



**STATE OF NEW MEXICO
REGULATION AND LICENSING
DEPARTMENT**

FINANCIAL STATEMENTS

JUNE 30, 2012

MOSS ADAMS_{LLP}

Certified Public Accountants | Business Consultants

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TABLE OF CONTENTS

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT**

INTRODUCTORY SECTION

Official Roster..... 1

FINANCIAL SECTION

Report of Independent Auditors..... 2

Management's Discussion and Analysis 5

Basic Financial Statements

Government-wide Financial Statements

Statement of Net Assets 10

Statement of Activities..... 11

Fund Financial Statements

Governmental Funds Financial Statements

Balance Sheet 12

Reconciliation of the Governmental Funds

Balance Sheet With the Statement of Net Assets..... 13

Statement of Revenues, Expenditures, and

Changes in Fund Balances - Governmental Funds 14

Reconciliation of the Governmental Funds

Statement of Revenues, Expenditures, and

Changes in Fund Balances With the Statement

of Activities..... 15

TABLE OF CONTENTS

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT**

Basic Financial Statements (Continued)

Statement of Revenues and Expenditures - Budget and Actual (GAAP Budgetary Basis) - General Fund.....	16
Securities Enforcement and Investor Education	17
Board of Pharmacy	18
Real Estate Commission.....	19
Board of Dental Examiners.....	20
Statement of Fiduciary Assets and Liabilities – Agency Funds.....	20
Notes to Financial Statements.....	21

SUPPLEMENTARY INFORMATION

Nonmajor Fund Descriptions.....	48
Combining Balance Sheet - All Nonmajor Funds.....	51
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - All Nonmajor Funds.....	61
Combined General Fund Budget Schedules by Program- Statement of Revenues and Expenditures - Budget and Actual (GAAP Budgetary Basis) - General Fund	
Construction Industries and Housing (P599).....	71
Financial Institution and Securities (P600)	72
Alcohol and Gaming (P601).....	73
Program Support (P602)	74

TABLE OF CONTENTS

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT**

SUPPLEMENTARY INFORMATION (Continued)

Statement of Revenues and Expenditures - Budget and Actual (GAAP Budgetary Basis)	
Real Estate Recovery Fund	75
Construction Industries Revolving Fund.....	76
Board of Barbers and Cosmetologists Fund.....	77
Athletic Commission.....	78
Massage Therapy Board.....	79
Counselors and Therapy Practice Board	80
Real Estate Education and Training	81
Board of Chiropractic Examiners	82
Board of Dental Examiners	83
Nutrition and Dietetics Practice Board	84
Board of Nursing Home Administrators.....	85
Board of Occupational Therapy Practice.....	86
Optometry Board	87
Board of Osteopathic Medical Examiners	88
Podiatry Board.....	89
Psychology Board	90
Physical Therapy Board	91
Thanatopractice Board.....	92
Interior Design Board	93
Private Investigators and Polygraphers Board.....	94
Board of Landscape Architects.....	95
Real Estate Appraisers Board	96
Board of Accountancy.....	97
Social Work Examiners Board	98
Acupuncture Board.....	99
HUD Manufactured Housing.....	100

TABLE OF CONTENTS

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT**

SUPPLEMENTARY INFORMATION (Continued)

Speech, Language Pathology, and Audiology Board	101
Respiratory Care Advisory Board	102
Athletic Trainer's Board.....	103
Naprapathy Board.....	104
Carnival Ride Insurance	105
Impaired Dentists and Dental Hygienists Board	106
Hoisting Operators.....	107
Sign Language Services Board	108
Animal Sheltering Services Board.....	109
Statement of Revenues and Expenditures – Budget and Actual – ARRA.....	110
Statement of Revenues and Expenditures – Budget and Actual – Mortgage Regulatory Fund	111

OTHER SUPPLEMENTARY INFORMATION

Combining Schedule of Fiduciary Assets and Liabilities - Agency Funds.....	112
Combining Schedule of Changes in Assets and Liabilities - Agency Funds	114
Schedule of Cash Accounts.....	117

TABLE OF CONTENTS

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT**

OTHER SUPPLEMENTARY INFORMATION (Continued)

Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	119
Summary Schedule of Prior Audit Findings	122
Schedule of Findings and Responses	123
Exit Conference	128

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT**

Official Roster
As of June 30, 2012

ADMINISTRATIVE OFFICIALS

J. Dee Dennis, Jr.	Superintendent
Mary Kay Root	Deputy Superintendent and Acting Director, Boards and Commissions Division
Larissa Byrd	CFO and Administrative Services Division Director
Katherine Martinez	Director, Construction Industries Division and Manufactured Housing Division
Daniel Tanaka	Director, Securities Division
Cynthia Richards	Director, Financial Institutions Division
Steven Reinhart	Director, Alcohol and Gaming Division

Report of Independent Auditors

J. Dee Dennis, Jr., Superintendent
State of New Mexico
Regulation and Licensing Department
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons for the general fund and major special revenue funds and the fiduciary funds of the State of New Mexico Regulation and Licensing Department (Department), as of and for the year ended June 30, 2012, which collectively comprise the Department's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the Department's nonmajor governmental funds, including the budgetary comparisons, and fiduciary funds presented in the accompanying combining and individual fund financial statements as supplementary information as of and for the year ended June 30, 2012, as listed in the table of contents. These financial statements are the responsibility of the Department's management. 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note 1, the financial statements of the Department are intended to present the financial position and the changes in financial position of only that portion of the governmental activities each major fund and the aggregate remaining fund information reporting entity 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 State of New Mexico as of June 30, 2012, and the changes in its financial position and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America.

J. Dee Dennis, Jr., Superintendent
State of New Mexico
Regulation and Licensing Department
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Department, as of June 30, 2012, and the respective changes in financial position and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in conformity 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 and fiduciary fund of the Department as of June 30, 2012, and the respective changes in financial position and the respective budgetary comparisons for the nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2012, on our consideration of the Department's internal control over financial reporting and 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* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 9 be presented to supplement the basic financial statements. Such information, although not a required 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.

J. Dee Dennis, Jr., Superintendent
State of New Mexico
Regulation and Licensing Department
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

Our audit was conducted for the purpose of forming opinions on the financial statements, the combining and individual fund financial statements, and budgetary comparisons of the non-major funds. The additional schedules listed as other supplementary information in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing procedures generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements, the combining and individual fund financial statements, and budgetary comparisons of the non-major funds taken as a whole.

Mess Adams LLP

Albuquerque, New Mexico
December 14, 2012

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2012**

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Regulation and Licensing Department's discussion and analysis provides an overview of the financial activities for the fiscal year ended June 30, 2012. Since this information is designed to focus on the current year's activities, resulting changes, and currently known facts, it should be read in conjunction with the financial statements.

USING THE FINANCIAL STATEMENTS

The financial statements consist of three sections. The first section is the Introductory Section. The second is the Financial Section, which includes the management's discussion and analysis (this section), the basic financial statements, Individual Fund Statements, and the Supplementary Information. The third section is the Other Information section which consists of the report on internal controls and schedules of prior and current year findings.

The basic financial statements include a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Department as a whole and present a longer-term view of the Department's finances. The fund financial statements follow. For governmental activities, these statements tell how these services were financed for the reporting period. Fund financial statements report the Department's operations in more detail than the government-wide statements by providing information about the Department's most significant funds, which are the General Fund, Securities Enforcement and Investor Education Fund, Board of Pharmacy, and Real Estate Commission.

The Statement of Net Assets and the Statement of Activities

One of the most important questions asked about the Regulation and Licensing Department's finances is, "Is the Department as a whole better or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the Department as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using accrual basis of accounting, which is similar to the accounting method used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Department's net assets and changes in them. The net assets, which is the difference between assets and liabilities, can be used as a one way to measure the Department's financial health or financial position. Over time, increases or decreases in the Department's net assets are one indicator of

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2012**

whether its financial health is improving or deteriorating. Other nonfinancial factors must also be considered, such as changes in the revenue projections of the State in general and the size of the licensing pools, to assess the overall health of the Department.

In the Statement of Net Assets and the Statement of Activities, the Department presents Governmental activities. All of the Department's activities are reported here. Appropriations from the State General Fund and licensing fees finance most of the Department's activities.

Fund Financial Statements

The fund financial statements provide detailed information about the General Fund, Securities Enforcement and Investor Education Fund, Board of Pharmacy, and Real Estate Commission, and a summary of all the non-major funds. The Department's funds are reported using an accounting method called modified accrual accounting. This method measures cash and all other financial assets that can be readily converted to cash. The fund statements provide a detailed view of the Department's operations and the services it provides. Governmental fund information is an indicator of whether there are more or fewer financial resources that can be spent in the future to finance the Department's programs.

The Department as Fiduciary

The Department is the fiduciary over assets which are collected on behalf of the State General Fund. The Department's fiduciary activities are reported in separate Statement of Changes in Assets and Liabilities. We exclude these activities from the Department's other financial statements because the Department cannot use these assets to finance its operations.

THE DEPARTMENT AS A WHOLE

The Department's net assets increased by \$3,236,493 from \$12,107,559 to \$15,344,052. Our analysis below focuses on the net assets and changes in net assets of the Department's governmental activities.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2012**

Statement of Net Assets	June 30, 2012	June 30, 2011
Government Activities		
Current and other assets	23,747,166	21,517,727
Capital assets	553,316	353,670
Total assets	<u>24,300,482</u>	<u>21,871,397</u>
Current liabilities	8,533,377	9,282,283
Long-term liabilities	423,053	481,555
Total Liabilities	<u>8,956,430</u>	<u>9,763,838</u>
Net assets		
Invested in capital assets	553,316	353,670
Unrestricted	14,790,736	11,753,889
Total net assets	<u>15,344,052</u>	<u>12,107,559</u>

The Department realized nearly a 27% increase in net assets over fiscal year 2011. The majority of the increase was due to the interest in State Treasurer General Fund Investment Pool as well as an increase in capital assets. Notable decreases in liabilities include deferred revenue and reversion payable to the State General Fund.

Statement of Activities	June 30, 2012	June 30, 2011
Government Activities		
Operating grants and charges for services	11,165,246	10,269,265
General fund appropriations	12,590,100	13,589,200
Special appropriations	150,000	-
Net transfers (out) in	222,326	375,063
Reversions	(629,772)	(1,706,252)
Other	16,130	15,891
Total revenue	23,514,030	22,543,167
Program expense	20,277,537	20,645,284
Change in net assets	3,236,493	1,897,883
Net assets, beginning of year	12,107,559	10,209,676
Net assets, end of year	15,344,052	12,107,559

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2012**

The Department's total revenues increased 4% or \$960,457. The increase in revenues is mostly due to the increase in charges for services. The total program expense decreased by \$378,153, or about 2%. The Department continues to identify ways to reduce expenses.

**THE DEPARTMENT'S FUNDS
Budgetary Highlights**

Over the course of the year, the Regulation and Licensing Department adjusted the budget in accordance with the General Appropriation Act. Budget adjustments allowed fall into two categories: transfers between categories and budget increases of up to 5% in the special revenue funds. The Department's general fund appropriation was decreased by 7.4% per the 50th Legislature, 1st Session, Laws 2011, Chapter 179, Section 4.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2012, the Department had \$553,316 invested in capital assets, including vehicles and IT Equipment. This amount represents a net increase of \$199,646, or 56.4% over last year.

This year's additions include various IT equipment, an upgraded licensing system, and a call center setup for the Boards and Commissions Division.

Long-Term Liabilities

The Department's obligations include accrued vacation pay and sick leave. They decreased from \$481,555 in FY 2011 to \$423,053 in FY 2012, a total of 12%.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2012**

ECONOMIC FACTORS

The Department's budget is determined by an annual appropriation from the Legislature. In fiscal year 2012, due to projected revenue shortfalls, the Department realized a budget reduction of 7.4% of general fund appropriations. The Revenue Estimating Group, which is represented by the

Department of Finance and Administration, the Department of Transportation, the Legislative Finance Committee, and the Taxation and Revenue Department, presented the updated December 2012 General Fund Consensus revenue outlook, a revision to the August 2012 report. The December 2012 forecast revised the FY12 total recurring revenue to a total of \$5,802 million, which resulted in recurring revenue growth of 7.3% in FY12. The total recurring revenue growth revision of \$274 million is predominantly due to stronger-than-expected oil and gas revenue. FY13 total recurring revenue has been revised upward by \$38 million. The limited revenue increase is largely explained by expectations of a reduction in oil and gas related revenues related primarily to lower price forecasts for oil and natural gas production, modest growth in Gross Receipts Tax revenues, and sagging corporate income tax revenues based on a forecast of weak profits. The total recurring revenue for FY14 has been revised up by \$131 million to \$5,933 million. The FY12 ending balances are expected to be \$705 million, which provides reserves of 13% of recurring appropriations.

CONTACTING THE DEPARTMENT'S FINANCIAL MANAGEMENT

The Department's financial statements are designed to provide users with a general overview of the Department's finances and to show the Department's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Department's Chief Financial Officer and Administrative Services Division Director at (505) 476-4800 or at the Department's Administrative Services Division office located in the Toney Anaya Building, 2550 Cerrillos Road, Santa Fe, NM 87505.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF NET ASSETS
June 30, 2012

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Interest in State Treasurer General Fund Investment Pool	\$ 23,352,874
Petty cash	3,143
Accounts receivable	26,636
Prepaid postage	66,976
Due from other state agencies	268,903
Due from federal government	6,993
Inventories	21,641
Total current assets	<u>23,747,166</u>
Capital assets	
Capital assets	1,075,413
Accumulated depreciation	(522,097)
Total noncurrent assets	<u>553,316</u>
Total assets	<u>\$ 24,300,482</u>
LIABILITIES AND NET ASSETS	
Current Liabilities	
Accounts payable	727,202
Accrued payroll	601,686
Due to federal government	2,715
Deferred revenue	6,261,623
Reversions payable to state general fund	579,772
Current portion of compensated absences	360,379
Total current liabilities	<u>8,533,377</u>
Long-term liabilities	
Non-current portion of compensated absences	423,053
Total long-term liabilities	<u>423,053</u>
Total liabilities	<u>8,956,430</u>
Net assets	
Invested in capital assets	553,316
Unrestricted	14,790,736
Total net assets	<u>\$ 15,344,052</u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF ACTIVITIES
Year Ended June 30, 2012

		Program Revenues		Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants	Governmental Activities
Governmental Activities				
Construction Industries	\$ 7,762,454	162,888	-	(7,599,566)
Financial Institutions	2,202,138	602	-	(2,201,536)
Alcohol and Gaming	816,993	23	-	(816,970)
Pharmacy Program	1,364,299	1,916,449	-	552,150
Real Estate Commission	764,181	827,476	-	63,295
Securities Enforcement and Investors Education	416,950	727,553	-	310,603
Boards and Commissions	3,959,483	6,891,270	210,877	3,142,664
Program Support	2,991,039	271,533	156,575	(2,562,931)
Total governmental activities	\$ 20,277,537	10,797,794	367,452	(9,112,291)
General Revenues				
Transfer - General Fund appropriation				12,740,100
Transfers in				265,000
Transfer out				(42,674)
Reversion				(629,772)
Interest and investment earnings				16,130
Total general revenues				12,348,784
Changes in net assets				3,236,493
Net assets, beginning				12,107,559
Net assets, ending				\$ 15,344,052

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2012

	4330	0440	4640	4670		Total
	General	Securities	Board of	Real	Non-Major	Governmental
	Fund	Enforcement	Pharmacy	Estate	Funds	Funds
		and Investor		Commission		
		Education				
ASSETS						
Interest in State Treasurer General Fund Investment Pool	\$ 1,368,826	2,735,339	2,483,713	1,353,067	15,411,929	23,352,874
Petty cash	2,495	-	500	100	48	3,143
Accounts receivable	727	175	-	-	25,734	26,636
Prepaid postage	14,980	-	-	4,398	47,598	66,976
Due from other funds	439	-	-	3,475	55,014	58,928
Due from other state agencies	266,014	572	-	-	2,317	268,903
Due from federal government	-	-	-	-	6,993	6,993
Inventories	-	-	-	-	21,641	21,641
Total assets	\$ 1,653,481	2,736,086	2,484,213	1,361,040	15,571,274	23,806,094
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 466,312	100,759	47,029	5,382	107,720	727,202
Accrued payroll	420,348	1,349	44,436	18,974	116,579	601,686
Deferred revenues	-	-	1,338,139	1,095,556	3,827,928	6,261,623
Due to state general fund	579,772	-	-	-	-	579,772
Due to other funds	14	-	-	-	58,914	58,928
Due to federal government	915	-	100	-	1,700	2,715
Total liabilities	1,467,361	102,108	1,429,704	1,119,912	4,112,841	8,231,926
Fund Balances						
Nonspendable:						
Prepaid postage	14,980	-	-	4,398	47,598	66,976
Inventories	-	-	-	-	21,641	21,641
Restricted	-	2,633,978	1,054,509	236,730	11,389,194	15,314,411
Unassigned	171,140	-	-	-	-	171,140
Total fund balances	186,120	2,633,978	1,054,509	241,128	11,458,433	15,574,168
Total liabilities and fund balances	\$ 1,653,481	2,736,086	2,484,213	1,361,040	15,571,274	23,806,094

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
WITH THE STATEMENT OF NET ASSETS
June 30, 2012**

Amounts reported for governmental activities in the
Statement of Net Assets are different because

Total fund balance - governmental funds	\$ 15,574,168
-----------------------------------------	---------------

Capital assets used in governmental activities are not financial
resources and therefore are not reported as assets in
governmental funds.

The cost of capital assets	\$ 1,075,413
Accumulated depreciation	<u>(522,097)</u>

Cost of capital assets less accumulated depreciation	553,316
-------------------------------------------------------------	----------------

Long-term liabilities are not due and payable in
the current period and therefore are not reported as liabilities
in the funds. Long-term liabilities at year-end consist of

Compensated absences	<u>(783,432)</u>
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Total net assets - governmental activities	<u><u>\$ 15,344,052</u></u>
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See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2012

	4330	0440	4640	4670		
	General	Securities	Board of	Real	Non-Major	Total
	Fund	Enforcement	Pharmacy	Estate	Funds	
		and Investor		Commission		
		Education				
Revenues						
License fees	\$ 85,000	642,150	1,805,320	710,576	5,813,339	9,056,385
Services	-	-	50,992	9,591	570,016	630,599
Publications	-	-	190	15,793	10,615	26,598
Federal sources	156,575	-	-	-	210,877	367,452
Interest on investments	-	4,048	-	-	12,082	16,130
Other revenues	79,097	85,403	59,947	91,516	497,300	813,263
Total revenues	320,672	731,601	1,916,449	827,476	7,114,229	10,910,427
Expenditures						
Current						
Personal services and employee benefits	11,314,606	72,374	1,080,686	562,800	3,030,781	16,061,247
Contractual services	556,816	86,571	52,055	19,280	368,818	1,083,540
In-state travel	78,835	1,155	15,851	6,855	118,431	221,127
Maintenance and repairs	50,705	28,733	4,254	820	3,537	88,049
Supplies and materials	270,843	48,490	24,163	7,214	71,968	422,678
Operating costs	1,385,787	174,199	160,040	120,395	299,574	2,139,995
Other costs	57,516	847	9,348	5,331	54,340	127,382
Out-of-state travel	1,104	4,581	2,463	-	5,318	13,466
Capital outlay	56,409	-	15,439	41,486	6,716	120,050
Total expenditures	13,772,621	416,950	1,364,299	764,181	3,959,483	20,277,534
Revenues over (under) expenditures	(13,451,949)	314,651	552,150	63,295	3,154,746	(9,367,107)
Other financing sources (uses)						
Transfers in-interagency	265,000	-	-	-	-	265,000
Transfers out-interagency	-	-	-	-	(42,674)	(42,674)
Transfers in-interfund	1,251,003	-	-	-	-	1,251,003
Transfers out-interfund	-	(26,930)	(207,831)	(162,520)	(853,722)	(1,251,003)
General Fund appropriation	12,711,300	-	-	-	28,800	12,740,100
Reversions to state general fund	(629,772)	-	-	-	-	(629,772)
Total financing sources (uses)	13,597,531	(26,930)	(207,831)	(162,520)	(867,596)	12,332,654
Net change in fund balances	145,582	287,721	344,319	(99,225)	2,287,150	2,965,547
Fund balances, beginning of year (deficit)	40,538	2,346,257	710,190	340,353	9,171,283	12,608,621
Fund balances - ending	\$ 186,120	2,633,978	1,054,509	241,128	11,458,433	15,574,168

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT
OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES WITH
THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2012**

Total net change in fund balances - governmental funds \$ 2,965,547

Amounts reported for governmental activities in the statement of activities are different because

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities these costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities.

Capital outlay additions	\$	319,113	
Loss on disposal of assets		(20,866)	
Depreciation expense		<u>(98,602)</u>	
 Net Change in Capital Assets			 199,645

Accrued compensated absences are recorded as liabilities in the long-term debt group of accounts in the governmental funds. However, for government activities, these costs are shown in the Statement of Net Assets and the changes in the liability are recorded as a reduction or increase in the current personal services category.

Change in accrued compensated absences		<u>71,301</u>	
 Changes in net assets of governmental activities			 <u>\$ 3,236,493</u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND - 4330
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
State General Fund appropriation	\$ 12,561,300	12,561,300	12,711,300	150,000
Other licenses and permits	-	-	85,000	85,000
Federal funds	-	186,004	156,575	(29,429)
Other revenue	-	-	79,097	79,097
Other financing sources	1,729,200	1,729,200	1,516,003	(213,197)
Total revenues	14,290,500	14,476,504	14,547,975	71,471
Expenditures				
Personnel services and employee benefits	11,899,400	11,883,104	11,314,606	568,498
Contractual services	403,200	586,850	556,816	30,034
Other	1,987,900	2,006,550	1,901,199	105,351
Reversion	-	-	629,772	(629,772)
Total expenditures	14,290,500	14,476,504	14,402,393	74,111
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	\$ 145,582	145,582
Cash balance carryforward	-	-		
Total	\$ -	-		

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
SECURITIES ENFORCEMENT AND INVESTOR EDUCATION FUND - 0440
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Interest on investments	\$ 40,000	40,000	4,048	(35,952)
Trades and professions licenses	360,000	360,000	642,150	282,150
Other gifts and grants	-	4,000	-	(4,000)
Other penalty	162,300	162,300	85,403	(76,897)
Total revenues	<u>562,300</u>	<u>566,300</u>	<u>731,601</u>	<u>165,301</u>
Expenditures				
Personnel services and employee benefits	224,800	129,800	72,374	57,426
Contractual services	175,300	115,400	86,571	28,829
Other	168,500	327,400	258,005	-
Other financing uses	31,500	31,500	26,930	4,570
Total expenditures	<u>600,100</u>	<u>604,100</u>	<u>443,880</u>	<u>90,825</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(37,800)	(37,800)	<u>\$ 287,721</u>	<u>256,126</u>
Cash balance carryforward	<u>37,800</u>	<u>37,800</u>		
Total	<u>\$ -</u>	<u>-</u>		

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF PHARMACY - 4640
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 110,000	110,000	-	(110,000)
Registration for trades and professions licenses	1,426,500	1,426,500	1,805,320	378,820
Trades and professions examination fees	200	200	-	(200)
Other current services	30,000	33,000	50,992	17,992
Other publications	2,500	2,500	190	(2,310)
Court fines and forfeitures	5,000	5,000	-	(5,000)
Other penalties	9,000	9,000	-	(9,000)
Miscellaneous revenue	-	-	59,947	59,947
Total revenues	1,583,200	1,586,200	1,916,449	330,249
Expenditures				
Personnel Services and employee benefits	1,088,300	1,088,300	1,080,686	7,614
Contractual services	20,200	56,700	52,055	4,645
Other	233,600	276,360	231,558	44,802
Other financing uses	243,100	243,100	207,831	35,269
Total expenditures	1,585,200	1,664,460	1,572,130	92,330
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(2,000)	(78,260)	\$ 344,319	422,579
Cash balance carryforward	2,000	78,260		
Total	\$ -	-		

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
REAL ESTATE COMMISSION - 4670
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 143,500	143,500	710,576	567,076
Registration for trades and professions licenses	495,100	495,100	-	(495,100)
Other registration fees	43,600	43,600	-	(43,600)
Trades and professions examination fees	2,900	2,900	-	(2,900)
Other current services	-	-	9,591	9,591
Manuals and codes	12,000	12,000	-	(12,000)
Other publications	-	-	15,793	15,793
Other penalties	50,000	50,000	-	(50,000)
Miscellaneous revenue	-	-	91,516	91,516
Total revenues	747,100	747,100	827,476	80,376
Expenditures				
Personnel services and employee benefits	575,000	575,000	562,800	12,200
Contractual services	-	19,281	19,280	1
Other	173,233	197,652	182,101	15,551
Other financing uses	190,100	190,100	162,520	27,580
Total expenditures	938,333	982,033	926,701	55,332
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(191,233)	(234,933)	\$ (99,225)	135,708
Cash balance carryforward	191,233	234,933		
Total	\$ -	-		

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
June 30, 2012**

	<u>Agency Funds</u>
ASSETS	
Interest in State Treasurer General Fund Investment Pool	\$ 1,023,403
Due from Other State Agencies	<u>3,400</u>
Total Assets	<u><u>\$ 1,026,803</u></u>
LIABILITIES	
Accounts Payable	\$ 3,214
Other Liabilities	471,377
Due to State General Fund	<u>552,212</u>
	<u><u>\$ 1,026,803</u></u>

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 1. HISTORY, MISSION AND ORGANIZATION

General Information and Function of Entity. The State of New Mexico and Licensing Department (Department) was created July 1, 1983, by the Regulation and Licensing Department Act (Laws of 1983, Chapter 297, Section 19 through 29). The Act provided that the administration of professional and occupational licensing functions of the executive branch of state government may be consolidated under the supervision of the Department upon executive order issued by the Governor. This consolidation was completed during the fiscal year ended June 30, 1987.

The mission of the Department is to enforce applicable laws, rules, regulation and codes and administer them in a manner that affects a balanced approach to public safety, financial welfare and the development of the regulated industries. The Department consists of the Office of the Superintendent and six divisions: the Administrative Services Division, the Construction Industries Division, the Manufactured Housing Division, the Financial Institutions Division, the Securities Division and the Alcohol and Gaming Division.

The Administrative Services Division (ASD) provides the Department with fiscal, personnel, management information systems, and other support services and acts as liaison with the Department of Finance and Administration, General Services Department, State Personnel, State Auditor, State Treasurer, Records and Archives and other general control agencies to ensure compliance with state laws and regulation.

The Regulation and Licensing Act (Laws of 1983, Chapter 297, Section 30) provides for the administration of professional and occupational licensing functions of the executive branch of state government under the supervision of the Regulation and Licensing Department upon executive and financial services to 30 boards and commissions. Each of the boards and commissions has Department employees assigned as staff which are responsible for licensing of individuals and for maintaining licensing files containing historical, continuing education and disciplinary information on each licensee, thereby providing daily accessibility to the public, licensees, legislators and board members. Additionally, the staff is responsible for the daily execution of board operations, including all licensing and examination functions, preparing minutes of board meetings, responding to inquiries, taking actions as required by the boards they serve, and coordinating actions with appropriate officials and agencies.

Complaints received are reviewed by the boards, referred for investigation, when appropriate, and returned to the specific licensing boards for a determination of disciplinary action. Inspections are performed on sites or person who distribute,

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 1. HISTORY, MISSION AND ORGANIZATION (CONTINUED)

manufacture, or sell prescription drugs, cosmetology establishments, barber establishments, funeral homes and real estate offices in order to ensure compliance with statutes, regulations and minimum standards of sanitation, where applicable.

The Construction Industries Division (CID) administers examinations, licensing, certification, regulation, inspection, and supervision of individuals and businesses in the contracting and construction industries. The Division is required by law to "promote the general welfare of the people of New Mexico by providing for the protection of life and property by adopting and enforcing codes and standards for construction, alteration, installation, connection, demolition and repair work" pursuant to NMSA 1978 Compilation (1989 amendment). Section 60-13-1.1. CID also administers the Employee Leasing, Carnival Ride Insurance and Hoisting Operators Safety Acts pursuant to NMSA 1978, Sections 60-13A, 57-25 and 60-15, respectively.

The Manufactured Housing Division (MHD) supervises and regulates the manufactured housing industry within the state, with the exception of manufactured units used for commercial purposes that are regulated by the Construction Industries Division. The Manufactured Housing Act (NMSA 1978, 1983 Supplement, Section 60-14-20 Through 60-14-20) provides that its purpose is "to insure the purchasers and users of manufactured homes and essential conditions of health and safety which are their right and to provide that the business practices of the industry are fair and orderly among the members of the industry with due regard to the ultimate consumers in this important area of human shelter".

The Financial Institutions Division (FID) is responsible for administering the statutory requirements of the Banking Act, the Trust Company Act, Collection Agency Regulatory Act, the endowed Care Cemetery Act, the New Mexico Small Loan Act, the Mortgage Loan Company and Broker Act, the Credit Union Regulatory Act, the Motor Vehicle Sales Finance Company Act, the Escrow Company Act, the Negotiable Check, Drafts and Money Order Act, the Retail Installment Sales Act, and the Savings and Loan Act. Additionally, the Director, by statute, is an ex officio voting member of the New Mexico Mortgage Finance Authority. The Division provides general supervision of all state-chartered financial institutions and regulated industries, with a primary focus to ensure the existence of safe and sound financial practices within the regulated entities.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 1. HISTORY, MISSION AND ORGANIZATION (CONTINUED)

The Securities Division is responsible for administering the New Mexico Securities Act of 1986 and the Model State Commodity Code. Pursuant to those laws the Division registers securities offerings, licenses securities sales representatives, broker-dealers, investment advisers and investment adviser representatives, and takes administrative civil enforcement action when necessary. The Division also administers the Securities Enforcement and Investor Education Fund, which is funded by administrative assessments levied against companies or individuals found to have violated the Securities Act.

The Alcohol and Gaming Division is the licensing and regulatory authority for the Liquor Control Act. The Division licenses and regulates the sales, services and public consumption of alcoholic beverages so as to protect the public health, safety and morals of each community. The Division is also charged with the ultimate disposition of any administrative charges filed against a licensee by the New Mexico Department of Public Safety Special Investigations Division. The Division is funded by an appropriation from the State of New Mexico General Fund. All fees from licenses, citations, and other administrative charges are transferred to the State of New Mexico General Fund.

Reporting Entity. In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in accounting principles generally accepted in the United States of America (GAAP) and Government Accounting Standards Board (GASB) Statement 14.

The Department does not have any component units.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basic Financial Statements

The accounting policies of the Department conform to accounting principles generally accepted in the United States of America as applicable to governmental entities.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basic Financial Statements (continued)

The basic financial statements include both government-wide (based on the Department as a whole) and fund financial statements. Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business type. The Department only has governmental activities. In the government-wide Statement of Net Assets, the governmental activities are presented on a consolidated basis and are reflected on the full accrual, economic resource basis, measurement focus, which incorporates long-term obligations. Interfund balances and activity has been eliminated in the government-wide statements. A deficit (negative) balance in unrestricted net assets would indicate that obligations incurred in the current and prior periods exceed the value of assets currently available, and that the assets of future periods will be required to meet the established obligations.

The government-wide Statement of Activities reflects both the gross and net cost per functional category, which are otherwise being supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation expense on capital assets) by related program revenues, operating and capital grants. The program revenues must be directly associated with the function and consist primarily of fees and operating grants.

The net cost by function is normally covered by general revenue. Historically, the previous model did not summarize or present net cost by function or activity. The Department does not employ indirect cost allocation in the financial statements.

As to fund financial statements, emphasis is on the major funds of the governmental category. Nonmajor funds are summarized into a single column. The Department's major funds are the General Fund, Securities Enforcement and Investor Education (NMSA 58-13C-601), Board of Pharmacy (NMSA 61-11-9), Real Estate Commission (NMSA 61-29-8).

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basic Financial Statements (Continued)

The governmental funds in the fund financial statements are presented on a current financial resource measurement focus and accrual basis of accounting.

The Department's only fiduciary funds are agency funds. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

Basis of Presentation - Fund Accounting

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 equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements into three generic fund types and two broad fund categories as follows:

Governmental Funds

Governmental funds are those through which general governmental functions of the Department are financed. The acquisition, use and balances of the Department's expendable financial resources and the related liabilities are accounted for through governmental fund types:

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation - Fund Accounting (Continued)

General Fund (4330). The general fund is the general operating fund of the Department. All of the Divisions are supported by a New Mexico State General Fund appropriation. All other Department entities are self-supporting, through self-generated revenues. With minor exceptions, excess revenues revert to the New Mexico State General Fund at year-end. This fund is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds. Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The revenues collected through permits, licenses, and other registration and exam fees by the individual boards and commissions are to be used to fund the activities of each respective board or commission. The individual boards and commissions for which the Department has oversight authority are identified in the preamble to the Schedules of Revenue and Expenditures-Budget and Actual. Special revenue funds of the Department's governmental funds have been non-reverting to the State General Fund as outlined below.

In addition to the individual boards and commissions, there are special revenue funds that have been established. The purpose of these funds is enumerated in the preamble to the Schedules of Revenues and Expenditures - Budget and Actual.

In addition, the Vehicle Replacement and FID Revolving are considered reverting funds. RLD American Recovery and Reinvestment Act (ARRA), Mortgage Regulatory Fund, HUD Manufactured Housing and Osteopathic Examiners Funds have been considered non-reverting funds.

Fiduciary Funds. Fiduciary funds are used to account for assets held by the Department as an agent for other government and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The funds serve as suspense accounts for the deposit of receipts of the Alcohol and Gaming Division, Administrative Services Division, Construction Industries Division, Financial Institutions Division, Securities Division, and Manufactured Housing Division. At the close of each month, money received is transferred from the suspense accounts to the general fund.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation - Fund Accounting (Continued)

Basis of Accounting. Basis of accounting refers to the point at which revenues, expenditures, transfers and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Basis accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are presented on an accrual basis of accounting. The governmental funds in the fund financial statements are presented on a modified accrual basis. The fiduciary funds are presented using the economic resources measurement focus and the accrual basis of accounting.

The government-wide financial statements are prepared using the economic resources measurement focus and accrual basis of accounting. The Department has elected to apply the provisions of all relevant pronouncements of the Financial Accounting Standards Board (FASB) and the Governmental Accounting Standards Board (GASB), including those issued after November 30, 1989. The governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (when they become both measurable and available). "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred.

In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to GASB Statement 33, 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 deferred revenues by the recipient.

Budgets and Budgetary Accounting. The Department prepares budgets for its governmental funds, which are subject to approval by the New Mexico Department of Finance and Administration (DFA), based upon the appropriations made by the State Legislature. Budgets are controlled at the appropriation unit level (personal services, employee benefits, etc.), and amendments affecting a category are approved by DFA and the Legislative Finance Committee (LFC). Expenditures may not exceed appropriations at this level.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation - Fund Accounting (Continued)

The unexpended balances of the State General Fund appropriation to the Department are to be reverted to the State General Fund at the end of each fiscal year. The Department also receives funding from various special and supplemental appropriations. The language of a particular appropriation determines when it lapses and whether or not unexpended balances revert to the State General Fund.

The Department follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Department submits a proposed budget to the New Mexico state legislature for the fiscal year commencing the following July 1. The state legislature must approve the budget prior to the legal enactment.
2. The expenditures and encumbrances of each appropriation unit may not legally exceed the budget for that category. Budgets are controlled at the "appropriation unit" level within activities (personal services and benefits, contractual services, etc.).
3. Any adjustment to the budget must be submitted to and approved by the State of New Mexico Department of Finance and Administration State Budget Division in the form of a budget adjustment request.
4. Beginning in FY 2006, the annual budget, per the General Appropriations Act, Laws of 2006, Chapter 109, Section 3, Subsections N and O, was adopted on a 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 (Section 6-10-4 NMSA 1978) must be paid out of the next year's budget. The modified accrual basis of accounting is consistent with generally accepted accounting principles (GAAP). Budgeted revenues may be less than budgeted expenditures as the ending fund balance may, in certain instances, be rebudgeted for expenditures in the next fiscal year. Budgetary comparisons presented in the financial statements are on a modified accrual basis of accounting.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting (Continued)

The Department has been designated as a "reverting agency" by the New Mexico state legislature and, therefore, pursuant to the Laws of 2004, Chapter 114, Section 2(E), "unencumbered balances in agency accounts remaining at the end of the fiscal year 2012 shall revert to the [state] general fund by September 30, 2012, unless otherwise indicated in the General Appropriations Act of 2004 or otherwise provided by law."

5. The budget for the General Fund and Special Revenue Funds are adopted on the modified accrual basis of accounting except for accounts payable accrued at the end of fiscal year that do not get paid by statutory deadline (Section 6-10-4 NMSA 1978), that must be paid out of next year's budget. A reconciliation of budgetary basis to GAAP basis will be necessary if all accounts payable at the end of the fiscal year are not paid by the statutory deadline.

Prepaid Postage. Prepaid balances are for payments made by the Department in the current year to provide postage for use in the subsequent fiscal year, and the reserve for prepayment has been recognized to signify that a portion of fund balance is not available for other subsequent expenditures.

Inventories. Inventories consist of books and manuals for resale by the Construction Industries Division. Inventories are valued at cost using the first-in, first-out method. The reported nonspendable fund balance reservation indicates that the inventory does not represent available expendable resources for Department programs.

Receivables. No allowance for doubtful accounts has been recorded as management estimates that all amounts are collectible.

Interfund Receivables and Payables. Short-term amounts owed between funds are classified as "Due from/to other funds". These are eliminated in the government-wide financial statements.

Other Financing Sources. The amounts recorded as "other financing sources" are overhead costs charged to various board and commissions. The costs are recorded as expenditures under other financing uses category. The revenue and costs are eliminated on the Statement of Activities.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets. Property, plant and equipment assets purchased or acquired at a value of \$5,000 or greater are capitalized. Though immaterial, capital assets capitalized include computer software license rights purchased. All fixed assets are valued at historical cost or estimated historical cost if actual history is not available. Donated assets, or those contributed by other governmental entities, are valued at their estimated fair market value on the date donated. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on the straight-line basis over estimated useful lives with no salvage value. The Department estimates the useful lives of fixed assets as follows:

Data processing equipment	5 years
Software License Rights	10 years
Automotive	5 years

Accrued Compensated Absences. Qualified employees are entitled to accumulate annual leave at various rates depending upon their length of service. A maximum of thirty (30) working days of such accumulated annual leave may be carried forward into the beginning of a calendar leave year and any excess is lost. When employees terminate, they are compensated for accumulated unpaid annual leave as of the date of termination, up to a maximum of thirty days.

Qualified employees are entitled to accumulate sick leave at various rates depending upon their length of service. There is no limit to the amount of sick leave that an employee may accumulate.

The Department's policy is to permit employees to accumulate earned but unused vacation and sick pay benefits.

Qualified employees accumulate maximum annual leave as follows:

Years of Service	Hours Earned Per Pay Period	Days of Maximum Accrual
Up to 3 years	3.08	30
Over 3 - 7 years	3.69	30
Over 7 - 11 years	4.61	30
Over 11-15 years	5.54	30
Over 15 years	6.15	30

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Sick leave is not paid when employees terminate or retire, except in two instances. The 1983 State Legislature approved, and the New Mexico State Personnel Board Rules permit, payment at (50%) of an employee's hourly wage of accrued sick leave in excess of 600 hours as follows: (1) twice a year for current employees (an employee cannot be paid twice within the same year), for a maximum of 120 hours and (2) to retiring employees, for a maximum of 400 hours.

The Department recognizes the liabilities for compensated absences meeting the requirements of accrual as of year end. The compensated absences payable has been valued using current pay levels. All compensated absences are considered to be paid out of subsequent year resources.

Reservations and Designations. In the governmental fund financial statements, fund balances are classified as nonspendable, restricted, or unrestricted (committed, assigned, or unassigned). Restricted represents those portions of fund balance where constraints placed on the resources are either externally imposed or imposed by law through constitutional provisions or enabling legislation. Committed fund balance represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Legislative and Executive branches of the State. Assigned fund balance is constrained by the Legislature's and Executive Branch's intent to be used for specific purposes or in some cases by legislation.

The Department's fund balances represent: 1) Restricted Purposes, which include balances that are legally restricted for specific purposes due to constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; 2) Committed Purposes, which include balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Legislative and Executive branches; 3) Assigned Purposes, which includes balances that are constrained by the government's intent to be used for specific purposes, but are neither restricted or committed. A summary of the nature and purpose of these reserves by fund type at June 30, 2012, follows:

Nonspendable - Inventories. This reserve was created to represent the portion of fund balance that is not available for expenditures because the Department expects to use the resources within the next budgetary period.

Nonspendable - Postage. This reserve was created for prepaid postage on hand at year end. At year end, postage remaining in the meter is recorded as a prepaid asset with an offsetting reserve of fund balance in the Governmental Fund Statement.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reservations and Designations (Continued)

Restricted. This reserve consists of liquid assets (generated from revenues and not bond proceeds), which have third-party (statutory or granting agency) limitation on their use.

Assigned – Committed for Multi-Year Appropriations. This reserve was created for multiyear appropriations for which the Department has received funds for projects which extend into future years. The Department has no assigned-committed for multi-year appropriations balance.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, restricted fund balance must be spent first. When expenditures are incurred for purposes for which amounts in any of unrestricted fund balance classifications can be used, committed amounts should be reduced first, followed by assigned amounts and then unassigned amounts.

Net Assets. The government-wide financial statements utilize a net asset presentation. Net assets are categorized as investment in fixed assets, restricted and unrestricted. Investment in Capital Assets is intended to reflect the portion of net assets which are associated with non-liquid, capital assets less outstanding capital asset related debt.

Revenues. Revenues are recognized as follows:

1. Special and capital outlay appropriations require project and draw down approval from NM Department of Finance and Administration (DFA) Board of Finance. The Department considers this part of the eligibility requirements and does not recognize the revenues and receivables until the approval is obtained.
2. Federal and other grants revenues are recognized when the applicable eligibility criteria, including time requirements, are met and the resources are available. Resources received for which applicable eligibility criteria have not been met are reflected as deferred revenues in the accompanying financial statements.
3. Revenues from grants that are restricted for specific uses are recognized as revenues and as receivables when the related costs are incurred. Contributions and other monies held by other state and local agencies are recorded, as a receivable at the time the money is made available to the specific fund. All other revenues are recognized when they are received and are not susceptible to accrual.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Revenue. Amounts received prior to the time they are considered available to pay current liabilities are recorded as deferred revenue and recognized as revenue using the modified accrual basis of accounting. Such revenue sources include collections received by various boards for licenses and permits prior to their effective issuance as of the end of the fiscal year.

Interfund Transactions. Quasi-external transactions are accounted for as revenues and expenditures. Transactions that constitute reimbursements to a fund for expenditures are shown in the reimbursing fund as reductions of expenditures and in the fund that is reimbursed as additions. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers.

The administrative costs charged to the Boards and recorded as revenue by the General Fund have been eliminated in the government-wide statements.

Use of Estimates. In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 3. INTEREST IN STATE TREASURER GENERAL FUND INVESTMENT POOL

The General Fund Investment Pool is the State of New Mexico's main operating account. State revenues such as income taxes, sales taxes, rents and royalties, and other recurring revenues are credited to the General Fund Investment Pool. The fund also comprises numerous State agency accounts whose assets, by statute (Section 8-6-3 NMSA 1978), must be held at the State Treasury. As of June 30, 2012, the General Fund Investment Pool has not been reconciled at the business unit/fund level. Essentially, independent third-party verification/confirmation of the Department's balances at the business unit/fund level is not possible. Reconciliation of the SGFIP is the responsibility of the Department Finance and Administration.

Under the direction of the State Controller/Financial Control Division Director, the Financial Control Division of the New Mexico Department of Finance & Administration (DFA/FCD) is taking action to resolve this problem. The management of the Department believes it has adequate controls in place to insure that these balances are materially accurate.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 3. INTEREST IN STATE TREASURER INVESTMENT POOL (CONTINUED)

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 General Fund Investment Pool managed by the New Mexico State Treasurer's Office.

Investment balances at June 30, 2012, consisted of the following:

Deposits with State Treasurer-governmental activities	\$ 23,352,874
Deposits with State Treasurer-fiduciary balances	<u>1,023,403</u>
Total balance	<u>\$ 24,376,277</u>

All funds deposited by to the Department are held by the New Mexico State Treasurer. Deposits are non-interest bearing, with exceptions noted on the schedule of cash accounts. Money deposited by the Department with the State Treasurer is pooled and invested by the State Treasurer. The State Treasurer deposits public monies with New Mexico financial institutions in denominations which generally are in excess of the \$250,000 in insurance coverage provided by federal agencies. Accordingly, the State Treasurer requires that depository financial institutions provide additional collateral for such investments. The collateral generally is in the form of marketable debt securities and is required in amounts ranging from 50% to 102% of the par value of the investment dependent upon the institutions operating results and capital. Collateral for the fiscal account is required in amounts equal to 50% of the average investment balance. Separate financial statements of the State Treasurer indicate collateral categories of risk and market value of purchased investments. All collateral is held in third-party safekeeping. A supplemental schedule of cash that the Department held as of June 30, 2012, is presented in the financial statements as other supplementary information.

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 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, 2012.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 4. DUE TO AND DUE FROM OTHER FUNDS

Due to and due from other funds represent interfund receivables and payables arising from interdepartmental transactions related to administrative costs allocated and are expected to be repaid within one year. These amounts have been eliminated on the government-wide statements.

Amount Due to Other Funds			Amount Due from Other Funds		
Fund Name	SHARE Fund No.	Amount	Fund Name	SHARE Fund No.	Amount
Mortgage Regulatory Fund	1066	\$ 14	Mortgage Regulatory Fund	1066	\$ 439
General Fund	4330	439	Barbers & Cosmetology	4390	38,000
Real Estate Commission	4670	3,475	Real Estate Appraisers	4650	3,475
Speech Language Path Hearing	4730	<u>55,000</u>	General Fund	4330	14
			Social Work	4690	<u>17,000</u>
Total		<u>\$ 58,928</u>	Total		<u>\$ 58,928</u>

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 5. DUE FROM OTHER STATE AGENCIES

Transactions that occur among state agencies under legislative mandate, exchange transactions and other situations are accounted for in the financial statements which make up the due from other state agencies. The due from other agencies balances at June 30, 2012 consist of the following:

RLD SHARE Fund No.	Agency	Other Agency's No.	Amount
0440	Securities Enforcement and Investor Education	39400	\$ 572
1066	Mortgage Regulatory Fund	39400	459
2011	Signed Language Interpreting	39400	81
2012	Animal Shelter Services	39400	58
2110	Hoisting Operators	39400	25
2970	Real Estate Recovery	39400	60
4440	Counselors and Therapy Practice	39400	683
4450	Real Estate Education	39400	20
4550	Physical Therapy	39400	143
4560	Thanatopractice	39400	65
4590	Private Investigators and Polygraph	39400	87
4650	Real Estate Appraisers	39400	112
4660	Public Accountancy	39400	141
4690	Social Workers	39400	132
4710	Acupuncture	39400	77
4730	Speech Language and Audiology	39400	89
4750	Athletic Trainers	39400	35
4330	General Fund	80500	266,014
4390	Board of Cosmetologists and Barbers		<u>50</u>
Total			<u>\$ 268,903</u>
Agency Fund No.			
4380	SEC Receipts	50500	<u>\$3,400</u>

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 6. CAPITAL ASSETS

The capital asset activity for the year ended June 30, 2012 is as follows:

	Balance 6/30/11	Additions	Deletions	Balance 6/30/12
Governmental Activities				
Non-Depreciable Assets				
System Software	\$ -	59,920	-	59,920
Depreciable Assets				
Data processing equipment	630,735	259,193	55,128	834,800
Automotive	199,736	-	19,043	180,693
	<u>830,471</u>	<u>259,193</u>	<u>74,171</u>	<u>1,015,493</u>
Totals at historical cost	<u>830,471</u>	<u>319,113</u>	<u>74,171</u>	<u>1,075,413</u>
Accumulated depreciation				
Data processing equipment	300,826	88,983	29,394	360,415
Automotive	175,975	9,619	23,912	161,682
Total accumulated depreciation	<u>476,801</u>	<u>98,602</u>	<u>53,306</u>	<u>522,097</u>
Capital assets, net	<u>\$ 353,670</u>	<u>220,511</u>	<u>20,865</u>	<u>553,316</u>

The Department does not have any debt related to capital assets as of June 30, 2012. Depreciation expense for the agency amounted to \$98,602 and is all related to the General Government function in the government wide statement of activities.

NOTE 7. COMPENSATED ABSENCES

	Balance 7/1/11	Additions	Deletions	Balance 6/30/12	Amount due within one year
Compensated Absences	\$ 854,732	1,161,512	(1,232,812)	<u>783,432</u>	<u>360,379</u>

Management estimates that \$360,379 in compensated absences is due within one year. Most of the compensated absences balances have been paid by the General Fund in prior years. The amount of compensated absences is calculated by multiplying the vested hours by the pay rate at year-end plus applicable payroll taxes.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 8. STATE GENERAL FUND REVERSIONS

Unexpended cash balances of the Department's governmental funds are subject to reversion to the State's General Fund unless they are multi-year appropriations or the appropriation periods are specifically extended by act of the Legislature. The table below summarizes the current year reversion amount along with the balance due to the State General Fund at year end.

	Reversion	Balance Due
44300-General Fund	\$ 629,772	579,772

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012

NOTE 9. INTER-FUND TRANSFERS

Operating transfers, which relate to the allocation of administrative costs, in and out consist of the following:

		<u>Transfers</u>	
		In	Out
General Fund	4330	\$ 1,251,003	\$ -
Sec. Education & Training	0440	-	26,930
Mortgage Regulatory Fund	1066	-	14,363
Pharmacy Board	4640	-	207,831
Real Estate Commission	4670	-	162,520
Sign Language Interpretation Practice	2011	-	15,987
Animal Shelter Services	2012	-	11,712
Barber and Cosmetology	4390	-	188,681
Athletic Commission	4410	-	15,389
Massage Therapy	4420	-	43,601
Counselor/Therapy Board	4440	-	66,513
Board of Chiropractors	4460	-	18,979
Board of Dental Examiners	4470	-	65,572
Nutrition and Dietetics	4480	-	5,813
Board of Nursing Home Administration	4490	-	5,813
Occupational Therapy	4500	-	13,251
Board of Optometry	4510	-	8,806
Board of Osteopathic Examiners	4520	-	11,285
Board of Podiatry	4530	-	4,018
Board of Psychology	4540	-	24,109
Physical Therapy Board	4550	-	21,458
Thanatopractice	4560	-	16,927
Board of Interior Design	4570	-	3,249
Private Investigators	4590	-	69,248
Landscape Architects Board	4600	-	4,788
Real Estate Appraisers Board	4650	-	27,357
Accountancy Board	4660	-	67,282
Social Workers Board	4690	-	55,142
Acupuncture Board	4710	-	25,990
HUD MHD Housing	4720	-	9,319
Speech and Language Pathology	4730	-	24,536
Respiratory Care Advisory Board	4740	-	11,456
Athletic Trainers Board	4750	-	3,078
		<u>-</u>	<u>3,078</u>
Total		<u>\$ 1,251,003</u>	<u>\$ 1,251,003</u>

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 10. TRANSFERS FROM/TO OTHER STATE AGENCIES

Transfers from other state agencies for the year ended June 30, 2012 are routine in nature and are consistent with the activities of the fund making the transfer. The transfer to the New Mexico Medical Board is the result of legislation transferring oversight of the Naprapathy practice from the Regulation and Licensing Department to the New Mexico Medical Board.

	<u>Transfers from Other State Agencies</u>			
	New Mexico Medical Board 0710 (Licensing System Support)	Public School Facility Authority 94300 (Reimbursement of Inspections)	Department of Cultural Affairs 50500 (DFA miscoded receipts)	Total
NM RLD General Fund - 43300 (General Fund Appropriation)	\$ 15,000	\$ 250,000	\$ 3,400	<u>\$ 268,400</u>

	<u>Transfers to Other State Agencies</u>
	New Mexico Medical Board 0710 (Transfer of Naprapathy Board)
Naprapathy - 53500	<u>\$ 42,674</u>

NOTE 11. RETIREMENT 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, NM 87504-2123. The report is also available on PERA's website at www.pera.state.nm.us.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

**NOTE 11. RETIREMENT PLAN- PUBLIC EMPLOYEES RETIREMENT
ASSOCIATION (CONTINUED)**

Funding Policy. Plan members are required to contribute 8.92% of their gross salary. The Department is required to contribute 15.09% 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 years ending June 30, 2012, 2011 and 2010 were \$1,477,439, \$1,720,956 and \$1,875,834, respectively, which equal to the amount of the required contribution for each fiscal year.

**NOTE 12. 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 N.E., Suite 104, Albuquerque, NM 87107.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 12. POST-EMPLOYMENT BENEFITS- STATE RETIREE HEALTH CARE PLAN (CONTINUED)

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.

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. During the fiscal year ended June 30, 2012, the statute required each participating employer to contribute 1.834% of each participating employee's annual salary; each participating employee was required to contribute .917% of their salary. In the fiscal year ending June 30, 2013, the contribution rates for employees and employers will rise as follows:

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employee Contribution Rate</u>
FY 13	2.000%	1.000%

Also, employers joining the program after January 1, 1998, are required to make a surplus-amount contribution to the RHCA based on one of two formulas at agreed-upon intervals.

The RHCA plan is financed on a pay-as-you-go basis. The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the contributions can be changed by the New Mexico State Legislature.

The Department's contributions to the RHCA for the years ended June 30, 2012, 2011 and 2010 were \$201,504, \$188,216 and \$158,930, respectively, which equal the required contributions for each year.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 13. INSURANCE COVERAGE

The Department obtains coverage through the Risk Management Division of the State of New Mexico General Services Department. This coverage includes liability and civil rights, property, vehicle, employer bond, workers' compensation, group insurance and state unemployment. These coverages are designed to satisfy the requirements of the State Tort Claims Act. All employees of Regulation and Licensing are covered by a blanket fidelity bond with a \$5,000,000 coverage limit with a \$1,000 deductible per occurrence by the State of New Mexico.

Risk Management – New Mexico Regulation and Licensing is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the agency carries insurance (workers' compensation, unemployment compensation, employee liability, and transportation property) with the State of New Mexico Risk Management Division (RMD) of the General Services Department.

Risk Management. The Department, as a state agency defined in the New Mexico Tort Claims Act, is insured through the Risk Management Division of the state of New Mexico. The Department pays annual premiums to the Risk Management Division for coverage provided in the following areas:

1. Liability and civil rights protection for claims made by others against the state of New Mexico.
2. Coverage to protect the state of New Mexico's property and assets.
3. Fringe benefit coverage's for state of New Mexico employees.

During the 2010-2011 fiscal year, the Department paid Risk Management \$526,718 in insurance premiums. In the fiscal year 2011-2012, the Department paid Risk Management \$439,994. The Department's exposure is limited to \$1,000 per any first-party incurred property loss, with the exception of theft, which has a \$5,000 deductible. After conferring with legal counsel concerning pending litigation and claims, the Department believes that the outcome of pending litigation should not have a materially adverse effect on the financial position or operations of the Department. In addition, for the years ended June 30, 2010, 2011 and 2012, the Department had no claims for which the Risk Management Division has returned as "not covered" that would become the responsibility of the Department.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 14. OPERATING LEASE AGREEMENTS

In 2003, the Department entered into a building lease agreement to provide office space for the Construction Industries Division located in Las Cruces. In 2004, the Department entered into lease agreements to provide office space for the boards and commissions located in Albuquerque. In 2007 the Department entered into a building lease agreement to provide office space for the Securities Division. The Department is obligated under these leases as follows:

Year ending June 30,	
2013	\$ 373,324
2014	369,449
2015	<u>29,393</u>
	<u>\$ 772,166</u>

The Department has not entered into any new building leases to date.

Rent expense under these building leases totaled \$377,068 for the year ended June 30, 2012.

The Department also leases equipment under operating lease agreements that range in term from 36 to 48 month leases. The Department is obligated under these leases as follows:

Year ending June 30,	
2013	\$ 27,793
2014	35,592
2015	35,592
2016	34,314
2017	<u>21,568</u>
	<u>\$ 154,859</u>

Rent expense under these equipment leases totaled \$35,036 for the year ended June 30, 2012.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

NOTE 15. OTHER CONTRACTS AND AGREEMENTS

The Department's Manufactured Housing Division has entered into an agreement with the United States Department of Housing and Urban Development (HUD) for certain inspection services related to the manufactured housing units shipped into and produced in New Mexico. HUD pays the State of New Mexico a fixed amount for each manufactured housing unit shipped into or produced in New Mexico. HUD payments to the State of New Mexico are deposited into the Manufactured Housing Division HUD Fund. Amounts received by the State of New Mexico from HUD were \$18,545 and \$13,089 during the years ended June 30, 2012 and 2011, respectively.

Personnel from the Manufactured Housing Division also participate in inspections of manufactured homes being constructed in New Mexico, as well as, manufactured housing manufacturers in other states pursuant to an agreement with the National Conference of States on Building Codes and Standards, Inc., an agent for HUD.

Additionally, the Department leases vehicles from the Transportation Services Division of the State of New Mexico General Services Department on an annual basis.

NOTE 16. DEPARTMENT'S PROCEDURES RELATED TO STATE GENERAL FUND INVESTMENT POOL ACTIVITY

The Regulation and Licensing Department (RLD) conducts various procedures to ensure the cash balances reported in SHARE are accurate. The Department deposits all monies received to the State General Fund Investment Pool; it does not hold any outside bank accounts that have to be input into SHARE. All vouchers are approved and warrants are issued by DFA. Whereas these areas can create higher risk, the Department has a lower overall potential risk. The Department mitigates the risk in the areas of deposits, disbursements, payroll, budget, allotments, journal entries, and operating transfers by conducting the following:

Deposits

The Administrative Services Division (ASD) is responsible for receiving, depositing, and recording deposits in SHARE. The Cash Office receives the deposit slips, report of collections, and any back up documentation. When the bank stamped deposit slips are received back from the bank, they are verified for the correct amount. The SHARE report is downloaded daily in the morning and all RLD deposits are

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

**NOTE 16. DEPARTMENTS PROCEDURES RELATED TO STATE INVESTMENT
POOL ACTIVITY (CONTINUED)**

reconciled to the physical deposit slips and entered into SHARE. On a daily basis, a second individual verifies all information is entered correctly: fund, department, account, bud ref, class, and amount. If any information is incorrect, it is changed in SHARE if the deposit has not been completed, or the Financial Manager or CFO will complete a journal entry to correct the deposit.

Disbursements

All vouchers and invoices are submitted to ASD for review and approval. Accounts Payable reviews the vouchers to ensure the proper information has been entered for the payment: amount, fund, department, and account. The voucher is also compared to the purchase order to verify there is a purchase order in place and that the fund, department, and amount match. It is then submitted to the Financial Manager or CFO for an additional review and approval. The voucher packet is then submitted to DFA, where a third review and final approval is completed. DFA issues the warrants and when received by RLD, Accounts Payable verifies the amount and payee match the voucher that was submitted.

Payroll

RLD performs payroll reconciliations for each pay period to verify that each position was paid from the correct department and fund. Each position is reviewed and if the expenditure was paid incorrectly, the Financial Manager or CFO prepares a journal entry to correctly post the transactions. The journal entry is reviewed and approved by an individual who did not prepare the entry.

Budget

RLD performs monthly budget projections for each fund, which includes expenditures, encumbrances (purchase orders), pre-encumbrances (requisitions), projected expenditures, journal entries, and operating transfers. The items that have posted to the GL, such as expenditures, journal entries, and operating transfers are reviewed for validity and to ensure they have been posted to the correct fund. This is an additional level of verification to ensure disbursements are correct. The POs and Requisitions are reviewed, for the third time, to ensure they belong to the fund in which they are reflected in. Initially, the Purchasing Agent reviews all POs and Requisitions and verifies the correct fund, department, and account codes are being used. They are then submitted to the Financial Manager or CFO for final review and approval. The budget projection process not only provides the Department the information necessary to remain within their appropriated budget, but also ensures disbursements, journal entries, and operating transfers are recorded correctly.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
June 30, 2012**

**NOTE 16. DEPARTMENTS PROCEDURES RELATED TO STATE INVESTMENT
POOL ACTIVITY (CONTINUED)**

Budget Allotments

The Department prepares the budget allotment forms which are submitted to DFA for review, approval, and posting into SHARE. The Department verifies the budget posted is correct from a query run by SHARE.

Journal Entries and Operating Transfers

The journal entries are reviewed and approved by the Financial Manager or CFO, and are not approved by the individual who prepared them. Once posted, they are then again reviewed during the budget projection review. The operating transfers prepared by the Department follow the same process. Copies of any operating transfers prepared by another agency to RLD are requested and reviewed for accuracy.

General Fund Sweeps

DFA sweeps monies received by the reverting funds on a monthly basis. RLD has five receipt funds which revert to the General Fund. The trial balance provides the amount of receipts for the month. DFA does not post any entries for the non-reverting funds within RLD for the 29 Boards and Commissions, and 4 other programs.

While the cash balances have not been reconciled by DFA, RLD has multiple processes that are performed on a daily, monthly, and annual basis to ensure all information relating to cash balances is correct and to mitigate the risk of misstatement in the financials.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NONMAJOR FUNDS
June 30, 2012**

Hoisting Operators Fund - To account for fees charged by the Department pursuant to the Hoisting Operators Safety Act. The fund is administrated by the Department for the purpose of carrying out the provisions of the Act. The fund was established in accordance with the provisions of Section 60-15-15 NMSA 1978. (SHARE Fund Number 2110).

Construction Industries Division (CID) Revolving Fund - To account for the sales of code books and publications by the Construction Industries Division of the Department. Collections received from such sales are used to recover related costs incurred. The fund was established by the Department with the authority of the New Mexico Department of Finance and Administration. (SHARE Fund Number 3730).

Financial Institutions Division (FID) Revolving Fund - To account for the code books and publications to financial institutions. Receipts from such sales are used to recover related costs. The fund was established by the Department with the authority of the New Mexico Department of Finance and Administration. (SHARE Fund Number 3720).

Carnival Ride Insurance Fund - To account for the per-ride inspection fees collected under the provisions of the Carnival Ride Insurance Act. Each operator of a carnival ride must pay an inspection fee of \$50.00 per ride. This money is restricted to the purpose of fulfilling the provisions of the Carnival Ride Insurance Act. The fund was established in accordance with provisions of NMSA 1978 Compilation, Section 57-25-3 (SHARE Fund Number 6430).

HUD Manufactured Housing Fund - To account for the revenue and related expenses for inspection service of manufactured housing units shipped into and manufactured in New Mexico. Funding is provided by an agreement with the United States Department of Housing and Urban Development. In addition, inspection services are billed to the manufacturing companies. (SHARE Fund Number 4720).

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NONMAJOR FUNDS (CONTINUED)
June 30, 2012**

Vehicle Replacement Fund – A separate fund established in fiscal year 1998 to allow the Department to budget funds in fiscal years 1998 and 1999 for the purpose of purchasing vehicles as approved in New Mexico House Bill No. 2, Section 5. This fund was established by the Department with the authority of the New Mexico Department of Finance and Administration. (SHARE Fund Number 2960).

RLD American Recovery and Reinvestment Act (ARRA) Fund - An administrative fund established by the Department of Finance and Administration and funded by the Federal Government. This is a non-reverting fund. (SHARE Fund Number 8900).

Mortgage Regulatory Fund – To account for application, licensing, renewal, examination, investigation and any other fees received that are associated with the costs of administering the New Mexico Mortgage Loan Originator Licensing Act, fees specified in Subsection E of Section 58-21 NMSA 1978 and any money that is appropriated or donated or that otherwise accrues to the fund. Income from the investment of the fund shall be credited to the fund. The Mortgage Regulatory Fund is created as a non-reverting fund in the state treasury and shall be administered by the financial institutions in accordance with the provisions of Section 9-16-15 NMSA 1978. (SHARE Fund Number 1066).

Individual Boards and Commissions - To account for the administration of each individual board and commission established by certain sections of the New Mexico statutes. Each board's revenue is restricted to each board's activity and administration. Any excess funds at the end of the fiscal year do not revert to the State General Fund. The following boards and commissions were in existence at June 30, 2012.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NONMAJOR FUNDS (CONTINUED)
June 30, 2012**

Board	NMSA Funding Authority	SHARE Fund Number
ARRA Fund	ARRA Grant	8900
Accountancy	61-28B-6	4660
Acupuncture	61-14A-18	4710
Animal Shelter Services	77-1B-4	2012
Athletic Commission	60-2A-24	4410
Athletic Trainers	61-14D-18	4750
Barbers and Cosmetologists	61-17A-14	4390
CID Revolving Fund	60-13-8.1	3730
Carnival Ride Insurance	57-25-3	6430
Chiropractic Examiners	61-4-7	4460
Counselors and Therapists	61-9A-25	4440
Dental Examiners	61-5A-26	4470
Financial Institutions Revolving Fund	60-13-8.1	3720
HUD Manufactured Housing	60-14-1	4720
Hoisting Operators	60-15-1 to 15	2110
Impaired Dentists Hygienists	61-5B-11	8760
Interior Design	61-24C-16	4570
Landscape Architects	61-24B-14	4600
Massage Therapist	61-12C-23	4420
Mortgage Regulatory Fund	9-6-15	1066
Naprapathy	61-12E-13	5350
Nursing Home Administrators	61-13-12	4490
Nutrition and Dietetics	61-7A-12	4480
Occupational Therapy	61-12A-20	4500
Optometry	61-2-7	4510
Osteopathic Examiners	61-10-6	4520
Physical Therapists	61-12D-6	4550
Podiatry	61-8-7	4530
Private Investigators and Polygraphers	61-27B-30	4590
Psychologist Examiners	61-9-5	4540
Real Estate Appraisers	61-30-18	4650
Real Estate Recovery	61-29-21	2970
Real Estate Education and Training	61-29-19.1	4450
Respiratory Care Advisory	61-12B-13	4740
Sign Language Interpreting Services	61-34-13	2011
Social Workers	61-31-16	4690
Speech, Language and Audio	61-14B-24	4730
Thanatopractice	61-32-26	4560

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEET -
ALL NONMAJOR FUNDS
June 30, 2012

	Special Revenue			
	2970	3720	3730	4390
	Real Estate Recovery	FID Revolving	CID Revolving	Board of Cosmetologists and Barbers
ASSETS				
Assets				
Interest in State Treasurer General Fund				
Investment Pool	\$ 291,447	-	203,319	2,064,798
Petty cash	-	-	-	-
Accounts receivable	-	200	-	-
Prepaid postage	-	-	-	1,776
Due from other funds	-	-	-	-
Due from other state agencies	60	-	-	50
Due from federal government	-	-	-	-
Inventories	-	-	21,641	-
Total assets	\$ 291,507	200	224,960	2,066,624
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ -	-	19,904	10,076
Accrued payroll	-	-	-	19,833
Deferred revenue	-	-	-	530,923
Reversions payable to State General Fund	-	-	-	-
Due to other funds	-	-	-	38,000
Due to federal government	-	-	-	-
Total liabilities	-	-	19,904	598,832
Fund Balances				
Nonspendable:				
Prepaid postage	-	-	-	1,776
Inventory	-	-	21,641	-
Restricted	291,507	200	183,415	1,466,016
Unassigned	-	-	-	-
Total fund balances	291,507	200	205,056	1,467,792
Total liabilities and fund balances	\$ 291,507	200	224,960	2,066,624

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEET -
ALL NONMAJOR FUNDS
June 30, 2012

	Special Revenue			
	4410	4420	4440	4450
	Athletic Commission	Massage Therapists	Counselors and Therapists	Real Estate Education and Training
ASSETS				
Assets				
Interest in State Treasurer General Fund				
Investment Pool	\$ 204,440	391,280	781,425	99,809
Petty cash	-	-	-	-
Accounts receivable	-	-	-	-
Prepaid postage	618	1,758	15,593	-
Due from other funds	-	-	-	-
Due from other state agencies	-	-	683	20
Due from federal government	-	-	-	-
Inventories	-	-	-	-
Total assets	\$ 205,058	393,038	797,701	99,829
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 558	253	1,858	-
Accrued payroll	-	5,705	11,537	-
Deferred revenue	12,612	161,681	93,829	-
Reversions payable to State General Fund	-	-	-	-
Due to other funds	-	-	-	-
Due to federal government	-	-	-	-
Total liabilities	13,170	167,639	107,224	-
Fund Balances				
Nonspendable:				
Prepaid postage	618	1,758	15,593	-
Inventory	-	-	-	-
Restricted	191,270	223,641	674,884	99,829
Unassigned	-	-	-	-
Total fund balances	191,888	225,399	690,477	99,829
Total liabilities and fund balances	\$ 205,058	393,038	797,701	99,829

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEET -
ALL NONMAJOR FUNDS
June 30, 2012

	Special Revenue			
	4460	4470	4480	4490
	Chiropractic Examiners	Board of Dental Examiners	Nutrition and Dietetics	Nursing Home Administration
ASSETS				
Assets				
Interest in State Treasurer General Fund				
Investment Pool	\$ 588,347	857,206	128,895	85,888
Petty cash	-	-	-	-
Accounts receivable	-	-	59	-
Prepaid postage	1,713	1,917	1,282	197
Due from other funds	-	-	-	-
Due from other state agencies	-	-	-	-
Due from federal government	-	-	-	-
Inventories	-	-	-	-
Total assets	\$ 590,060	859,123	130,236	86,085
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 2,882	5,726	104	-
Accrued payroll	3,859	5,244	479	1,145
Deferred revenue	155,086	806,544	20,158	22,338
Reversions payable to State General Fund	-	-	-	-
Due to other funds	-	-	-	-
Due to federal government	-	-	-	-
Total liabilities	161,827	817,514	20,741	23,483
Fund Balances				
Nonspendable:				
Prepaid postage	1,713	1,917	1,282	197
Inventory	-	-	-	-
Restricted	426,520	39,692	108,213	62,405
Unassigned	-	-	-	-
Total fund balances	428,233	41,609	109,495	62,602
Total liabilities and fund balances	\$ 590,060	859,123	130,236	86,085

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEET -
ALL NONMAJOR FUNDS
June 30, 2012

	Special Revenue			
	4500	4510	4520	4530
	Occupational Therapy	Optometry	Osteopathic Examiners	Podiatry
ASSETS				
Assets				
Interest in State Treasurer General Fund				
Investment Pool	\$ 369,937	289,568	547,561	124,396
Petty cash	-	-	-	-
Accounts receivable	-	-	-	-
Prepaid postage	309	1,200	58	1,775
Due from other funds	-	-	-	-
Due from other state agencies	-	-	-	-
Due from federal government	-	-	-	-
Inventories	-	-	-	-
Total assets	\$ 370,246	290,768	547,619	126,171
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 53	2,063	2,864	146
Accrued payroll	1,210	1,058	1,465	510
Deferred revenue	20,099	59,398	100,683	17,686
Reversions payable to State General Fund	-	-	-	-
Due to other funds	-	-	-	-
Due to federal government	-	-	-	-
Total liabilities	21,362	62,519	105,012	18,342
Fund Balances				
Nonspendable:				
Prepaid postage	309	1,200	58	1,775
Inventory	-	-	-	-
Restricted	348,575	227,049	442,549	106,054
Unassigned	-	-	-	-
Total fund balances	348,884	228,249	442,607	107,829
Total liabilities and fund balances	\$ 370,246	290,768	547,619	126,171

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEET -
ALL NONMAJOR FUNDS
June 30, 2012

	Special Revenue			
	4540	4550	4560	4570
	Psychologist Examiners	Physical Therapist	Thanatopractice	Interior Design
ASSETS				
Assets				
Interest in State Treasurer General Fund				
Investment Pool	\$ 530,604	683,282	343,546	54,730
Petty cash	-	-	-	-
Accounts receivable	-	-	-	-
Prepaid postage	-	4,353	79	611
Due from other funds	-	-	-	-
Due from other state agencies	-	143	65	-
Due from federal government	-	-	-	-
Inventories	-	-	-	-
Total assets	\$ 530,604	687,778	343,690	55,341
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 4,265	2,150	1,096	30
Accrued payroll	3,647	1,294	2,390	497
Deferred revenue	275,695	163,158	64,018	4,759
Reversions payable to State General Fund	-	-	-	-
Due to other funds	-	-	-	-
Due to federal government	-	-	-	-
Total liabilities	283,607	166,602	67,504	5,286
Fund Balances				
Nonspendable:				
Prepaid postage	-	4,353	79	611
Inventory	-	-	-	-
Restricted	246,997	516,823	276,107	49,444
Unassigned	-	-	-	-
Total fund balances	246,997	521,176	276,186	50,055
Total liabilities and fund balances	\$ 530,604	687,778	343,690	55,341

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEET -
ALL NONMAJOR FUNDS
June 30, 2012

	Special Revenue			
	4590 Private Investigators and Polygraph	4600 Landscape Architects	4650 Real Estate Appraisers	4660 Accountancy
ASSETS				
Assets				
Interest in State Treasurer General Fund				
Investment Pool	\$ 353,770	144,779	500,770	635,154
Petty cash	-	-	-	48
Accounts receivable	-	-	-	-
Prepaid postage	2,001	1,528	647	3,299
Due from other funds	-	-	-	-
Due from other state agencies	87	-	112	141
Due from federal government	-	-	-	-
Inventories	-	-	-	-
Total assets	\$ 355,858	146,307	501,529	638,642
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 4,050	399	17,477	5,341
Accrued payroll	2,459	589	4,341	11,885
Deferred revenue	173,405	33,805	216,358	248,493
Reversions payable to State General Fund	-	-	-	-
Due to other funds	-	-	3,475	-
Due to federal government	-	-	1,700	-
Total liabilities	179,914	34,793	243,351	265,719
Fund Balances				
Nonspendable:				
Prepaid postage	2,001	1,528	647	3,299
Inventory	-	-	-	-
Restricted	173,943	109,986	257,531	369,624
Unassigned	-	-	-	-
Total fund balances	175,944	111,514	258,178	372,923
Total liabilities and fund balances	\$ 355,858	146,307	501,529	638,642

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEET -
ALL NONMAJOR FUNDS
June 30, 2012

	Special Revenue			
	4690	4710	4720	4730
	Social Workers	Acupuncture	HUD Manufactured Housing	Speech Language and Audio
ASSETS				
Assets				
Interest in State Treasurer General Fund				
Investment Pool	\$ 688,345	364,789	210,006	372,943
Petty cash	-	-	-	-
Accounts receivable	-	-	13,725	-
Prepaid postage	-	-	-	-
Due from other funds	-	-	-	55,000
Due from other state agencies	132	77	-	89
Due from federal government	-	-	6,993	-
Inventories	-	-	-	-
Total assets	\$ 688,477	364,866	230,724	428,032
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 7,628	2,584	30	2,016
Accrued payroll	8,078	4,636	455	2,736
Deferred revenue	352,680	107,750	-	88,195
Reversions payable to State General Fund	-	-	-	-
Due to other funds	17,000	-	-	-
Due to federal government	-	-	-	-
Total liabilities	385,386	114,970	485	92,947
Fund Balances				
Nonspendable:				
Prepaid postage	-	-	-	-
Inventory	-	-	-	-
Restricted	303,091	249,896	230,239	335,085
Unassigned	-	-	-	-
Total fund balances	303,091	249,896	230,239	335,085
Total liabilities and fund balances	\$ 688,477	364,866	230,724	428,032

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEET -
ALL NONMAJOR FUNDS
June 30, 2012

	Special Revenue			
	4740	4750	5350	6430
	Respiratory Care Advisory	Athletic Trainers	Naprathy	Carnival Ride Insurance
ASSETS				
Assets				
Interest in State Treasurer General Fund				
Investment Pool	\$ 222,849	86,904	289	102,950
Petty cash	-	-	-	-
Accounts receivable	-	-	-	-
Prepaid postage	160	346	-	-
Due from other funds	-	-	-	-
Due from other state agencies	-	35	-	-
Due from federal government	-	-	-	-
Inventories	-	-	-	-
Total assets	\$ 223,009	87,285	289	102,950
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 129	57	289	-
Accrued payroll	1,833	539	-	-
Deferred revenue	89,098	2,479	-	-
Reversions payable to State General Fund	-	-	-	-
Due to other funds	-	-	-	-
Due to federal government	-	-	-	-
Total liabilities	91,060	3,075	289	-
Fund Balances				
Nonspendable:				
Prepaid postage	160	346	-	-
Inventory	-	-	-	-
Restricted	131,789	83,864	-	102,950
Unassigned	-	-	-	-
Total fund balances	131,949	84,210	-	102,950
Total liabilities and fund balances	\$ 223,009	87,285	289	102,950

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEET -
ALL NONMAJOR FUNDS
June 30, 2012

	Special Revenue			
	8760	2110	2011	2012
	Impaired Dentists	Hoisting Operators	Sign Language Interpreting	Animal Shelter Services
ASSETS				
Assets				
Interest in State Treasurer General Fund				
Investment Pool	\$ 77,190	122,787	376,044	270,077
Petty cash	-	-	-	-
Accounts receivable	-	-	-	-
Prepaid postage	-	-	5,557	821
Due from other funds	-	-	-	-
Due from other state agencies	-	25	81	58
Due from federal government	-	-	-	-
Inventories	-	-	-	-
Total assets	\$ 77,190	122,812	381,682	270,956
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 11,550	5	-	282
Accrued payroll	-	-	2,622	2,017
Deferred revenue	-	-	4,385	2,613
Reversions payable to State General Fund	-	-	-	-
Due to other funds	-	-	-	-
Due to federal government	-	-	-	-
Total liabilities	11,550	5	7,007	4,912
Fund Balances				
Nonspendable:				
Prepaid postage	-	-	5,557	821
Inventory	-	-	-	-
Restricted	65,640	122,807	369,118	265,223
Unassigned	-	-	-	-
Total fund balances	65,640	122,807	374,675	266,044
Total liabilities and fund balances	\$ 77,190	122,812	381,682	270,956

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEET -
ALL NONMAJOR FUNDS
June 30, 2012

	Special Revenue		Total Non-major Funds
	8900 ARRA	1066 Mortgage Regulatory Fund	
ASSETS			
Assets			
Interest in State Treasurer General Fund			
Investment Pool	\$ 902	2,240,903	15,411,929
Petty cash	-	-	48
Accounts receivable	-	11,750	25,734
Prepaid postage	-	-	47,598
Due from other funds	-	14	55,014
Due from other state agencies	-	459	2,317
Due from federal government	-	-	6,993
Inventories	-	-	21,641
Total assets	\$ 902	2,253,126	15,571,274
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 902	953	107,720
Accrued payroll	-	14,516	116,579
Deferred revenue	-	-	3,827,928
Reversions payable to State General Fund	-	-	-
Due to other funds	-	439	58,914
Due to federal government	-	-	1,700
Total liabilities	902	15,908	4,112,841
Fund Balances			
Nonspendable:			
Prepaid postage	-	-	47,598
Inventory	-	-	21,641
Restricted	-	2,237,218	11,389,194
Unassigned	-	-	-
Total fund balances	-	2,237,218	11,458,433
Total liabilities and fund balances	\$ 902	2,253,126	15,571,274

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2012

	Special Revenue			
	2970	3720	3730	4390
	Real Estate Recovery	FID Revolving	CID Revolving	Board of Cosmetologists and Barbers
Revenues				
License fees	\$ -	-	-	1,030,274
Services	-	-	-	11,976
Publications	-	-	10,515	-
Federal sources	-	-	-	-
Interest on investments	435	-	-	-
Other revenue	-	-	-	89,589
Total revenues	435	-	10,515	1,131,839
Expenditures				
Current				
Personnel services and employee benefits	-	-	-	505,862
Contractual services	-	-	-	42,341
In-state travel	-	-	-	6,255
Maintenance and repairs	-	-	-	-
Supplies and materials	-	-	-	12,138
Operating costs	-	-	26,947	40,412
Other costs	-	-	-	8,423
Out-of-state travel	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	26,947	615,431
Excess (deficiency) of revenues over expenditures	435	-	(16,432)	516,408
Other financing sources (uses)				
Operating transfers (out)	-	-	-	(188,681)
Interagency transfers (out)	-	-	-	-
General fund appropriation	-	-	-	-
Reversions	-	-	-	-
Total other financing sources (uses)	-	-	-	(188,681)
Net change in fund balance	435	-	(16,432)	327,727
Fund balances, beginning	291,072	200	221,488	1,140,065
Fund balances, end of year	\$ 291,507	200	205,056	1,467,792

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2012

	Special Revenue			
	4410	4420	4440	4450
	Athletic Commission	Massage Therapists	Counselors and Therapists	Real Estate Education and Training
Revenues				
License fees	\$ 17,429	231,007	431,567	27,295
Services	189,801	3,505	23,905	-
Publications	-	-	-	-
Federal sources	-	-	-	-
Interest on investments	-	-	1,289	131
Other revenue	2	14,449	6,114	5,995
Total revenues	207,232	248,961	462,875	33,421
Expenditures				
Current				
Personnel services and employee benefits	44,122	159,015	240,473	-
Contractual services	9,184	4,764	6,524	-
In-state travel	16,647	2,961	10,580	-
Maintenance and repairs	-	-	-	-
Supplies and materials	1,824	1,867	5,235	-
Operating costs	2,516	9,611	16,590	-
Other costs	511	2,035	4,701	-
Out-of-state travel	-	-	-	-
Capital outlay	-	-	1,552	-
Total expenditures	74,804	180,253	285,655	-
Excess (deficiency) of revenues over expenditures	132,428	68,708	177,220	33,421
Other financing sources (uses)				
Operating transfers (out)	(15,389)	(43,601)	(66,513)	-
Interagency transfers (out)	-	-	-	-
General fund appropriation	-	-	-	-
Reversions	-	-	-	-
Total other financing sources (uses)	(15,389)	(43,601)	(66,513)	-
Net change in fund balance	117,039	25,107	110,707	33,421
Fund balances, beginning	74,849	200,292	579,770	66,408
Fund balances, end of year	\$ 191,888	225,399	690,477	99,829

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2012

	Special Revenue			
	4460 Chiropractic Examiners	4470 Board of Dental Examiners	4480 Nutrition and Dietetics	4490 Nursing Home Administration
Revenues				
License fees	\$ 192,030	421,547	34,587	41,134
Services	23,186	12,052	115	736
Publications	-	-	-	-
Federal sources	-	-	-	-
Interest on investments	-	-	-	-
Other revenue	6,784	49,001	250	598
Total revenues	222,000	482,600	34,952	42,468
Expenditures				
Current				
Personnel services and employee benefits	108,177	186,263	13,689	30,236
Contractual services	799	7,971	608	-
In-state travel	2,470	19,263	1,809	-
Maintenance and repairs	-	-	-	-
Supplies and materials	47	2,658	1,062	-
Operating costs	6,585	29,482	1,743	1,637
Other costs	2,683	6,688	356	397
Out-of-state travel	2,995	2,323	-	-
Capital outlay	-	-	-	-
Total expenditures	123,756	254,648	19,267	32,270
Excess (deficiency) of revenues over expenditures	98,244	227,952	15,685	10,198
Other financing sources (uses)				
Operating transfers (out)	(18,979)	(65,572)	(5,813)	(5,813)
Interagency transfers (out)	-	-	-	-
General fund appropriation	-	-	-	-
Reversions	-	-	-	-
Total other financing sources (uses)	(18,979)	(65,572)	(5,813)	(5,813)
Net change in fund balance	79,265	162,380	9,872	4,385
Fund balances, beginning	348,968	(120,771)	99,623	58,217
Fund balances, end of year	\$ 428,233	41,609	109,495	62,602

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2012

	Special Revenue			
	4500	4510	4520	4530
	Occupational Therapy	Optometry	Osteopathic Examiners	Podiatry
Revenues				
License fees	\$ 78,854	72,235	110,195	37,527
Services	12,800	8,035	5,443	746
Publications	-	-	-	-
Federal sources	-	-	-	-
Interest on investments	-	-	-	-
Other revenue	1,723	3,300	6,703	2,200
Total revenues	93,377	83,570	122,341	40,473
Expenditures				
Current				
Personnel services and employee benefits	30,260	38,528	39,216	14,438
Contractual services	1,596	5,626	759	179
In-state travel	1,366	5,262	2,402	1,455
Maintenance and repairs	-	-	-	-
Supplies and materials	585	355	572	777
Operating costs	2,353	3,406	6,005	1,768
Other costs	876	1,112	1,537	873
Out-of-state travel	-	-	-	-
Capital outlay	-	-	230	-
Total expenditures	37,036	54,289	50,721	19,490
Excess (deficiency) of revenues over expenditures	56,341	29,281	71,620	20,983
Other financing sources (uses)				
Operating transfers (out)	(13,251)	(8,806)	(11,285)	(4,018)
Interagency transfers (out)	-	-	-	-
General fund appropriation	-	-	-	-
Reversions	-	-	-	-
Total other financing sources (uses)	(13,251)	(8,806)	(11,285)	(4,018)
Net change in fund balance	43,090	20,475	60,335	16,965
Fund balances, beginning	305,794	207,774	382,272	90,864
Fund balances, end of year	\$ 348,884	228,249	442,607	107,829

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2012

	Special Revenue			
	4540	4550	4560	4570
	Psychologist Examiners	Physical Therapist	Thanatopractice	Interior Design
Revenues				
License fees	\$ 210,914	194,973	153,617	22,277
Services	6,163	33,933	2,585	75
Publications	-	-	-	-
Federal sources	-	-	-	-
Interest on investments	-	941	454	-
Other revenue	1,611	4,051	6,540	813
Total revenues	218,688	233,898	163,196	23,165
Expenditures				
Current				
Personnel services and employee benefits	73,836	29,488	86,805	12,958
Contractual services	6,377	7,507	790	128
In-state travel	2,557	1,306	4,031	854
Maintenance and repairs	-	71	-	-
Supplies and materials	6,312	6,849	160	-
Operating costs	5,192	6,052	2,379	3,914
Other costs	2,908	1,857	1,268	230
Out-of-state travel	-	-	-	-
Capital outlay	920	-	-	-
Total expenditures	98,102	53,130	95,433	18,084
Excess (deficiency) of revenues over expenditures	120,586	180,768	67,763	5,081
Other financing sources (uses)				
Operating transfers (out)	(24,109)	(21,458)	(16,927)	(3,249)
Interagency transfers (out)	-	-	-	-
General fund appropriation	-	-	-	-
Reversions	-	-	-	-
Total other financing sources (uses)	(24,109)	(21,458)	(16,927)	(3,249)
Net change in fund balance	96,477	159,310	50,836	1,832
Fund balances, beginning	150,520	361,866	225,350	48,223
Fund balances, end of year	\$ 246,997	521,176	276,186	50,055

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2012

	Special Revenue			
	4590 Private Investigators and Polygraph	4600 Landscape Architects	4650 Real Estate Appraisers	4660 Accountancy
Revenues				
License fees	\$ 175,788	41,956	215,253	499,977
Services	1,502	131	69,966	6,460
Publications	-	-	-	-
Federal sources	-	-	-	-
Interest on investments	655	-	672	962
Other revenue	12,248	2,799	15,295	27,042
Total revenues	190,193	44,886	301,186	534,441
Expenditures				
Current				
Personnel services and employee benefits	52,306	13,721	104,725	305,400
Contractual services	24,675	299	32,206	5,932
In-state travel	644	2,451	13,023	3,055
Maintenance and repairs	-	-	-	1,592
Supplies and materials	1,513	806	-	1,965
Operating costs	9,893	5,458	4,199	73,367
Other costs	360	598	3,388	2,503
Out-of-state travel	-	-	-	-
Capital outlay	747	-	-	968
Total expenditures	90,138	23,333	157,541	394,782
Excess (deficiency) of revenues over expenditures	100,055	21,553	143,645	139,659
Other financing sources (uses)				
Operating transfers (out)	(69,248)	(4,788)	(27,357)	(67,282)
Interagency transfers (out)	-	-	-	-
General fund appropriation	-	-	-	-
Reversions	-	-	-	-
Total other financing sources (uses)	(69,248)	(4,788)	(27,357)	(67,282)
Net change in fund balance	30,807	16,765	116,288	72,377
Fund balances, beginning	145,137	94,749	141,890	300,546
Fund balances, end of year	\$ 175,944	111,514	258,178	372,923

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2012

	Special Revenue			
	4690	4710	4720	4730
	Social Workers	Acupuncture	HUD Manufactured Housing	Speech Language and Audio
Revenues				
License fees	\$ 203,825	194,112	-	169,035
Services	6,140	16,381	102,444	12,065
Publications	-	100	-	-
Federal sources	-	-	20,082	-
Interest on investments	899	573	-	636
Other revenue	3,906	6,376	11,573	9,400
Total revenues	214,770	217,542	134,099	191,136
Expenditures				
Current				
Personnel services and employee benefits	223,591	86,786	13,903	85,109
Contractual services	6,433	19,842	10,406	4,183
In-state travel	2,356	3,107	-	3,819
Maintenance and repairs	-	-	-	-
Supplies and materials	4,867	1,306	-	1,153
Operating costs	9,741	3,171	-	5,596
Other costs	4,027	2,569	-	2,193
Out-of-state travel	-	-	-	-
Capital outlay	747	1,092	-	402
Total expenditures	251,762	117,873	24,309	102,455
Excess (deficiency) of revenues over expenditures	(36,992)	99,669	109,790	88,681
Other financing sources (uses)				
Operating transfers (out)	(55,142)	(25,990)	(9,319)	(24,536)
Interagency transfers (out)	-	-	-	-
General fund appropriation	-	-	-	-
Reversions	-	-	-	-
Total other financing sources (uses)	(55,142)	(25,990)	(9,319)	(24,536)
Net change in fund balance	(92,134)	73,679	100,471	64,145
Fund balances, beginning	395,225	176,217	129,768	270,940
Fund balances, end of year	\$ 303,091	249,896	230,239	335,085

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2012

	Special Revenue			
	4740 Respiratory Care Advisory	4750 Athletic Trainers	5350 Naprathapy	6430 Carnival Ride Insurance
Revenues				
License fees	\$ 86,128	29,668	-	17,600
Services	1,880	160	-	-
Publications	-	-	-	-
Federal sources	-	-	-	-
Interest on investments	-	134	-	-
Other revenue	1,902	376	-	-
Total revenues	89,910	30,338	-	17,600
Expenditures				
Current				
Personnel services and employee benefits	51,832	6,421	-	-
Contractual services	1,458	213	-	-
In-state travel	1,060	2,415	-	-
Maintenance and repairs	-	-	-	-
Supplies and materials	-	-	-	-
Operating costs	878	439	-	-
Other costs	1,830	287	-	-
Out-of-state travel	-	-	-	-
Capital outlay	-	58	-	-
Total expenditures	57,058	9,833	-	-
Excess (deficiency) of revenues over expenditures	32,852	20,505	-	17,600
Other financing sources (uses)				
Operating transfers (out)	(11,456)	(3,078)	-	-
Interagency transfers (out)	-	-	(42,674)	-
General fund appropriation	-	-	-	-
Reversions	-	-	-	-
Total other financing sources (uses)	(11,456)	(3,078)	(42,674)	-
Net change in fund balance	21,396	17,427	(42,674)	17,600
Fund balances, beginning	110,553	66,783	42,674	85,350
Fund balances, end of year	\$ 131,949	84,210	-	102,950

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2012

	Special Revenue			
	8760	2110	2011	2012
	Impaired Dentists	Hoisting Operators	Sign Language Services	Animal Shelter Services
Revenues				
License fees	\$ -	23,225	5,910	-
Services	17,775	-	56	-
Publications	-	-	-	-
Federal sources	-	-	-	-
Interest on investments	-	172	600	438
Other revenue	-	403	80	9,080
Total revenues	17,775	23,800	6,646	9,518
Expenditures				
Current				
Personnel services and employee benefits	-	-	40,886	52,496
Contractual services	11,550	-	1,854	15,141
In-state travel	-	-	2,698	2,135
Maintenance and repairs	-	-	1,473	-
Supplies and materials	-	-	7,805	-
Operating costs	-	-	2,202	1,165
Other costs	-	-	130	-
Out-of-state travel	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	11,550	-	57,048	70,937
Excess (deficiency) of revenues over expenditures	6,225	23,800	(50,402)	(61,419)
Other financing sources (uses)				
Operating transfers (out)	-	-	(15,987)	(11,712)
Interagency transfers (out)	-	-	-	-
General fund appropriation	-	-	-	28,800
Reversions	-	-	-	-
Total other financing sources (uses)	-	-	(15,987)	17,088
Net change in fund balance	6,225	23,800	(66,389)	(44,331)
Fund balances, beginning	59,415	99,007	441,064	310,375
Fund balances, end of year	\$ 65,640	122,807	374,675	266,044

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN
FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2012

	Special Revenue		Total Non-major Funds
	8900 ARRA	1066 Mortgage Regulatory Fund	
Revenues			
License fees	\$ -	843,400	5,813,339
Services	-	-	570,016
Publications	-	-	10,615
Federal sources	190,795	-	210,877
Interest on investments	-	3,091	12,082
Other revenue	-	197,097	497,300
Total revenues	190,795	1,043,588	7,114,229
Expenditures			
Current			
Personnel services and employee benefits	51,161	329,078	3,030,781
Contractual services	139,034	439	368,818
In-state travel	-	2,450	118,431
Maintenance and repairs	-	401	3,537
Supplies and materials	-	12,112	71,968
Operating costs	600	16,273	299,574
Other costs	-	-	54,340
Out-of-state travel	-	-	5,318
Capital outlay	-	-	6,716
Total expenditures	190,795	360,753	3,959,483
Excess (deficiency) of revenues over expenditures	-	682,835	3,154,746
Other financing sources (uses)			
Operating transfers (out)	-	(14,363)	(853,722)
Interagency transfers (out)	-	-	(42,674)
General fund appropriation	-	-	28,800
Reversions	-	-	-
Total other financing sources (uses)	-	(14,363)	(867,596)
Net change in fund balance	-	668,472	2,287,150
Fund balances, beginning	-	1,568,746	9,171,283
Fund balances, end of year	\$ -	2,237,218	11,458,433

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINED GENERAL FUND BUDGET SCHEDULES BY PROGRAM-
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND - CONSTRUCTION INDUSTRIES AND HOUSING (P599)
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
State general fund appropriation	\$ 7,796,200	7,796,200	7,796,200	-
Other licenses and permits	-	-	85,000	85,000
Other revenue	-	-	77,888	77,888
Other financing sources	250,000	250,000	250,000	-
Total revenues	8,046,200	8,046,200	8,209,088	162,888
Expenditures				
Personnel services and employee benefits	6,728,300	6,728,300	6,485,596	242,704
Contractual services	48,400	101,300	95,383	5,917
Other	1,269,500	1,216,600	1,181,475	35,125
State General Fund Reversions	-	-	446,634	(446,634)
Total expenditures	8,046,200	8,046,200	8,209,088	(162,888)
Excess (deficiency) of revenues over expenditures (beginning cash balance used to balance budget	-	-	\$ -	-
Cash balance carryforward	-	-	-	-
Total	\$ -	-	-	-

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINED GENERAL FUND BUDGET SCHEDULES BY PROGRAM-
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND- FINANCIAL INSTITUTION AND SECURITIES (P600)
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
State general fund appropriation	\$ 2,302,700	2,302,700	2,302,700	-
Other licenses and permits	-	-	-	-
Other revenue	-	-	602	602
Other financing sources	-	-	-	-
Total revenues	2,302,700	2,302,700	2,303,302	602
Expenditures				
Personnel services and employee benefits	2,070,800	1,897,800	1,823,567	74,233
Contractual services	24,900	165,150	164,086	1,064
Other	207,000	239,750	214,485	25,265
State General Fund Reversion	-	-	101,164	(101,164)
Total expenditures	2,302,700	2,302,700	2,303,302	(602)
Excess (deficiency) of revenues over expenditures (beginning cash balance used to balance budget	-	-	\$ -	-
Cash balance carryforward	-	-	-	-
Total	\$ -	-	-	-

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINED GENERAL FUND BUDGET SCHEDULES BY PROGRAM-
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND-ALCOHOL AND GAMING (P601)
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
State general fund appropriation	\$ 844,700	844,700	994,700	150,000
Other licenses and permits	-	-	-	-
Other revenue	-	-	23	23
Other financing sources	-	-	-	-
Total revenues	844,700	844,700	994,723	150,023
Expenditures				
Personnel services and employee benefits	772,500	748,200	728,024	20,176
Contractual services	39,100	29,600	11,651	17,949
Other	33,100	66,900	77,318	(10,418)
State General Fund Reversion	-	-	77,730	(77,730)
Total expenditures	844,700	844,700	894,723	(50,023)
Excess (deficiency) of revenues over expenditures (beginning cash balance used to balance budget	-	-	\$ 100,000	100,000
Cash balance carryforward	-	-		
Total	\$ -	-		

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINED GENERAL FUND BUDGET SCHEDULES BY PROGRAM-
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND - PROGRAM SUPPORT (P602)
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
State general fund appropriation	\$ 1,617,700	1,617,700	1,617,700	-
Federal revenues	-	186,004	140,526	45,478
Other revenues	-	-	584	584
Other financing sources	1,479,200	1,479,200	1,266,003	(213,197)
Total revenues	3,096,900	3,282,904	3,024,813	(167,135)
Expenditures				
Personnel services and employee benefits	2,327,800	2,508,804	2,277,420	231,384
Contractual services	290,800	290,800	285,696	5,104
Other	478,300	483,300	427,923	55,377
Reversions to State General Fund	-	-	4,245	(4,245)
Other financing uses	-	-	-	-
Total expenditures	3,096,900	3,282,904	2,995,284	287,620
Excess (deficiency) of revenues over expenditures (beginning cash balance used to balance budget	-	-	\$ 29,529	120,485
Cash balance carryforward	-	-	-	-
Total	\$ -	-	-	-

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
REAL ESTATE RECOVERY FUND - 2970
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Interest on Bank Deposits	\$ 500	500	435	(65)
Total revenues	<u>500</u>	<u>500</u>	<u>435</u>	<u>(65)</u>
Expenditures				
Other	50,000	50,000	-	50,000
Total expenditures	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(49,500)	(49,500)	<u>\$ 435</u>	<u>49,935</u>
Cash balance carryforward	<u>49,500</u>	<u>49,500</u>		
Total	<u>\$ -</u>	<u>-</u>		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
CONSTRUCTION INDUSTRIES REVOLVING FUND - 3730
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Publications	\$ 100,000	100,000	10,515	(89,485)
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>10,515</u>	<u>(89,485)</u>
Expenditures				
Other	100,000	100,000	26,947	73,053
Total expenditures	<u>100,000</u>	<u>100,000</u>	<u>26,947</u>	<u>73,053</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	<u>\$ (16,432)</u>	<u>(16,432)</u>
Cash balance carryforward	-	-		
Total	<u>\$ -</u>	<u>-</u>		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF BARBERS AND COSMETOLOGISTS FUND - 4390
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 136,000	136,000	1,030,274	894,274
Registration for trades and professions licenses	562,500	562,500	-	(562,500)
Other registration fees	24,000	24,000	11,976	(12,024)
Other current services	13,000	13,000	-	(13,000)
Manuals and codes	59,000	59,000	-	(59,000)
Other penalties	-	-	89,589	89,589
Total revenues	794,500	794,500	1,131,839	337,339
Expenditures				
Personnel services and employee benefits	518,400	518,400	505,862	12,538
Contractual services	45,000	45,000	42,341	2,659
Other	92,000	92,000	67,228	24,772
Other financing uses	220,700	220,700	188,681	32,019
Total expenditures	876,100	876,100	804,112	71,988
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(81,600)	(81,600)	\$ 327,727	409,327
Cash balance carryforward	81,600	81,600		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ATHLETIC COMMISSION - 4410
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trade and professions licenses	\$ 4,000	4,000	17,429	13,429
Registration for trades and professions licenses	1,400	1,400	189,801	188,401
Other current services	106,200	106,200	-	(106,200)
Miscellaneous revenue	-	-	2	2
Total revenues	111,600	111,600	207,232	95,632
Expenditures				
Personnel services and employee benefits	77,300	57,300	44,122	13,178
Contractual services	9,000	19,500	9,184	10,316
Other	23,900	33,400	21,498	11,902
Other financing uses	18,000	18,000	15,389	2,611
Total expenditures	128,200	128,200	90,193	38,007
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(16,600)	(16,600)	\$ 117,039	133,639
Cash balance carryforward	16,600	16,600		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
MASSAGE THERAPY BOARD - 4420
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 70,000	70,000	231,007	161,007
Registration for trades and professions licenses	150,000	150,000	3,505	(146,495)
Other current services	6,000	6,000	-	(6,000)
Other penalties	9,000	9,000	-	(9,000)
Miscellaneous revenue	-	-	14,449	14,449
Total revenues	<u>235,000</u>	<u>235,000</u>	<u>248,961</u>	<u>13,961</u>
Expenditures				
Personnel services and employee benefits	198,200	190,700	159,015	31,685
Contractual services	2,000	9,500	4,764	4,736
Other	12,600	20,100	16,474	3,626
Other financing uses	51,000	51,000	43,601	7,399
Total expenditures	<u>263,800</u>	<u>271,300</u>	<u>223,854</u>	<u>47,446</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(28,800)	(36,300)	<u>\$ 25,107</u>	<u>61,407</u>
Cash balance carryforward	<u>28,800</u>	<u>36,300</u>		
Total	<u>\$ -</u>	<u>-</u>		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
COUNSELORS AND THERAPY PRACTICE BOARD - 4440
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 126,000	126,000	431,567	305,567
Registration for trades and professions licenses	260,000	260,000	23,905	(236,095)
Trades and professions examination fees	10,000	10,000	-	(10,000)
Other current services	11,000	11,000	6,114	(4,886)
Interest Investments	1,200	1,200	1,289	89
Other penalties	7,000	7,000	-	(7,000)
Miscellaneous Revenue	1,400	1,400	-	(1,400)
Total revenues	416,600	416,600	462,875	46,275
Expenditures				
Personnel services and employee benefits	274,600	274,600	240,473	34,127
Contractual services	10,500	10,500	6,524	3,976
Other	57,900	57,900	38,658	19,242
Other financing uses	77,800	77,800	66,513	11,287
Total expenditures	420,800	420,800	352,168	68,632
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(4,200)	(4,200)	\$ 110,707	114,907
Cash balance carryforward	4,200	4,200		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
REAL ESTATE EDUCATION & TRAINING - 4450
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Registration for trades and professions licenses	\$ -	-	27,295	27,295
Miscellaneous revenue	-	-	6,126	6,126
	<hr/>			
Total revenues	-	-	33,421	33,421
	<hr/>			
Expenditures				
Contractual services	-	-	-	-
	<hr/>			
Total expenditures	-	-	-	-
	<hr/>			
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	\$ 33,421	33,421
	<hr/>			
Cash balance carryforward	-	-		
	<hr/>			
Total	\$ -	-		
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STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF CHIROPRACTIC EXAMINERS - 4460
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 42,000	42,000	192,030	150,030
Registration for trades and professions licenses	90,600	90,600	23,186	(67,414)
Other current services	20,000	20,000	-	(20,000)
Miscellaneous revenue	-	-	6,784	6,784
Total revenues	152,600	152,600	222,000	69,400
Expenditures				
Personnel services and employee benefits	110,600	110,600	108,177	2,423
Contractual services	2,000	2,000	799	1,201
Other	17,800	17,800	14,780	3,020
Other financing uses	22,200	22,200	18,979	3,221
Total expenditures	152,600	152,600	142,735	9,865
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	\$ 79,265	79,265
Cash balance carryforward	-	-		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF DENTAL EXAMINERS - 4470
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 135,000	135,000	421,547	286,547
Registration for trades and professions licenses	225,900	225,900	-	(225,900)
Other current services	12,300	12,300	12,052	(248)
Other penalties	30,000	30,000	-	(30,000)
Miscellaneous revenue	-	-	49,001	49,001
Total revenues	403,200	403,200	482,600	79,400
Expenditures				
Personnel services and employee benefits	254,900	239,900	186,263	53,637
Contractual services	7,000	10,000	7,971	2,029
Other	64,600	76,600	60,414	16,186
Other financing uses	76,700	76,700	65,572	11,128
Total expenditures	403,200	403,200	320,220	82,980
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	\$ 162,380	162,380
Cash balance carryforward	-	-		
Total	\$ -	-		

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
NUTRITION AND DIETETICS PRACTICE BOARD - 4480
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 8,000	8,000	34,587	26,587
Other licenses and permits	-	-	115	115
Registration for trades and professions licenses	23,000	23,000	-	(23,000)
Other current services	200	200	-	(200)
Other penalties	600	600	-	(600)
Miscellaneous revenue	-	-	250	250
Total revenues	31,800	31,800	34,952	3,152
Expenditures				
Personnel services and employee benefits	14,100	14,100	13,689	411
Contractual services	-	2,000	608	1,392
Other	14,100	12,100	4,970	7,130
Other financing uses	6,800	6,800	5,813	987
Total expenditures	35,000	35,000	25,080	9,920
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(3,200)	(3,200)	\$ 9,872	13,072
Cash balance carryforward	3,200	3,200		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF NURSING HOME ADMINISTRATORS - 4490
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 15,000	15,000	41,134	26,134
Other licenses and permits	-	-	736	736
Registration for trades and professions licenses	21,900	21,900	-	(21,900)
Other current services	100	100	-	(100)
Miscellaneous revenue	-	-	598	598
Total revenues	37,000	37,000	42,468	5,468
Expenditures				
Personnel services and employee benefits	28,900	31,600	30,236	1,364
Other	1,300	5,650	2,034	3,616
Other financing uses	6,800	6,800	5,813	987
Total expenditures	37,000	44,050	38,083	5,967
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	(7,050)	\$ 4,385	11,435
Cash balance carryforward	-	7,050		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF OCCUPATIONAL THERAPY PRACTICE - 4500
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 13,800	13,800	78,854	65,054
Other licenses and permits	-	-	12,800	12,800
Registration for trades and professions licenses	16,000	16,000	-	(16,000)
Trades and professions examination fees	18,300	18,300	-	(18,300)
Other current services	18,000	18,000	-	(18,000)
Other penalties	4,700	4,700	-	(4,700)
Miscellaneous revenue	-	-	1,723	1,723
Total revenues	70,800	70,800	93,377	22,577
Expenditures				
Personnel services and employee benefits	32,200	32,200	30,260	1,940
Contractual services	3,000	3,000	1,596	1,404
Other	20,100	20,100	5,180	14,920
Other financing uses	15,500	15,500	13,251	2,249
Total expenditures	70,800	70,800	50,287	20,513
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	\$ 43,090	43,090
Cash balance carryforward	-	-		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
OPTOMETRY BOARD - 4510
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 5,600	5,600	72,235	66,635
Other licenses and permits	-	-	8,035	8,035
Registration for trades and professions licenses	52,400	52,400	-	(52,400)
Trades and professions examination fees	6,800	6,800	-	(6,800)
Other current services	900	900	-	(900)
Other penalties	4,000	4,000	-	(4,000)
Miscellaneous revenue	-	-	3,300	3,300
Total revenues	69,700	69,700	83,570	13,870
Expenditures				
Personnel services and employee benefits	41,100	41,100	38,528	2,572
Contractual services	11,000	6,500	5,626	874
Other	7,300	11,800	10,135	1,665
Other financing uses	10,300	10,300	8,806	1,494
Total expenditures	69,700	69,700	63,095	6,605
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	\$ 20,475	20,475
Cash balance carryforward	-	-		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF OSTEOPATHIC MEDICAL EXAMINERS - 4520
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 26,000	26,000	110,195	84,195
Other licenses and permits	-	-	5,443	5,443
Registration for trades and professions licenses	42,500	42,500	-	(42,500)
Other current services	3,800	3,800	-	(3,800)
Other penalties	8,500	8,500	-	(8,500)
Miscellaneous revenue	-	-	6,703	6,703
Total revenues	80,800	80,800	122,341	41,541
Expenditures				
Personnel services and employee benefits	47,500	47,500	39,216	8,284
Contractual services	2,000	4,500	759	3,741
Other	20,700	18,200	10,746	7,454
Other financing uses	13,200	13,200	11,285	1,915
Total expenditures	83,400	83,400	62,006	21,394
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(2,600)	(2,600)	\$ 60,335	62,935
Cash balance carryforward	2,600	2,600		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
PODIATRY BOARD - 4530
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 2,500	2,500	37,527	35,027
Other licenses and permits	-	-	746	746
Registration for trades and professions licenses	27,400	27,400	-	(27,400)
Other current services	1,000	1,000	-	(1,000)
Other penalties	500	500	-	(500)
Miscellaneous revenue	-	-	2,200	2,200
Total revenues	31,400	31,400	40,473	9,073
Expenditures				
Personnel services and employee benefits	14,900	14,900	14,438	462
Contractual services	1,000	1,000	179	821
Other	10,800	10,800	4,873	5,927
Other financing uses	4,700	4,700	4,018	682
Total expenditures	31,400	31,400	23,508	7,892
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	\$ 16,965	16,965
Cash balance carryforward	-	-		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
PSYCHOLOGY BOARD - 4540
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 18,000	18,000	210,914	192,914
Other licenses and permits	-	-	6,163	6,163
Registration for trades and professions licenses	174,800	174,800	-	(174,800)
Other current services	6,100	6,100	-	(6,100)
Miscellaneous revenue	-	-	1,611	1,611
Total revenues	<u>198,900</u>	<u>198,900</u>	<u>218,688</u>	<u>19,788</u>
Expenditures				
Personnel services and employee benefits	128,000	128,000	73,836	54,164
Contractual services	13,400	13,400	6,377	7,023
Other	29,300	29,300	17,889	11,411
Other financing uses	28,200	28,200	24,109	4,091
Total expenditures	<u>198,900</u>	<u>198,900</u>	<u>122,211</u>	<u>76,689</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	<u>\$ 96,477</u>	<u>96,477</u>
Cash balance carryforward	-	-		
Total	<u>\$ -</u>	<u>-</u>		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
PHYSICAL THERAPY BOARD - 4550
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 45,000	45,000	194,973	149,973
Other licenses and permits	-	-	33,933	33,933
Registration for trades and professions licenses	53,100	53,100	-	(53,100)
Other current services	18,000	18,000	-	(18,000)
Interest on investments	200	200	941	741
Other penalties	4,000	4,000	-	(4,000)
Miscellaneous revenue	-	-	4,051	4,051
Total revenues	120,300	120,300	233,898	113,598
Expenditures				
Personnel services and employee benefits	35,200	35,200	29,488	5,712
Contractual services	10,000	10,000	7,507	2,493
Other	50,000	50,000	16,135	33,865
Other financing uses	25,100	25,100	21,458	3,642
Total expenditures	120,300	120,300	74,588	45,712
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	\$ 159,310	159,310
Cash balance carryforward	-	-		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
THANATOPRACTICE BOARD - 4560
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 21,000	21,000	153,617	132,617
Other licenses and permits	-	-	2,585	2,585
Registration for trades and professions licenses	95,000	95,000	-	(95,000)
Other current services	100	100	-	(100)
Other publications	2,800	2,800	-	(2,800)
Interest on bank deposits	-	-	454	454
Miscellaneous revenue	1,000	1,000	6,540	5,540
Total revenues	119,900	119,900	163,196	43,296
Expenditures				
Personnel services and employee benefits	86,000	90,500	86,805	3,695
Contractual services	5,700	4,700	790	3,910
Other	23,300	19,800	7,838	11,962
Other financing uses	19,800	19,800	16,927	2,873
Total expenditures	134,800	134,800	112,360	22,440
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(14,900)	(14,900)	\$ 50,836	65,736
Cash balance carryforward	14,900	14,900		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
INTERIOR DESIGN BOARD - 4570
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 2,100	2,100	22,277	20,177
Other licenses and permits	-	-	75	75
Registration for trades and professions licenses	21,800	21,800	-	(21,800)
Miscellaneous revenue	-	-	813	813
Total revenues	23,900	23,900	23,165	(735)
Expenditures				
Personnel services and employee benefits	13,400	13,270	12,958	312
Contractual services	-	130	128	2
Other	6,700	6,700	4,998	1,702
Other financing uses	3,800	3,800	3,249	551
Total expenditures	23,900	23,900	21,333	2,567
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	\$ 1,832	1,832
Cash balance carryforward	-	-		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
PRIVATE INVESTIGATORS AND POLYGRAPHERS BOARD - 4590
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 118,700	118,700	175,788	57,088
Other licenses and permits	-	-	1,502	1,502
Registration for trades and professions licenses	44,500	44,500	-	(44,500)
Other current services	200	200	-	(200)
Interest on investments	500	500	655	155
Other penalties	51,900	51,900	-	(51,900)
Miscellaneous revenue	-	-	12,248	12,248
Total revenues	215,800	215,800	190,193	(25,607)
Expenditures				
Personnel services and employee benefits	91,600	71,600	52,306	19,294
Contractual services	5,000	25,000	24,675	325
Other	38,200	38,200	13,157	25,043
Other financing uses	81,000	81,000	69,248	11,752
Total expenditures	215,800	215,800	159,386	56,414
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	\$ 30,807	30,807
Cash balance carryforward	-	-		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF LANDSCAPE ARCHITECTS - 4600
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 4,500	4,500	41,956	37,456
Registration for trades and professions licenses	24,400	24,400	131	(24,269)
Other penalties	3,500	3,500	-	(3,500)
Other financing sources	-	-	2,799	2,799
Total revenues	32,400	32,400	44,886	12,486
Expenditures				
Personnel services and employee benefits	18,300	17,500	13,721	3,779
Contractual services	500	500	299	201
Other	8,000	10,420	9,313	1,107
Other financing uses	5,600	5,600	4,788	812
Total expenditures	32,400	34,020	28,121	5,899
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	(1,620)	\$ 16,765	18,385
Cash balance carryforward	-	1,620		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
REAL ESTATE APPRAISERS BOARD - 4650
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 50,000	50,000	215,253	165,253
Other licenses and permits	-	-	69,966	69,966
Registration for trades and professions licenses	112,700	112,700	-	(112,700)
Other registration fees	100	100	-	(100)
Other current services	12,000	12,000	-	(12,000)
Interest on investments	300	300	672	372
Other penalties	4,500	4,500	-	(4,500)
Miscellaneous revenue	-	-	15,295	15,295
Total revenues	179,600	179,600	301,186	121,586
Expenditures				
Personnel services and employee benefits	112,600	112,600	104,725	7,875
Contractual services	11,500	44,980	32,206	12,774
Other	23,500	23,500	20,610	2,890
Other financing uses	32,000	32,000	27,357	4,643
Total expenditures	179,600	213,080	184,898	28,182
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	(33,480)	\$ 116,288	149,768
Cash balance carryforward	-	33,480		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF ACCOUNTANCY - 4660
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 20,500	20,500	499,977	479,477
Other licenses and permits	-	-	6,460	6,460
Registration for trades and professions licenses	455,000	455,000	-	(455,000)
Other current services	1,500	1,500	-	(1,500)
Interest on investments	1,000	1,000	962	(38)
Other penalties	20,000	20,000	-	(20,000)
Miscellaneous revenue	5,700	5,700	-	(5,700)
Other Financing Sources	-	-	27,042	27,042
Total revenues	503,700	503,700	534,441	30,741
Expenditures				
Personnel services and employee benefits	297,300	309,300	305,400	3,900
Contractual services	16,600	16,600	5,932	10,668
Other	117,600	105,600	83,450	22,150
Other financing uses	78,700	78,700	67,282	11,418
Total expenditures	510,200	510,200	462,064	48,136
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(6,500)	(6,500)	\$ 72,377	78,877
Cash balance carryforward	6,500	6,500		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
SOCIAL WORK EXAMINERS BOARD - 4690
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 52,000	52,000	203,825	151,825
Other licenses and permits	-	-	6,140	6,140
Registration for trades and professions licenses	263,100	263,100	-	(263,100)
Other current services	6,000	6,000	-	(6,000)
Interest on bank deposits	1,300	1,300	-	(1,300)
Interest on investments	-	-	899	899
Other penalties	5,000	5,000	-	(5,000)
Other Financing Sources	-	-	3,906	3,906
Total revenues	327,400	327,400	214,770	(112,630)
Expenditures				
Personnel services and employee benefits	238,800	238,800	223,591	15,209
Contractual services	4,000	7,000	6,433	567
Other	39,200	36,200	21,738	14,462
Other financing uses	64,500	64,500	55,142	9,358
Total expenditures	346,500	346,500	306,904	39,596
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(19,100)	(19,100)	\$ (92,134)	(73,034)
Cash balance carryforward	19,100	19,100		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ACUPUNCTURE BOARD - 4710
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 23,200	23,200	194,112	170,912
Other licenses and permits	2,100	2,100	16,381	14,281
Registration for trades and professions licenses	150,400	150,400	-	(150,400)
Trades and professions examination fees	20,500	20,500	-	(20,500)
Other current services	4,700	4,700	-	(4,700)
Manuals and codes	-	-	100	100
Other penalties	8,300	8,300	-	(8,300)
Interest on bank deposits	-	-	573	573
Miscellaneous revenue	-	-	6,376	6,376
Total revenues	209,200	209,200	217,542	8,342
Expenditures				
Personnel services and employee benefits	156,500	154,000	86,786	67,214
Contractual services	19,900	19,900	19,842	58
Other	21,000	23,500	11,245	12,255
Other financing uses	30,400	30,400	25,990	4,410
Total expenditures	227,800	227,800	143,863	83,937
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(18,600)	(18,600)	\$ 73,679	92,279
Cash balance carryforward	18,600	18,600		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
HUD MANUFACTURED HOUSING - 4720
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Federal Grants	\$ 24,400	24,400	20,082	(4,318)
Other Current Services	-	-	102,444	102,444
Miscellaneous revenue	-	-	11,573	11,573
Total revenues	<u>24,400</u>	<u>24,400</u>	<u>134,099</u>	<u>109,699</u>
Expenditures				
Personnel services and employee benefits	-	21,400	13,903	7,497
Contractual services	-	11,000	10,406	594
Other financing uses	10,900	63,700	-	63,700
Other	24,400	10,900	9,319	1,581
Total expenditures	<u>35,300</u>	<u>107,000</u>	<u>33,628</u>	<u>73,372</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(10,900)	(82,600)	<u>\$ 100,471</u>	<u>183,071</u>
Cash balance carryforward	<u>10,900</u>	<u>82,600</u>		
Total	<u>\$ -</u>	<u>-</u>		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
SPEECH, LANGUAGE PATHOLOGY, AND AUDIOLOGY BOARD - 4730
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 24,000	24,000	169,035	145,035
Other licenses and permits	-	-	12,065	12,065
Registration for trades and professions licenses	128,900	128,900	-	(128,900)
Trades and professions examination fees	1,000	1,000	-	(1,000)
Other current services	6,800	6,800	-	(6,800)
Interest on investments	400	400	636	236
Other penalties	3,400	3,400	-	(3,400)
Miscellaneous revenue	-	-	9,400	9,400
Total revenues	164,500	164,500	191,136	26,636
Expenditures				
Personnel services and employee benefits	108,700	108,700	85,109	23,591
Contractual services	7,700	7,700	4,183	3,517
Other	19,400	19,400	13,163	6,237
Other financing uses	28,700	28,700	24,536	4,164
Total expenditures	164,500	164,500	126,991	37,509
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	\$ 64,145	64,145
Cash balance carryforward	-	-		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
RESPIRATORY CARE ADVISORY BOARD - 4740
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 16,500	16,500	86,128	69,628
Other licenses and permits	1,000	1,000	1,880	880
Registration for trades and professions licenses	47,300	47,300	-	(47,300)
Other registration fees	100	100	-	(100)
Other current services	2,000	2,000	-	(2,000)
Other penalties	1,000	1,000	1,902	902
Total revenues	67,900	67,900	89,910	22,010
Expenditures				
Personnel services and employee benefits	51,000	53,000	51,832	1,168
Contractual services	-	1,500	1,458	42
Other	3,500	5,395	3,768	1,627
Other financing uses	13,400	13,400	11,456	1,944
Total expenditures	67,900	73,295	68,514	4,781
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	(5,395)	\$ 21,396	26,791
Cash balance carryforward	-	5,395		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ATHLETIC TRAINER'S BOARD - 4750
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 5,000	5,000	29,668	24,668
Registration for trades and professions licenses	14,400	14,400	-	(14,400)
Other current services	-	-	160	160
Other penalties	500	500	376	(124)
Interest on investments	-	-	134	134
Total revenues	19,900	19,900	30,338	10,438
Expenditures				
Personnel services and employee benefits	10,000	10,000	6,421	3,579
Contractual services	500	500	213	287
Other	5,800	5,800	3,199	2,601
Other financing uses	3,600	3,600	3,078	522
Total expenditures	19,900	19,900	12,911	6,989
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	\$ 17,427	17,427
Cash balance carryforward	-	-		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
NAPRAPATHY BOARD - 5350
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual * Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trades and professions licenses	\$ 500	500	-	(500)
Registration for trades and professions licenses	4,800	4,800	-	(4,800)
Other current services	100	100	-	(100)
Total revenues	<u>5,400</u>	<u>5,400</u>	-	<u>(5,400)</u>
Expenditures				
Other financing uses	900	900	-	900
Other	5,400	5,400	-	5,400
Total expenditures	<u>6,300</u>	<u>6,300</u>	-	<u>5,400</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(900)	(900)	\$ -	-
Cash balance carryforward	<u>900</u>	<u>900</u>		
Total	<u>\$ -</u>	<u>-</u>		

* This board was transferred to the New Mexico Medical Board at the beginning of the fiscal year.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
CARNIVAL RIDE INSURANCE - 6430
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Other licenses and permits	\$ -	-	17,600	17,600
Total revenues	<u>-</u>	<u>-</u>	<u>17,600</u>	<u>17,600</u>
Expenditures				
Other financing uses	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	<u>\$ 17,600</u>	<u>17,600</u>
Cash balance carryforward	-	-		
Total	<u>\$ -</u>	<u>-</u>		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
IMPAIRED DENTISTS AND DENTAL HYGIENISTS BOARD - 8760
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Other services	\$ 14,000	14,000	17,775	3,775
Total revenues	<u>14,000</u>	<u>14,000</u>	<u>17,775</u>	<u>3,775</u>
Expenditures				
Contractual services	15,000	15,000	11,550	3,450
Total expenditures	<u>15,000</u>	<u>15,000</u>	<u>11,550</u>	<u>3,450</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(1,000)	(1,000)	\$ 6,225	7,225
Cash balance carryforward	<u>1,000</u>	<u>1,000</u>		
Total	<u>\$ -</u>	<u>-</u>		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
HOISTING OPERATORS - 2110
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Other Licenses & Permits	\$ -	-	23,225	23,225
Other revenue	-	-	575	575
Total revenues	-	-	<u>23,800</u>	<u>23,800</u>
Expenditures				
Contractual services			-	-
Total expenditures	-	-	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	-	-	<u>\$ 23,800</u>	<u>23,800</u>
Cash balance carryforward	-	-		
Total	<u>\$ -</u>	<u>-</u>		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
SIGN LANGUAGE SERVICES BOARD - 2011
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
License fees	\$ -	-	5,910	5,910
Services	-	-	56	56
Interest on investments	-	-	600	600
Other revenue	-	-	80	80
Total revenues	-	-	6,646	6,646
Expenditures				
Personnel services and employee benefits	82,300	82,300	40,886	41,414
Contractual services	11,000	11,000	1,854	9,146
Other	38,800	38,800	14,308	24,492
Other financing uses	18,700	18,700	15,987	2,713
Total expenditures	150,800	150,800	73,035	77,765
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(150,800)	(150,800)	\$ (66,389)	84,411
Cash balance carryforward	150,800	150,800		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ANIMAL SHELTERING SERVICES BOARD - 2012
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Interest on investments	\$ -	-	438	438
License Plates	4,600	4,600	-	(4,600)
Other revenue	-	-	9,080	9,080
General Fund Appropriation	28,800	28,800	28,800	-
Total revenues	33,400	33,400	38,318	4,918
Expenditures				
Personnel services and employee benefits	57,400	57,400	52,496	4,904
Contractual services	23,200	23,200	15,141	8,059
Other	5,900	5,900	3,300	2,600
Other financing uses	13,700	13,700	11,712	1,988
Total expenditures	100,200	100,200	82,649	17,551
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(66,800)	(66,800)	\$ (44,331)	22,469
Cash balance carryforward	66,800	66,800		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ARRA - 8900
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Federal Grants	\$ -	-	190,795	190,795
Total revenues	<u>-</u>	<u>-</u>	<u>190,795</u>	<u>190,795</u>
Expenditures				
Personal services and employee benefits	62,347	66,347	51,161	15,186
Contractual services	129,123	154,123	139,034	15,089
Other	51,967	22,967	600	22,367
Total expenditures	<u>243,437</u>	<u>243,437</u>	<u>190,795</u>	<u>52,642</u>
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(243,437)	(243,437)	\$ -	<u>243,437</u>
Cash balance carryforward	<u>243,437</u>	<u>243,437</u>		
Total	<u>\$ -</u>	<u>-</u>		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
MORTGAGE REGULATORY FUND - 1066
Year Ended June 30, 2012

	Original Budget	Revised Budget	Actual Budgetary Basis	Variance Favorable (Unfavorable)
Revenues				
Trade and professions licenses	\$ 253,100	253,100	843,400	590,300
Other registration fees	112,600	112,600	-	(112,600)
Other Exam Fees	98,600	98,600	-	(98,600)
Interest on investments	-	-	3,091	3,091
Other revenue	-	-	197,097	197,097
Total revenues	464,300	464,300	1,043,588	579,288
Expenditures				
Personnel services and employee benefits	464,300	384,300	329,078	55,222
Contractual services	-	60,000	439	59,561
Other	-	76,000	31,236	44,764
Other financing uses	16,800	16,800	14,363	2,437
Total expenditures	481,100	537,100	375,116	161,984
Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget)	(16,800)	(72,800)	\$ 668,472	741,272
Cash balance carryforward	16,800	72,800		
Total	\$ -	-		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING SCHEDULE OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2012

	4350	4360	4370
	FID	MHD	CID
	Receipts	Receipts	Receipts
ASSETS			
Interest in State Treasurer General Fund Investment Pool	\$ 1,510	115,245	852,798
Due from other state agencies	-	-	-
	<hr/>		
Total Assets	1,510	115,245	852,798
	<hr/> <hr/>		
LIABILITIES			
Accounts payable	\$ 350	55	854
Other Liabilities	-	64,470	406,907
Due to State General Fund	1,160	50,720	445,037
	<hr/>		
Total Liabilities	1,510	115,245	852,798
	<hr/> <hr/>		

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING SCHEDULE OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2012

	4380	8080	
	SEC	Alcohol and	
	Receipts	Gaming	Total
		Receipts	
ASSETS			
Interest in State Treasurer General			
Fund Investment Pool	\$ 40,420	13,430	1,023,403
Due from other state agencies	3,400	-	3,400
	<u>43,820</u>	<u>13,430</u>	<u>1,026,803</u>
LIABILITIES			
Accounts payable	\$ 350	1,605	3,214
Other Liabilities	-	-	471,377
Due to State General Fund	43,470	11,825	552,212
	<u>43,820</u>	<u>13,430</u>	<u>1,026,803</u>

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING SCHEDULE OF CHANGES
IN ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2012

	Balance July 1, 2011	Additions	Deletions	Balance June 30, 2012
FID RECEIPTS- 4350				
ASSETS				
Interest in State Treasurer General Fund Investment Pool	\$ 7,415	2,919,202	2,925,107	<u>1,510</u>
Total assets	<u>\$ 7,415</u>	<u>2,919,202</u>	<u>2,925,107</u>	<u>1,510</u>
LIABILITIES				
Accounts Payable	\$ -	350	-	350
Due to State General Fund	7,415	2,918,852	2,925,107	<u>1,160</u>
Total liabilities	<u>\$ 7,415</u>	<u>2,919,202</u>	<u>2,925,107</u>	<u>1,510</u>
MHD RECEIPTS- 4360				
ASSETS				
Interest in State Treasurer General Fund Investment Pool	\$ 6,435	489,270	380,460	<u>115,245</u>
Total assets	<u>\$ 6,435</u>	<u>489,270</u>	<u>380,460</u>	<u>115,245</u>
LIABILITIES				
Accounts Payable	\$ -	55	-	55
Other Liabilities	-	64,470	-	64,470
Due to State General Fund	6,435	424,745	380,460	<u>50,720</u>
Total liabilities	<u>\$ 6,435</u>	<u>489,270</u>	<u>380,460</u>	<u>115,245</u>

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING SCHEDULE OF CHANGES
IN ASSETS AND LIABILITIES (CONTINUED)
AGENCY FUNDS
June 30, 2012

	Balance July 1, 2011	Additions	Deletions	Balance June 30, 2012
CID RECEIPTS- 4370				
ASSETS				
Interest in State Treasurer General Fund Investment Pool	\$ 62,344	5,515,755	4,725,301	852,798
Total assets	\$ 62,344	5,515,755	4,725,301	852,798
LIABILITIES				
Accounts Payable	\$ -	854	-	854
Other Liabilities	-	406,907	-	406,907
Due to State General Fund	62,344	5,107,994	4,725,301	445,037
Total liabilities	\$ 62,344	5,515,755	4,725,301	852,798
SEC RECEIPTS -4380				
ASSETS				
Interest in State Treasurer General Fund Investment Pool	\$ 102,650	18,843,201	18,905,431	40,420
Due From other State Agencies	-	3,400	-	3,400
Total assets	\$ 102,650	18,846,601	18,905,431	43,820
LIABILITIES				
Accounts Payable	\$ -	350	-	350
Due to State General Fund	\$ 102,650	18,846,251	18,905,431	43,470
Total liabilities	\$ 102,650	18,846,601	18,905,431	43,820

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING SCHEDULE OF CHANGES
IN ASSETS AND LIABILITIES (CONTINUED)
AGENCY FUNDS
June 30, 2012

	Balance July 1, 2011	Additions	Deletions	Balance June 30, 2012
ALCOHOL AND GAMING RECEIPTS -8080				
ASSETS				
Interest in State Treasurer General Fund Investment Pool	\$ 55,516	3,912,594	3,954,680	13,430
Total assets	\$ 55,516	3,912,594	3,954,680	13,430
LIABILITIES				
Accounts Payable	\$ -	1,605	-	1,605
Due to State General Fund	55,516	3,910,989	3,954,680	11,825
Total liabilities	\$ 55,516	3,912,594	3,954,680	13,430

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF CASH ACCOUNTS
Year Ended June 30, 2012

Name of Fund	Fund Type	SHARE Fund Number	Interest Bearing	Type of Account	Balance at June 30, 2012
General Fund					
NM State Treasurer	General	4330	NO	State Treasury	\$ 1,368,826
Petty cash	Imprest				2,495
Total General Fund cash					<u>1,371,321</u>
Special Revenue Fund					
Securities Education	Special Revenue	0440	YES	State Treasury	2,735,339
Vehicle Replacement	Special Revenue	2960	NO	State Treasury	
Real Estate Recovery	Special Revenue	2970	YES	State Treasury	291,447
FID Revolving Fund	Special Revenue	3720	NO	State Treasury	-
CID Revolving Fund	Special Revenue	3730	NO	State Treasury	203,319
Barber and Cosmetology	Special Revenue	4390	NO	State Treasury	2,064,798
Athletic Commission	Special Revenue	4410	NO	State Treasury	204,440
Massage Therapists	Special Revenue	4420	NO	State Treasury	391,280
Counselors and Therapists	Special Revenue	4440	YES	State Treasury	781,425
Real Estate Education and Training	Special Revenue	4450	YES	State Treasury	99,809
Chiropractic Examiners	Special Revenue	4460	NO	State Treasury	588,347
Dental	Special Revenue	4470	NO	State Treasury	857,206
Nutrition and Dietetics	Special Revenue	4480	NO	State Treasury	128,895
Nursing Home Administration	Special Revenue	4490	NO	State Treasury	85,888
Occupational Therapy	Special Revenue	4500	NO	State Treasury	369,937
Optometry	Special Revenue	4510	NO	State Treasury	289,568
Osteopathic Examiners	Special Revenue	4520	NO	State Treasury	547,561
Podiatry	Special Revenue	4530	NO	State Treasury	124,396
Psychologist Examiners	Special Revenue	4540	NO	State Treasury	530,604
Physical Therapist	Special Revenue	4550	YES	State Treasury	683,282
Thanatopractice	Special Revenue	4560	YES	State Treasury	343,546
Interior Design	Special Revenue	4570	NO	State Treasury	54,730
Private Investigation & Polygraph	Special Revenue	4590	YES	State Treasury	353,770
Landscape Architects	Special Revenue	4600	NO	State Treasury	144,779
Pharmacy	Special Revenue	4640	NO	State Treasury	2,483,713
Pharmacy	Imprest				500
Real Estate Appraisers	Special Revenue	4650	YES	State Treasury	500,770
Accountancy	Special Revenue	4660	YES	State Treasury	635,154
Accountancy	Imprest				48
Real Estate Commission	Special Revenue	4670	NO	State Treasury	1,353,067
Real Estate Commission	Imprest				100
Social Workers	Special Revenue	4690	YES	State Treasury	688,345
Acupuncture	Special Revenue	4710	YES	State Treasury	364,789
HUD Manufactured Housing	Special Revenue	4720	NO	State Treasury	210,006
Speech Language & Audio	Special Revenue	4730	YES	State Treasury	372,943
Respiratory Care Advisory	Special Revenue	4740	NO	State Treasury	222,849
Athletic Trainers	Special Revenue	4750	YES	State Treasury	86,904
Naprapathy	Special Revenue	5350	NO	State Treasury	289
Carnival Ride Insurance	Special Revenue	6430	NO	State Treasury	102,950
Impaired Dentists	Special Revenue	8760	NO	State Treasury	77,190
ARRA	Special Revenue	8900	NO	State Treasury	902
Hoisting Operators	Special Revenue	2110	YES	State Treasury	122,787
Sign Language Services	Special Revenue	2011	YES	State Treasury	376,044
Animal Sheltering Services	Special Revenue	2012	YES	State Treasury	270,077
Mortgage Regulatory	Special Revenue	1066	YES	State Treasury	2,240,903
Total Special Revenue					<u>21,984,696</u>
Total General Fund and Special Revenue Funds					<u>23,356,017</u>

STATE OF NEW MEXICO
 REGULATION AND LICENSING DEPARTMENT
 SCHEDULE OF CASH ACCOUNTS
 Year Ended June 30, 2012

Fiduciary Fund					
FID Receipts Fund	Fiduciary	4350	NO	State Treasury	\$ 1,510
MHD Receipts	Fiduciary	4360	NO	State Treasury	115,245
CID Receipts Fund	Fiduciary	4370	NO	State Treasury	852,798
SEC Receipts Fund	Fiduciary	4380	NO	State Treasury	40,420
Alcohol and Gaming Receipts	Fiduciary	8080	NO	State Treasury	13,430
Total Fiduciary Funds					<u>1,023,403</u>
Total all funds					<u>\$ 24,379,420</u>

**Report of Independent Auditors 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***

J. Dee Dennis, Jr., Superintendent
State of New Mexico
Regulation and Licensing Department
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of the State of New Mexico Regulation and Licensing Department (Department) as of and for the year ended June 30, 2012, and have issued our report thereon dated December 14, 2012, which collectively comprise the Department's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the Department's nonmajor governmental funds, including the budgetary comparisons, and fiduciary funds presented in the accompanying combining and individual fund financial statements as supplementary information as of and for the year ended June 30, 2012, as listed in the table of contents. 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.

Internal Control Over Financial Reporting

Management of the Department is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Department's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control over financial reporting.

J. Dee Dennis, Jr., Superintendent
State of New Mexico
Regulation and Licensing Department
and
Mr. Hector H. Balderas
New Mexico State Auditor

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 financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and responses as items 2006-6 and 2012-02 that we consider to be significant deficiencies in internal control over financial reporting. *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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Department's financial statements are free of 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 no instances of noncompliance or other matter that is required to be reported under *Government Auditing Standards*.

J. Dee Dennis, Jr., Superintendent
State of New Mexico
Regulation and Licensing Department
and
Mr. Hector H. Balderas
New Mexico State Auditor

We also noted certain other matters that are required to be reported pursuant to Section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and responses as items 2012-01 and 2012-03.

The Department's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit the Department's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, others within the Department, the New Mexico State Auditor, the New Mexico Legislature, the New Mexico Department of Finance and Administration, federal awarding and pass-through agencies and is not intended to be and should not be used by anyone other than these specified parties.

Mess Adams LLP

Albuquerque, New Mexico
December 14, 2012

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2012**

<u>Finding</u>	<u>Current Status</u>
2006-06 Disaster Recovery Plan (Significant Deficiency)	Repeated & Updated
11-01 Recording of Assets (Significant Deficiency and Non-compliance)	Resolved
11-02 Cash Receipts – Athletic Commission (Significant Deficiency)	Resolved
11-03 Acceptance of Gifts and Reporting of Fringe Benefits – Athletic Commission (Non-compliance)	Resolved
11-04 Conflicts of Interest – Securities Division (Significant Deficiency)	Resolved
11-05 Lack of Oversight and Decentralization (Significant Deficiency)	Resolved
11-06 Untimely Reversions (Significant Deficiency and Non-compliance)	Resolved

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2012**

A. FINDINGS - FINANCIAL STATEMENT AUDIT

**2006-06 Approve And Test Disaster Recovery Plan (Significant Deficiency) –
Repeated & Updated**

Condition

The Department has prepared a Disaster Recovery Plan (Plan) in August 2011. We noted that the Plan has not been approved by management and that testing is not completed.

Criteria

Per State of NM Statewide Guideline “Enterprise IT Security Policy”, S-GUIDE-00.003, “the State of New Mexico shall securely and economically protect its business functions including public access to appropriate information and resources, while maintaining compliance with legal requirements established by existing Federal and State statutes pertaining to confidentiality privacy, accessibility, availability, and integrity. This includes a Disaster Recovery Plan in order to reduce the impact of a major disruption on key business functions and processes.

Effect

The lack of approved Disaster Recovery Plan and absence of testing may pose questions as to the Department’s ability to respond and recover its critical data and applications in the event of an unforeseen disaster.

Cause

The Department just completed the Disaster Recovery Plan in August 2011 and is still working a on a way to test the Plan.

Recommendation

We recommend that the Department’s management review, finalize, and approve the Disaster Recovery Plan.

Management Response

The Department is working with the Department of Information Technology (DoIT) to pursue a platform as a service proposal. If approved by both parties, the platform will include housing the disaster recovery site at DoIT. If this is not approved, the alternative plan will be for the Department to purchase a SAN and utilize its own equipment at the Toney Anaya building. The disaster recovery plan will be circulated to the Superintendent, Legal Counsel, and Directors for review and approval. IT will determine a plan to test the disaster recovery site.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
Year Ended June 30, 2012**

2012-01 Cell Phone Use Monitoring (Other Matter)

Condition

During our compliance testwork related to Fringe Benefits, MA noted that there are employees who use Department cell phones; there is no review of the cell phone bill to ensure that the use of the cell phone is not being abused for personal use and no related policy covering the personal use of Department cell phones.

Criteria

Per the NM State Auditor Rule 2.2.2.10(H)(2)(a), "Employee fringe benefits are presumed by the IRS to be income to the employee unless they are specifically excluded from income by the tax code. Any employee fringe benefits not excluded from income by the tax code must be reported on the employee's W-2".

Effect

The Department is not in compliance with IRS Guidelines related to taxation of employee fringe benefits.

Cause

The New Mexico Regulation and Licensing Department does not have a personal use of the Department's cell phone policy in place, and therefore, does not exercise proper monitoring over the use of cell phones.

Recommendation

We recommend the Department develop a policy for monitoring personal use of cell phones, establish formal communication of that policy, and implement controls to ensure compliance with IRS Fringe Benefit Guidelines.

Management Response

The Department of Information Technology (DoIT) is currently developing a State cell phone use policy. When completed, RLD will review the policy and customize it to the Department's needs. The policy will be circulated to all employees and a signed acknowledgement will be collected. On a monthly basis, ASD will conduct spot audits utilizing a cell phone activity report to determine if personal misuse is taking place.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
Year Ended June 30, 2012**

2012-02 Prepaid Construction Permits (Significant Deficiency)

Condition

The Department had not recorded in prior years the existence of prepaid amounts related to permits prepaid for by contractors doing business under the Construction Industries and Manufactured Housing Division. The dollar value of prepaid permits identified and recorded as of June 30, 2012 was \$477,277.

Criteria

GASB 1100 – Summary Statement of Principles, section .109 – Government-Wide Financial Statements states “The government-wide statement of net position and the statement of activities should be prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions should be recognized when the exchange takes place”. GASB 1200 – Generally Accepted Accounting Principles (GAAP) and Legal Compliance, section .102 states “Adherence to GAAP is essential to assuring a reasonable degree of comparability among the financial reports of state and local governmental units. Governmental accounting systems thus must provide data that permit reporting on the financial status and operations of a government in conformity with GAAP”. Per 2.2.2.10(E) of the NM State Auditor Rule, “The financial statements and notes to the financial statements shall be prepared in accordance with accounting principles generally accepted in the United States of America. Governmental accounting principles are identified in the Codification of Governmental Accounting and Financial Reporting Standards (GASB)”.

Effect

In prior years liabilities due to the State General Fund were understated. The exact amount of understatement is unknown and the Department is unable to calculate amounts due to the deficiencies in the system used. The system is expected to be fully replaced by a more robust system by February 2013.

Cause

Personnel in the Construction Industries and Manufactured Housing Division failed to disclose adequately to the Department the existence of contractors prepaying for permits. Additionally, the system used to track permits issued was deficient in producing the data necessary to properly track prepaid amounts. A special effort was made during fiscal year 2012 to work with a consultant to extract the data necessary in order to compile a listing of contractors and their prepaid balances as June 30, 2012 but the Department is unable to acquire the necessary data for fiscal year ends of the past.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
Year Ended June 30, 2012**

2012-02 Prepaid Construction Permits (Significant Deficiency) (Continued)

Recommendation

We recommend the Department fully replace the system and implement tracking mechanisms and related controls external to the system in order to adequately account for contractor prepaid balances.

Management Response

The Department is working with a contractor to implement a replacement system in 2013. The new system has additional controls built within and the reports necessary for tracking the activity of the prepaid accounts will be available. In order to properly record prepaid deposits, all are now posted to a liability account. Every month, ASD will run a report from the system of prepaid charges posted to each account and prepare a journal entry to record the charges (permits issued) in the Due to State General Fund. These steps ensure monies received are deposited to the General Fund when services have been rendered and prepaid account balances are adequately monitored.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
Year Ended June 30, 2012**

2012-03 Asset Disposal Requirements (Other Matter)

Condition

The Department did not properly notify the NM State Auditor of disposed of assets.

Criteria

Section 2.2.2.10(V)(1) of the NM State Auditor Rule states, "Sections 13-6-1 and 13-6-2 NMSA 1978 govern the disposition of obsolete, worn-out or unusable tangible personal property owned by state agencies. At least thirty days prior to any disposition of property on the agency inventory list, written notification of the official finding and proposed disposition duly sworn and subscribed under oath by each member of the authority approving the action must be sent to the State Auditor".

Effect

The Department is not in compliance with Section 13-6-1 and 13-6-2 NMSA 1978.

Cause

The New Mexico Regulation and Licensing Department administration services department personnel could not provide evidence of submission of the required notification to the State Auditor.

Recommendation

We recommend the agency develop a more robust control procedure for ensuring that all required notification of planned dispositions of property be duly submitted to the State Auditor.

Management Response

The Department has developed a disposal committee and any property that is requested to be disposed of must be brought before the committee. The committee then determines whether the property should be disposed of and State Surplus is granted the first right of refusal. Once a letter has been received from State Surplus of the items they did not want, the disposal committee will prepare the letter to the State Auditor's Office, in which each member will sign.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
EXIT CONFERENCE
Year Ended June 30, 2012**

An exit conference was held on December 10, 2012. Attending were the following:

Representing the Department:

Mary Kay Root	Deputy Superintendent
Larissa Byrd	ASD Director, CFO
Phillip Gonzales	ASD Financial Manager

Representing the Independent Auditor, Moss Adams LLP:

Amy Carter	Senior Manager
George Seus	Manager

The financial statements were prepared with the assistance of Moss Adams LLP.