awarded Contract	Amount of Ammended Contract	Name and Physical Address of ALL Vendors that Responded	In-State/Out of State Vendor (Y or N) (Based on Statutory Definition)	Was the Vendor In-State and Chose Veteran's Preference (Y or N)	Brief Description of Scope of Work
14-350-4905-0001	Professional	RFP	Legal Services	49160	Allen Shepard	\$ 600,000.00		Allen Shepard Lewis Syra and Chapman PA 4801 Lang Avenue NE Ste 200 Albuquerque, NM 87109	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	47073	Atwood Malone, Turner & Sabin	\$ 600,000.00		Atwood, Malone, Turner & Sabin PO Drawer 700 Roswell, NM 88202-0700	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	53852	Basham & Basham	\$ 800,000.00		Basham & Basham PC 2205 Miguel Chavez Ste A Santa Fe, NM 87505	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	54009	Biehler & Harris	\$ 800,000.00		Biehler & Harris Inc 6715 Academy Rd NE Albuquerque, NM 87109	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	52891	Brennen & Sullivan	\$ 800,000.00		Brennan & Sullivan PA 128 E Devargas Santa Fe, NM 87501	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	83477	Brown Law Firm	\$ 400,000.00		Brown Law Firm, Brown & Gurule LLC 3777 The American Road NW, Suite 100 Albuquerque, NM 87114	In state	No	Legal Services

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) – UNAUDITED (CONTINUED)
YEAR ENDED JUNE 30, 2015**

RFB#/RFP#/State-Wide Price Agreement #	Type of Procurement			Awarded Vendor		Amount of Awarded Contract	Amount of Amended Contract	Name and Physical Address of ALL Vendors that Responded	In-State/Out of State Vendor (Y or N) (Based on Statutory Definition)	Was the Vendor In-State and Chose Veteran's Preference (Y or N)	Brief Description of Scope of Work
14-350-4905-0001	Professional	RFP	Legal Services	47071	Butt, Thornton & Baehr	\$ 500,000.00		Butt, Thornton & Baehr PC PO Box 3170 Albuquerque, NM 87190	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	48309	Cenepa & Vidal	\$ 500,000.00		Canepa & Vidal PA PO Box 8980 Santa Fe, NM 87504	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	88222	Carrillo Law	\$ 400,000.00		Carrillo Law Firm PC PO Box 457 Las Cruces, NM 88004	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	88218	Cervantes Law	\$ 100,000.00		Cervantes Law Firm PC 2610 S Espina Las Cruces, NM 88001	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	47067	Civerolo, Galow, Hill & Curtis	\$ 800,000.00		Civerolo, Gralow Hill & Curtis 20 First Plaza Ste 500 Albuquerque, NM 87102	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	59760	Conklin, Woodcock & Ziegler	\$ 1,400,000.00		Conklin Woodcock & Ziegler PC 320 Gold Avenue SW Ste 800 Albuquerque, NM 87102	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	47938	Cuddy & McCarthy	\$ 800,000.00		Cuddy & McCarthy LLP 1701 Old Pecos Trail Santa Fe, NM 87505	In state	No	Legal Services

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) – UNAUDITED (CONTINUED)
YEAR ENDED JUNE 30, 2015**

RFB#/RFP#/State-Wide Price Agreement #	Type of Procurement			Awarded Vendor		Amount of Awarded Contract	Amount of Amended Contract	Name and Physical Address of ALL Vendors that Responded	In-State/Out of State Vendor (Y or N) (Based on Statutory Definition)	Was the Vendor In-State and Chose Veteran's Preference (Y or N)	Brief Description of Scope of Work
14-350-4905-0001	Professional	RFP	Legal Services	6548	Dickman Michael	\$ 600,000.00		Dickman, Michael, Law Office Of PO Box 549 Santa Fe, NM 87504	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	81806	Dolan & Associates	\$ 200,000.00		Dolan & Associates 3321 Candelaria NE, Ste 126 Albuquerque, NM 87107	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	72109	Daughty, Alcaraz & Degraauw	\$ 1,200,000.00		Doughty, Alcaraz & DeGraauw PA 20 First Plaza NW Ste 412 Albuquerque, NM 87102	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	43598	Kenneth Downes & Associates	\$ 200,000.00		Kenneth C Downes & Assoc PC 3949 Corrales Road Suite 210 Corrales, NM 87048	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	29496	Flynn, Obrien, Timothy	\$ 600,000.00		Flynn-O'Brien, Timothy V Attorney At Law 817 Gold Ave SW Albuquerque, NM 87102	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	43902	French & Associates	\$ 175,000.00		French & Associates PC 6739 Academy Road NE, Ste 200 Albuquerque, NM 87109	In state	No	Legal Services

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) – UNAUDITED (CONTINUED)
YEAR ENDED JUNE 30, 2015**

RFB#/RFP#/State-Wide Price Agreement #	Type of Procurement			Awarded Vendor		Amount of Awarded Contract	Amount of Amended Contract	Name and Physical Address of ALL Vendors that Responded	In-State/Out of State Vendor (Y or N) (Based on Statutory Definition)	Was the Vendor In-State and Chose Veteran's Preference (Y or N)	Brief Description of Scope of Work
14-350-4905-0001	Professional	RFP	Legal Services	105547	Kennedy, Moulton & Wells	\$ 8,000,000.00		Kennedy, Moulton & Wells, PC 2201 San Pedro Blvd NE Bldg 3 St 200 Albuquerque, NM 87110	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	83478	German & Associates	\$ 1,800,000.00		German & Associates LLC 11728 Linn Avenue NE Albuquerque, NM 87123	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	88221	Paul S. Grand	\$ 600,000.00		Paul S Grand, Law Offices Of 460 St Michaels Dr #802 Santa Fe, NM 87505	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	65262	Hale & Dixon	\$ 400,000.00		Hale & Dixon PC 612 First Street NW Albuquerque, NM 87102	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	92483	Keitha A. Leonard	\$ 300,000.00		Keitha A Leonard Attorney At Law PO Box 522 Tesuque, NM 87574	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	9215	Riley B. Harwood	\$ 600,000.00		Ripley B Harwood PC 11200 Lomas Blvd NE Ste 210 Albuquerque, NM 87112	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	81239	Hatcher & Tebo	\$ 600,000.00		Hatcher & Tebo, Law Office of 150 Washington Ave Ste 204 Santa Fe, NM 87501	In state	No	Legal Services

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) – UNAUDITED (CONTINUED)
YEAR ENDED JUNE 30, 2015**

RFB#/RFP#/State-Wide Price Agreement #	Type of Procurement			Awarded Vendor		Amount of Awarded Contract	Amount of Amended Contract	Name and Physical Address of ALL Vendors that Responded	In-State/Out of State Vendor (Y or N) (Based on Statutory Definition)	Was the Vendor In-State and Chose Veteran's Preference (Y or N)	Brief Description of Scope of Work
14-350-4905-0001	Professional	RFP	Legal Services	46438	Hinkle Shanor	\$ 4,550,000.00		Hinkle Shanor LLP PO Box 2068 Santa Fe, NM 87504	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	9287	Mark D. Jarmie	\$ 1,800,000.00		Mark D Jarmie LLC PO Box 26416 Albuquerque, NM 87125-6416	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	47232	Keleher & McLeod	\$ 1,600,000.00		Keleher & McLeod PA PO Drawer AA 201 3rd NW 12th Floor Albuquerque, NM 87102	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	49131	Long, Komer & Associates	\$ 800,000.00		Long, Komer & Associates PA 2200 Brothers Road Santa Fe, NM 87505	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	47662	Miller Stratvert	\$ 3,200,000.00		Miller Stratver PA 500 Marquette NW Ste 1100 Albuquerque, NM 87125	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	16156	Lyman Morgan	\$ 200,000.00		Lyman, R Morgan PO Box 1002 Las Cruces, NM 88004	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	47304	Montgomery & Andrews	\$ 1,000,000.00		Montgomery & Andrews PA PO Box 2307 Santa Fe, NM 87504	In state	No	Legal Services

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) – UNAUDITED (CONTINUED)
YEAR ENDED JUNE 30, 2015**

RFB#/RFP#/State-Wide Price Agreement #	Type of Procurement		Awarded Vendor		Amount of Awarded Contract	Amount of Amended Contract	Name and Physical Address of ALL Vendors that Responded	In-State/Out of State Vendor (Y or N) (Based on Statutory Definition)	Was the Vendor In-State and Chose Veteran's Preference (Y or N)	Brief Description of Scope of Work
14-350-4905-0001	Professional	RFP	Legal Services	102964 Jason J. Lewis	\$ 400,000.00		Lewis, Jason J 6100 Eagle Eye Dr NW Albuquerque, NM 87120	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	51268 Narvaez Law Firm	\$ 1,400,000.00		Narvaez Law Firm PA PO Box 25967 Albuquerque, NM 87125	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	43771 Riley, Shane & Keller	\$ 800,000.00		Riley & Shane PA 4101 Indian School Rd NE Albuquerque, NM 87110	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	9051 Robles, Real & Anaya	\$ 1,200,000.00		Robles Rael & Anaya PC 500 Marquette Ave NW Suite 700 Albuquerque, NM 87102	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	52847 Sandenaw	\$ 250,000.00		Sandenaw Law Firm PC PO Box 13605 Las Cruces, NM 88013	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	94621 Saucedo Chavez	\$ 160,000.00		Saucedo Chavez PC 6565 Americas Pkwy NE, Ste 920 Albuquerque, NM 87110	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	47960 Sheehan & Sheehan	\$ 600,000.00		Sheehan & Sheehan PA 40 First Plaza NW Ste 740 Albuquerque, NM 87102	In state	No	Legal Services

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) – UNAUDITED (CONTINUED)
YEAR ENDED JUNE 30, 2015**

RFB#/RFP#/State-Wide Price Agreement #	Type of Procurement			Awarded Vendor		Amount of Awarded Contract	Amount of Amended Contract	Name and Physical Address of ALL Vendors that Responded	In-State/Out of State Vendor (Y or N) (Based on Statutory Definition)	Was the Vendor In-State and Chose Veteran's Preference (Y or N)	Brief Description of Scope of Work
14-350-4905-0001	Professional	RFP	Legal Services	50548	Simone, Roberts & Weiss	\$ 800,000.00		Simone Roberts & Weiss PA 11200 Lomas Blvd NE Ste 210 Albuquerque, NM 87112	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	99483	Kemp Smoth	\$ 800,000.00		Kemp Smith LLP 880 Telshor Suite 220 Las Cruces, NM 88011	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	53590	Stiff, Keith & Garcia	\$ 400,000.00		Stiff, Keith & Garcia LLC 400 Gold SW Ste 1300-W Albuquerque, NM 87102	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	46698	Sutin, Thayer & Browne	\$ 400,000.00		Sutin Thayer & Browne PO Box 1945 Albuquerque, NM 87103	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	50495	Laurie A. Vogel	\$ 600,000.00		Laurie A Vogel Attorney At Law PO Box 30581 Albuquerque, NM 87190-0581	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	48762	Walz Jerry	\$ 6,200,000.00		Walz and Associates PC 133 Eubank Blvd NE Albuquerque, NM 87123	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	58539	Wiggins, Williams & Wiggins	\$ 600,000.00		Wiggins Williams & Wiggins PC PO Box 1308 Albuquerque, NM 87103-1308	In state	No	Legal Services

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) – UNAUDITED (CONTINUED)
YEAR ENDED JUNE 30, 2015**

RFB#/RFP#/State-Wide Price Agreement #	Type of Procurement			Awarded Vendor		Amount of Awarded Contract	Amount of Amended Contract	Name and Physical Address of ALL Vendors that Responded	In-State/Out of State Vendor (Y or N) (Based on Statutory Definition)	Was the Vendor In-State and Chose Veteran's Preference (Y or N)	Brief Description of Scope of Work
14-350-4905-0001	Professional	RFP	Legal Services	29788	Park Alfred	\$ 1,000,000.00		Park & Associates LLC 6100 Uptown Blvd NE Ste 350 Albuquerque, NM 87110	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	110499	Garcia Law Group	\$ 800,000.00		Garcia Law Group LLC 6739 Academy Road NE, Ste 200 Albuquerque, NM 87109	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	113011	Erika Anderson	\$ 375,000.00		Law Offices of Erika E Anderson 201 Third Street, Suite 500 Albuquerque, NM 87102	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	47073	Atwood Malone, Turner & Sabin	\$ 400,000.00		Atwood, Malone, Turner & Sabin PO Drawer 700 Roswell, NM 88202-0700	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	47071	Butt, Thornton & Baehr	\$ 200,000.00		Butt, Thornton & Baehr PC PO Box 3170 Albuquerque, NM 87190	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	83477	Brown Law Firm	\$ 300,000.00		Brown Law Firm, Brown & Gurule LLC 3777 The American Road NW, Suite 100 Albuquerque, NM 87114	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	88218	Cervantes Law	\$ 200,000.00		Cervantes Law Firm PC 2610 S Espina Las Cruces, NM 88001	In state	No	Legal Services

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) – UNAUDITED (CONTINUED)
YEAR ENDED JUNE 30, 2015**

RFB#/RFP#/State-Wide Price Agreement #	Type of Procurement			Awarded Vendor		Amount of Awarded Contract	Amount of Amended Contract	Name and Physical Address of ALL Vendors that Responded	In-State/Out of State Vendor (Y or N) (Based on Statutory Definition)	Was the Vendor In-State and Chose Veteran's Preference (Y or N)	Brief Description of Scope of Work
14-350-4905-0001	Professional	RFP	Legal Services	71756	Civerolo, Paul	\$ 400,000.00		Civerolo, Paul L 4001 Indian School Rd NE Ste 205 Albuquerque, NM 87110	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	47067	Civerolo, Galow, Hill & Curtis	\$ 400,000.00		Civerolo, Galow Hill & Curtis 20 First Plaza Ste 500 Albuquerque, NM 87102	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	72109	Daughty, Alcaarez & Degraauw	\$ 400,000.00		Doughty, Alcaraz & DeGraauw PA 20 First Plaza NW Ste 412 Albuquerque, NM 87102	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	43902	French & Associates	\$ 185,000.00		French & Associates PC 6739 Academy Road NE, Ste 200 Albuquerque, NM 87109	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	65262	Hale & Dixon	\$ 400,000.00		Hale & Dixon PC 612 First Street NW Albuquerque, NM 87102	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	81239	Hatcher & Tebo	\$ 400,000.00		Hatcher & Tebo, Law Office of 150 Washington Ave Ste 204 Santa Fe, NM 87501	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	16156	Lyman Morgan	\$ 320,000.00		Lyman, R Morgan PO Box 1002 Las Cruces, NM 88004	In state	No	Legal Services

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) – UNAUDITED (CONTINUED)
YEAR ENDED JUNE 30, 2015**

RFB#/RFP#/State-Wide Price Agreement #	Type of Procurement			Awarded Vendor		Amount of Awarded Contract	Amount of Amended Contract	Name and Physical Address of ALL Vendors that Responded	In-State/Out of State Vendor (Y or N) (Based on Statutory Definition)	Was the Vendor In-State and Chose Veteran's Preference (Y or N)	Brief Description of Scope of Work
14-350-4905-0001	Professional	RFP	Legal Services	47662	Miller Stratvert	\$ 800,000.00		Miller Stratver PA, 500 Marquette NW Ste 1100 Albuquerque, NM 87125	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	51268	Narvaez Law Firm	\$ 200,000.00		Narvaez Law Firm PA PO Box 25967 Albuquerque, NM 87125	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	43771	Riley, Shane & Keller	\$ 400,000.00		Riley & Shane PA 4101 Indian School Rd NE Albuquerque, NM 87110	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	53590	Stiff, Keith & Garcia	\$ 400,000.00		Stiff, Keith & Garcia LLC 400 Gold SW Ste 1300-W Albuquerque, NM 87102	In state	No	Legal Services
14-350-4905-0001	Professional	RFP	Legal Services	110499	Garcia Law Group	\$ 375,000.00		Garcia Law Group LLC 6739 Academy Road NE, Ste 200 Albuquerque, NM 87109	In state	No	Legal Services
14-350-0050-5504	Professional	RFP	Architect & Engineering	14051	Hartman & Majewski	\$ 306,323.00	NA	Hartman & Majewski Design Group 120 Vassar Dr. SE Suite 100, Albuquerque, NM 87106	In-State	No	A/E design services, demo and new construction Department of Public Safety NM State Police, Espanola Office.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) – UNAUDITED (CONTINUED)
YEAR ENDED JUNE 30, 2015**

RFB#/RFP#/State-Wide Price Agreement #	Type of Procurement			Awarded Vendor		Amount of Awarded Contract	Amount of Amended Contract	Name and Physical Address of ALL Vendors that Responded	In-State/Out of State Vendor (Y or N) (Based on Statutory Definition)	Was the Vendor In-State and Chose Veteran's Preference (Y or N)	Brief Description of Scope of Work
50-350-14-05792	Professional	Sole Source	Architect & Engineering	18232	Wilson & Company	\$ 132,785.00	NA	Wilson & Company, Inc. 4900 Lang Ave NE, Albuquerque, NM 87109	In-State	No	A/E services at SantaTeresa Port of Entry
50-670000-14-CP121	Professional	Sole Source	Architect & Engineering	44175	Huitt Zollars	\$ 369,685.00	NA	Huitt-Zollars, Inc. 6501 Americas Parkway NE, Suite 550, Albuquerque, NM 87110	In-State	No	Design services and construction documents for Fort Stanton State Veterans' cemetery.
SPA#30-000-00-00018	Professional	SPA	Staffing services	59713	ATA Services	\$ 170,122.00	NA	ATA Services 165 Union Blvd., Suite 350 Lakewood, CO 80228	Out-of State	NA	Contractor shall develop, administer, and execute assigned projects for PSC and construction services.
SPA#30-000-00-00018	Professional	SPA	Staffing services	59713	ATA Services	\$ 345,106.00	NA	ATA Services 165 Union Blvd., Suite 350 Lakewood, CO 80228	Out-of State	NA	Contractor shall lead FMD in a process re-engineering program.
SPA#30-000-00-00018	Professional	SPA	Staffing services	59713	ATA Services	\$ 326,293.00	NA	ATA Services 165 Union Blvd., Suite 350 Lakewood, CO 80228	Out-of State	NA	Contractor shall develop, administer, and execute assigned projects and implement Assetworks.
SPA#15-350-14-05714	CONSTRUCTION	SPA	Construction	12324	Clampett Industries	\$ 510,130.00	NA	Clampett Industries 222 Schilling Circle, Ste 275 Hunt Valley, MD 21031	Out-of State	NA	Facility Condition assessments and equipment inventory for Statewide FMD bldgs.



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**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**

Mr. Ed Burckle, Secretary
State of New Mexico General Services Department and
Mr. Timothy Keller
New Mexico State Auditor

We have audited, in accordance with the 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 business-type activities, each major fund, and the aggregate remaining fund information, the budgetary comparison of the general fund of the New Mexico General Services Department (the Department), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements, and the combining and individual funds and related budgetary comparisons of the Department presented as supplementary information, and have issued our report thereon dated January 7, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Department'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency described as 2013-001 in the accompanying schedule of findings and questioned costs to be a material weakness.

Mr. Ed Burckle, Secretary
State of New Mexico General Services Department and
Mr. Timothy Keller
New Mexico State Auditor

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. We consider the deficiencies described as 2014-005, 2015-001, 2015-003 and 2015-006 in the accompanying schedule of findings and questioned costs to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Department's financial statements are free from 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 is described in the accompanying schedule of findings and questioned costs as findings 2015-002, 2015-004, and 2015-005.

The Department's Response to Findings

The Department's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The Department's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Albuquerque, New Mexico
January 7, 2016

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2015**

SECTION II – FINANCIAL STATEMENT FINDINGS

2013-001 Land Reconciliation (Material Weakness) Repeated and Modified

Condition: During our testwork over capital assets in the FY13 audit, variances from the Department's internal land holding listing did not agree with either internal records or the annual audit financial statements. The Department informed it was in the process of reconciling all land assets because they identified discrepancies during their transition to their new capital asset software. These discrepancies include variances from the prior capital assets software (GEAC), the imported balances to the new software (SunSystems), the Department's internal Land Holdings Listing, and the annual audited financial statements. At June 30, 2015, the dollar value of the reconciliation remain unknown but is believed to be material to the financial statements.

Management's Progress for Repeat Finding 2013-001: The desired outcome from the Corrective Action Plan developed and agreed to by GSD/FMD is the identification of all land owned, complete with historical value, and incorporation into the records of GSD/FMD. Statute requires compilation of all appropriate documentation, including deeds, surveys, plats, photos, title searches. FMD currently maintains a complete inventory of all property, land as well as land with structures, in an Excel spreadsheet. From that information, those parcels (33 in six counties) with no historical value were identified and isolated in a separate spreadsheet. In an effort to satisfy the Corrective Action Plan prepared by GSD CFO, Internal Auditor and FMD and to comply with statutory requirement "to provide for the assessment and valuation of land managed by facilities management division," GSD submitted a Special Appropriation Request for \$750k on 11/14/14 to receive funding from the Public Building Repair Fund. This request was approved by the Legislature in the 2015 General Session in HB2 and was signed by the Governor on 04/14/15. The operational plan being developed and implemented by FMD is to hire by competitive bid professional real estate brokers/appraisers to begin the process of collecting required documentation and information on all land managed by FMD but focusing initially on the 33 parcels with no historical value included in FMD's records. The funding, which will be available through the end of FY17, will be used not only to hire the brokers/appraisers but also surveyors for 50-60 surveys that need to be performed, project management and associated clerical staff and ultimately hiring of two permanent FMD staff to manage and oversee the project in the future. The final step in the process will be to add to GSD's Fixed Asset application (SunSystems) all the associated land and valuations as well as to update existing records to reflect all data acquired.

Criteria: The Manual of Model Accounting Practices section Fin 6.4, *Recording and Reporting Capital Assets*, states that Agencies shall record and report state owned capital assets in accordance with state law, state rule, and Generally Accepted Accounting Principles. Capital assets shall be recorded at the time of acquisition at cost (including ancillary costs) as determined by the amount paid for purchased assets or at cost of construction for constructed assets, or at estimated fair market value for donated capital assets.

Cause: Lack of historical communication between the Financial Division of the Department and the Property Control Division regarding land values when acquired, in addition to a lack of historical documents for various properties that indicate the incremental value of land such as water rights, mineral rights, legal definitions and historical costs that comprise the total land value.

Effect: Land balances in the Department's capital asset software and financial statements could be misstated.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2015**

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

2013-001 Land Reconciliation (Material Weakness) Repeated and Modified (Continued)

Recommendation: We recommend the Department continue to perform a thorough reconciliation of their land capital assets to identify all properties it owns, as well as the appropriate historical value of the respective land properties.

Management's Response: GSD/FMD released an RFP on 12/11/15 to contract for the professional services of a real estate appraiser to proceed with compiling the documentation as required by statute to complete the records of property owned by GSD/FMD, including deeds, surveys, plats, photos, title searches and initial valuation. The appropriation received in the 2015 legislative session extends to end of FY17, and the expectation is that all necessary investigatory work and document collection will be completed within that time frame. The initial focus will be on the 33 parcels of land for which no historic value is available. As a result, the historical valuation should be available for these parcels and entered into GSD's SunSystems fixed asset application by the General Ledger staff within GSD/ASD as soon as available from the contractor and before end of FY16. FMD Asset Management Bureau Chief will be responsible for overseeing the project, ensuring the contract deliverables are met, and providing all the information obtained relating to land owned to GSD/ASD for upload into the SunSystems.

2014-005 Internal Control over Service Organization (Significant Deficiency) Repeated and Modified

Condition: During our audit testwork over Disability payments, we noted that the Department's contract with CompuSys Erisa, a service organization, does not require CompuSys Erisa to furnish the Department with an SSAE 16 report.

Statement on Standards for Attestation Engagements (SSAE) No. 16, *Reporting on Controls at a Service Organization*, was finalized by the Auditing Standards Board of the [American Institute of Certified Public Accountants \(AICPA\)](#) in January 2010 and enhances SAS 70 as the authoritative guidance for reporting on service organizations. Without this report, the Department lacks the ability to assess the internal control environment of the service organization that it has enlisted to process disability payments on behalf of the Department. During fiscal year 2015, the service organization processed \$1.8 million in disability payments on behalf of the Department.

Management's Progress for Repeating Finding 2014-001: Amendment of the CompuSys Erisa contract will be done in the beginning of FY16 to allow for RMD to pay for the audit of Erisa's financial controls and reporting processes. RMD paid for an audit through a contractor (CaANES) in FY15, which may or may not meet the requirements of the external audit. RMD is currently working on obtaining a quote for both Erisa and CompuSys.

Criteria: NMAC 2.2.2.8 Q (4) requires any violation of good accounting practice, including instances of noncompliance or internal control weaknesses, to be reported as an audit finding.

Cause: Lack of contractual conditions requiring the service organization to provide a SSAE 16 report.

Effect: The Department has no method of monitoring the internal controls of Disability payments.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2015**

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

2014-005 Internal Control over Service Organization (Significant Deficiency) Repeated and Modified (Continued)

Recommendation: The Department should ensure proper oversight of the internal controls of service organizations engaged to provide accounting or payment processing services by requiring the service organization to provide an SSAE 16 report at least annually.

Management Response: GSD/RMD Finance Bureau initiated a request to the Third Party Administrator Compusys/Erisa and paid for the services of an audit by an external, independent firm (CaANES) in FY15 to review and document the internal controls in place and being used by Erisa to process disability claims payments. The final results of that audit will not be available until mid- to late-January 2016, at which time the result will be provided by Erisa to GSD/RMD. The contract between GSD/RMD and Erisa for FY16 will specify the requirement for the SSAE 16 report by Erisa to GSD/RMD. RMD Finance Bureau Chief will be responsible for ensuring the CaANES audit is completed and the results provided to GSD/RMD by end of January 2016. In addition, RMD's Finance Bureau Chief will be responsible for obtaining the SSAE 16 report from Erisa for FY16.

2015-001 General Internal Controls over Capital Assets (Significant Deficiency)

Condition: During our audit testwork over capital assets during the fiscal year 2015 audit, we noted the following deficiencies over internal controls:

- A process was not in place process for reconciling assets per the Department's capital asset software (SunSystems), rollforward schedules, and listings from FMD during the year.
- The Department did not perform a timely transfer of closed projects from construction in process to buildings. This process occurred five months after year-end.
- During our review of the Department's asset listing, we noted an asset, totaling \$634,546, was mistakenly removed by the Department.

Criteria: MAP FIN6.4 – Recording and Reporting Capital Assets – D. 10 states, “State agencies that construct capital assets should make a determination of the cost of construction work in progress at year-end. The amount determined should be recorded as “Construction in Progress” in the state agencies' year-end Financial Statements, in either a proprietary or permanent or a fiduciary funds or in the GWFS, whichever is appropriate. When construction is completed, the amount recorded in “Construction in Progress” should be reduced and the appropriate capital asset classification increased.”

Cause: Lack of historical communication between the Financial Division of the Department and the Property Control Division (now included in the Facilities Maintenance Division). No formal policies or procedures exist for transferring balances from construction in process to depreciable capital assets.

Effect: CIP additions and transfers could be inaccurate or untimely which would also cause the annual depreciation calculated to be misstated.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2015**

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

2015-001 General Internal Controls over Capital Assets (Significant Deficiency) (Continued)

Recommendation: The Department should implement firm policies to facilitate effective inter-division communication to prepare accurate and timely schedules and reconciliations related to capital assets. The policies are recommended to reflect the most current GASB standards and DFA guidance to ensure the correct classification and depreciation of individual assets. The Department should perform periodic reviews to verify the compliance with and adequacy of the written policies and procedures. In addition, an analysis of construction in process for closed projects, a reconciliation of additions to capital outlay, and a comparison of the Department's various asset listings should be performed on a monthly basis.

Management's Response: GSD's Internal Auditor and GSD/ASD G/L Bureau Chief have developed a Policy incorporating required processes of DFA that is in final review and approval stage by the Secretary that describes the procedure to be followed on a monthly basis to identify fixed asset expenditures of closed projects that need to be added to buildings for depreciation calculation purposes. This Policy should be finalized and implemented by January 2016 and in full use for FY16.

Additionally, this information will be used on a monthly basis to reflect in the ongoing Construction in Process records the reduction to completed projects. GSD/FMD and GSD/ASD General Ledger and Business Operations Bureau finance staff will communicate on a monthly basis to identify all completed projects and the expenditures that need to be included for specific buildings to be added to the Department's SunSystems fixed asset application for depreciation to be calculated.

The \$634,546 asset mentioned above was mistakenly duplicated and not removed. It was a clean-up effort that led to the asset being duplicated in SunSystems, increasing the total asset number by said amount. This was later fixed. GSD/ASD G/L staff will perform monthly G/L reviews and reconciliations to ensure no double-booking of assets or untimely removal of assets from the fixed asset application will occur. Written procedures, which are already in place, will be reviewed with each staff member to ensure all procedures are being following accurately and completely. The GSD/ASD G/L Bureau Chief will ensure that the reconciling process that is part of GSD/ASD's procedures is followed to eliminate the potential for duplicated entries.

2015-002 Use of State Issued Fuel Credit Cards (Compliance and Other Matters)

Condition: During our audit testwork over fuel cards, we noted the following:

- 3 out of 10 mileage logs kept for vehicles contained errors in which beginning mileage was greater than ending mileage or mileage was not entered.
- 1 out of 10 vehicles per gas card statements had identifying information that did not agree to TSD's vehicles records, including license plate number, manufacturer, model, and year.

Criteria: NMAC 1.5.3.19 NMSA 1978 requires accurate reporting of vehicle mileage and monthly reconciliation fuel purchases.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2015**

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

2015-002 Use of State Issued Fuel Credit Cards (Compliance and Other Matters) (Continued)

Cause: While review of fuel card purchases occurred, a detailed and accurate review was not performed.

Effect: Non-compliance with New Mexico Statutes and inaccurate record of mileage logs and vehicle records kept

Recommendation: We recommend the Department properly instruct reviewers on the appropriate review process, which includes reviewing whether mileage based on gallons purchased was reasonable. In addition, the Department should work to reconcile the vehicle data per their records to that of the third party credit card issuer.

Management's Response: GSD/TSD inspects vehicles on an annual basis. In addition, all users of fleet vehicles are instructed to maintain and update mileage logs for each vehicle for each instance of use. If discrepancies are identified during inspection, GSD/TSD notes the same and communicates with the respective agency/division to which the vehicle is assigned. GSD/TSD is continuing to implement the GPS System that records all mileage on vehicles in which the GPS System is installed. Checks and balances are incorporated into this system that will result in more accurate automatic capture of odometer readings with each fuel transaction through the WEX system. By the beginning of FY16 over 500 GPS systems had already been installed and in full use. By FY17, all vehicles under the management of GSD/TSD will have the GPS systems installed and in use, eliminating the need for manual entry of mileage. GSD/TSD will be responsible for equipping all vehicles in the state fleet overseen by GSD/TSD with the GPS systems.

In addition, GSD/TSD ran verification on the vehicle that the auditors determined to have had its fuel card used for a different vehicle; that vehicle is no longer part of GSD/TSD's fleet. Fuel cards are issued to individual vehicles and when annual inspections are conducted by GSD/TSD, the fuel card is specifically matched to the vehicle by the GSD/TSD staff person conducting the inspection. The vehicle identified in the audit with an incorrect fuel card had already been removed from GSD/TSD fleet inventory by year end FY15. Nonetheless, as GSD/TSD inspects vehicles throughout the fiscal year, particular attention will be paid to ensure fuel cards match vehicles, and as part of regular communications by GSD/TSD to all agency/division users of fleet vehicles, reinforcement will be included concerning maintaining fuel cards with assigned vehicles.

2015-003 Financial Review Process (Significant Deficiency)

Condition: During our audit testwork over the financial review process, we noted the following:

- A journal entry, totaling \$398,000, was recorded twice, resulting in capital assets and related depreciation being understated.
- A journal entry of \$92,168 was recorded to the incorrect account, resulting in contract payable being overstated.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2015**

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

2015-003 Financial Review Process (Significant Deficiency) (Continued)

Criteria: NMAC 2.20.5.8 requires agencies to ensure that all reporting of the financial information to be timely, complete and accurate.

Cause: While review of journal entries occurred, a detailed and accurate review was not performed.

Effect: Balances in the general ledger were incorrectly recorded, resulting in a misstated trial balance.

Recommendation: We recommend the Department properly instruct reviewers on the appropriate quality review process which entails review to ensure entries are not double booked, recorded in the appropriate accounts, and contain proper supporting documentation.

Management's Response: GSD/ASD G/L staff under the supervision of the G/L-A/R Bureau Chief will immediately review all procedures for journal entries to ensure adequate analysis by a minimum of three staff members as required by GSD/ASD G/L is being performed to eliminate this kind of error/oversight. All G/L staff will participate before end of FY16 in additional training to focus on the process and procedure to be followed to ensure complete and accurate journal entry preparation, entry, posting, reconciliation, and review.

2015-004 Untimely Reversion (Compliance and Other Matters)

Condition: The Department's general fund FY15 reversion of \$53,842 was not transferred to the State General Fund by the required date of September 30, 2015. The transfer was made on November 4, 2015. Additionally, we noted that the FY14 reversion of \$64,709 has yet to be transferred as of the report date for the 2015 audit.

Criteria: Section 6-5-10, NMSA 1978 requires all unreserved, undesignated fund balances in reverting funds and accounts as of June 30 to revert to the State General Fund by September 30.

Cause: Management oversight.

Effect: Non-compliance with New Mexico Statute.

Recommendation: We recommend that both the FY14 and FY15 reversion be paid as soon as possible. In addition, we recommend the Department utilize the Department of Finance and Administration's financial close and reporting checklist related to reversions and consider incorporating into their year-end procedures.

Management's Response: GSD/ASD G/L Bureau Chief will conduct training for all G/L staff by end of January 2016 to ensure Closing instructions provided by DFA are understood completely and followed to ensure timely J/E preparation, entry, posting, reconciliation and review.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2015**

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

2015-005 Late Submission of Audit Report (Compliance and Other Matters)

Condition: The Department's audit report for the year ended June 30, 2015 was not submitted as of the due date of December 1, 2015 because The Department did not perform a timely transfer of closed projects from construction in process to buildings. This process occurred five months after year-end.

Criteria: Audit reports not received on or before the due date are considered to be in non-compliance with the requirements of Section 2.2.2.9.A of the State Audit Rule.

Cause: Failure to provide accurate and timely information regarding the Department's year-end construction in process. Specifically, transfers of closed projects from construction in process to buildings, a reconciliation of additions to capital outlay, and a rollforward that agree to the Departments capital asset software (SunSystems) and open projects listing for construction in process.

Effect: The result was the late submission of the Department's audit report for the year ended June 30, 2015. The users of audited financial statements did not receive the information in a timely manner.

Recommendation: We recommend that management be more proactive with respect to preparation of all necessary information and schedules related to its year-end close.

Management's Response: GSD/ASD and FMD identified the steps that needed to be taken to ensure that FY15 and prior year CIP and depreciation amounts were correct and complete. The procedures followed in FY15 will enable GSD/ASD to complete FY16 financial audit activities in a timely way that will eliminate the possibility of submitting in an untimely way all information to the independent auditors. GSD/ASD G/L-A/R Bureau Chief will be responsible for ensuring that steps in the procedure developed and policy implemented for Capital Assets are followed by FMD as well as GSD/ASD financial staff.

2015-06 Severance Tax Bonds (STB) – (Significant Deficiency)

Condition: During our audit testwork over severance tax bonds, we noted the Department received duplicate reimbursement by both the Board of Finance and Risk Management for an expenditure of \$417,035.

Criteria: NMAC 2.20.5.8 requires agencies to ensure that all reporting of the financial information to be timely, complete and accurate.

Cause: Lack of internal controls surrounding the financial close and reporting process.

Effect: The result was the possible misstatement of the STB fund.

Recommendation: We recommend that management implement a formal policy governing the year-end financial close and reporting process with respect to severance tax bonds and related funds.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2015**

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

2015-06 Severance Tax Bonds (STB) – (Significant Deficiency) (Continued)

Management's Response: GSD/ASD and FMD will by end of January 2016 complete a GSD policy for review and approval by the Secretary that defines the internal procedure to be used by GSD/ASD and FMD. GSD/ASD GL/AR Bureau Chief and the GSD Internal Auditor will ensure the timely completion policy that will clearly outline the steps to be followed by GSD/FMD Business Operations staff responsible for maintaining STB draw request documentation and related expenditures. In addition, the GSD/ASD G/L staff will reconcile in conjunction with GSD/FMD Board of Finance staff all expenditures and draws on a monthly basis.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
JUNE 30, 2015**

Section II – Financial Statement Findings

2013-001 Land Reconciliation (Material Weakness) - Repeated and Modified

Condition: During test work over capital assets in the prior year audit, variances from the Department's internal land holding listing did not agree with either internal records or the annual audit financial statements. The Department informed us they are in the process of reconciling all land assets because they identified discrepancies during their transition to their new capital asset software. These discrepancies include variances from the prior capital assets software (GEAC), the imported balances to the new software (SunSystems), the Department's internal Land Holdings Listing, and the annual audited financial statements. During the current year, the Department began the reconciliation process and noted the scope of the reconciliation was larger than originally thought, as land records preceding statehood for New Mexico were identified that have not been captured in the Department's internal financial records. At the time this audit was completed, the dollar value of the reconciliation was unknown but is believed to be material to the financial statements.

2014-001 Construction in Process – Capital Asset Additions and Related Depreciation Expense (Material Weakness) - Resolved

Condition: During fiscal year 2014, the Department did not transfer balances totaling approximately \$85.9 million of completed projects from the construction in process balance (which represents costs attributable to active projects) to the capital asset balance (representing closed projects and assets currently in use.) For financial statement purposes, the Department prepared a depreciation expense calculation of approximately \$3.8 million on these completed projects that does not take into account the depreciable lives of individual assets.

2014-002 Annual Inventory (Significant Deficiency) - Resolved

Condition: The Department did not perform annual physical capital asset inventories for all Divisions.

2014-003 Risk Management – Internal Controls over Monthly Reconciliations (Significant Deficiency) - Resolved

Condition: During our testwork over Workers' Compensation payments, we noted a payment in the amount of \$690.92 posted in July 2013 for a disability payment that should have posted to Fund 75203. We also detected Workers' Compensation payments posted to the SHARE system of \$160.68 in September 2013 and \$5.00 in October 2013 that were not recorded in RMIS.

2014-004 Improper Disposition of Property (Control Deficiency) - Resolved

Condition: Equipment with a value of \$9,587 is located within inventory while being classified as disposed within the capital assets software.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
JUNE 30, 2015**

2014-005 – Internal Control over Service Organization (Significant Deficiency) - Repeated

Condition: During our test work over Disability payments, we noted that the Department's contract with CompuSys Erisa, a service organization, does not require CompuSys Erisa to furnish the Department with an SSAE 16 report.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT
EXIT CONFERENCE
JUNE 30, 2015**

An exit conference was held with the Department on December 17, 2015. The conference was held at the offices of the General Services Department in Santa Fe, New Mexico. The conference was held in a closed meeting to preserve the confidentiality of the audit information prior to the official release of the financial statements by the State Auditor. In attendance were:

STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT

Ed Burckle, Cabinet Secretary
Zella Kay Cox, Chief Financial Officer, Administrative Services Division Director

CLIFTONLARSONALLEN LLP

Raul Anaya, CPA, CFE, CGFM, Principal-New Mexico
Roger Lilly, Associate

The financial statements presented in this report have been prepared by the independent auditor. However, they are the responsibility of management, as addressed in the Independent Auditor's Report. Management reviewed and approved the financial statements.