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M **Chester W. Mattocks**
Certified Public Accountant

STATE OF NEW MEXICO
COMMISSION ON THE STATUS OF WOMEN

**ANNUAL FINANCIAL REPORT AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED JUNE 30, 2010**

**STATE OF NEW MEXICO
 COMMISSION ON THE STATUS OF WOMEN
 ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED
JUNE 30, 2010**

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**STATE OF NEW MEXICO
COMMISSION ON THE STATUS OF WOMEN
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2010**

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STATE OF NEW MEXICO
COMMISSION ON THE STATUS OF WOMEN

OFFICIAL ROSTER
AS OF JUNE 30, 2010

Commission Members

<u>Name</u>	<u>Position</u>	<u>District</u>
LaNelle Witt	Chair	District 6
Daniel Armstrong	Vice Chair	District 3
Rebecca Villalobos	Secretary	District 7
A. Samuel Adelo	Member	District 2
Judith Cooper	Member	District 4
Pearlene Garcia	Member	District 3
Lynette Justice	Member	District 1
Pat Madera	Member	District 6
Loyda Martinez	Member	District 2
Marjorie Miller-Engel	Member	District 2
Mary Pena Noskin	Member	District 3
Anita Pfeiffer	Member	District 3
Barbara Reedy	Member	District 5
Angie Vachio	Member	District 3

Administration

<u>Name</u>	<u>Position</u>
Mary Molina Mescall	Executive Director
Marie Sedillo	Executive Assistant
Michelle Gallegos	Chief Financial Officer
Mary Margaret Friend	Receptionist/Office Assistant
Lorraine Bantista	Displaced Homemakers Program
Kathi Brown	Public Relations Specialist
Kathy Chavez	Event Planner
Cynthia Jacobsen-Wolfe	TeamWorks Director
Vacant	TeamWorks Fiscal Manager
Mary Meyer	TeamWorks Receptionist
Vacant	TeamWorks Las Cruces Site Manager
Otilio Montoya	TeamWorks Las Cruces Admin. Assistant
Maria Scheiffer	TeamWorks Las Cruces Receptionist

INDEPENDENT AUDITOR'S REPORT

Members of the Commission on the Status of Women
State of New Mexico
Commission on the Status of Women
Albuquerque, New Mexico

and

Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

I have audited the accompanying financial statements of the governmental activities, each major fund, and the budgetary comparisons for the General Fund and major special revenue funds of the State of New Mexico Commission on the Status of Women (Commission) as of and for the year ended June 30, 2010, which collectively comprise the Commission's basic financial statements, as listed in the Table of Contents. These financial statements are the responsibility of the Commission's management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the basic financial statements and the individual fund financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

As discussed in Note 1A, the financial statements of the Commission, are intended to present the financial position and changes of financial position of only that portion of the governmental activities and each major fund of the State of New Mexico that is attributable to the transactions of the Commission. They do not purport to, and do not, present fairly the financial position of the entire State of New Mexico as of June 30, 2010 and the changes in its financial position thereof and respective budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Commission at June 30, 2010, and the respective changes in financial position, thereof and the respective budgetary comparisons of the General Fund and the major special revenue 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, I have also issued my report dated November 19, 2010, on my consideration of the Commission's internal control over financial reporting and on my tests of its compliance with certain provisions of laws and regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my 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 my audit.

The Commission has not presented its Management's Discussion and Analysis for the year ended June 30, 2010. The Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board.

My audit was made for the purpose of forming opinions on the basic financial statements that collectively comprise the Commission's basic financial statements and on the individual fund financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Chester W. Matlock, CPA

November 19, 2010

STATE OF NEW MEXICO
COMMISSION ON THE STATUS OF WOMEN

STATEMENT OF NET ASSETS
AS OF JUNE 30, 2010

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Investment account with New Mexico State Treasurer	\$ 251,796
Cash in bank	1,166
Petty cash	500
Due from other state agencies	295,746
Total current assets	<u>549,208</u>
Capital assets:	
Capital assets	280,833
Less accumulated depreciation	<u>(274,733)</u>
Total capital assets, net of accumulated depreciation	<u>6,100</u>
Total assets	<u>555,308</u>
<u>LIABILITIES</u>	
Current Liabilities:	
Investment account overdraft	189,319
Accounts payable	121,172
Accrued payroll and benefits	73,565
Deferred revenue	9,493
Due to State of New Mexico General Fund	92,447
Compensated absences payable - expected to be paid within one year	29,882
Total current liabilities	<u>515,878</u>
Noncurrent liabilities:	
Compensated absences payable - expected to be paid after one year	<u>-0-</u>
Total noncurrent liabilities	<u>-0-</u>
Total liabilities	<u>515,878</u>
<u>NET ASSETS (Deficit)</u>	
Invested in capital assets	6,100
Unrestricted (deficit)	(29,782)
Restricted for Special Revenue Funds projects	63,112
Total net assets	<u>\$ 39,430</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
COMMISSION ON THE STATUS OF WOMEN

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

<u>FUNCTIONS/PROGRAMS</u>	<u>Expenses</u>	<u>Program Revenues Operating Grants And Contributions</u>	<u>Net (Expenses), Revenue and Changes in Net Assets</u>
Governmental activities:			
General government	\$ (696,087)	\$ -0-	\$ (696,087)
Public service	(1,411,785)	1,412,585	800
Total governmental activities	<u>\$ (2,107,872)</u>	<u>\$ 1,412,585</u>	<u>(695,287)</u>
REVENUES:			
General revenues:			
General Fund appropriation (net of current year reversion of \$92,447)			<u>699,753</u>
Total general revenues			<u>699,753</u>
Change in net assets			<u>4,466</u>
Net assets - beginning of year			<u>34,964</u>
Net assets - end of year			<u>\$ 39,430</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
COMMISSION ON THE STATUS OF WOMEN

BALANCE SHEET - GOVERNMENTAL FUNDS
AS OF JUNE 30, 2010

	<u>General Fund</u>	<u>Conference</u>	<u>Girls Program</u>	<u>TeamWorks</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>					
Investment account with New Mexico					
State Treasurer	\$ 185,352	\$ 59,129	\$ 7,315	\$ -0-	\$ 251,796
Cash in bank	-0-	-0-	-0-	1,166	1,166
Petty Cash	100	-0-	-0-	400	500
Due from other state agencies	-0-	-0-	-0-	295,746	295,746
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 185,452</u>	<u>\$ 59,129</u>	<u>\$ 7,315</u>	<u>\$ 297,312</u>	<u>\$ 549,208</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Investment overdraft	\$ -0-	\$ -0-	\$ -0-	\$ 189,319	\$ 189,319
Accounts payable	54,672	3,332	-0-	63,168	121,172
Accrued payroll and benefits	38,233	-0-	-0-	35,332	73,565
Deferred revenue	-0-	-0-	-0-	9,493	9,493
Due to State of New Mexico General Fund reversion FY 10	92,447	-0-	-0-	-0-	92,447
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>185,352</u>	<u>3,332</u>	<u>-0-</u>	<u>297,312</u>	<u>485,996</u>
Fund balances:					
Reserved for petty cash	100	-0-	-0-	-0-	100
Reserved for special appropriation	-0-	-0-	-0-	-0-	-0-
Unreserved reported in Special Revenue Funds	-0-	55,797	7,315	-0-	63,112
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>100</u>	<u>55,797</u>	<u>7,315</u>	<u>-0-</u>	<u>63,212</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 185,452</u>	<u>\$ 59,129</u>	<u>\$ 7,315</u>	<u>\$ 297,312</u>	<u>\$ 549,208</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
COMMISSION ON THE STATUS OF WOMEN

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS -
TO THE STATEMENT OF NET ASSETS - GOVERNMENTAL ACTIVITIES
AS OF JUNE 30, 2010

Total fund balances - Governmental Funds
(Balance Sheet - Governmental Funds) \$ 63,212

Amounts reported for governmental activities
in the Statement of Net Assets are different
at June 30, 2010 because:

Capital assets used in governmental activities
are not financial resources and therefore are
not reported in the fund financial statements.
These assets consist of:

Capital assets	\$ 280,833
Less accumulated depreciation	<u>(274,733)</u>

Total capital assets, net of accumulated depreciation	6,100
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Some liabilities are not due and payable in the
current period and therefore are not reported
in the governmental funds:

Compensated absences payable	<u>(29,882)</u>
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Net assets of Governmental activities (Statement of Net Assets)	<u>\$ 39,430</u>
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The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
COMMISSION ON THE STATUS OF WOMEN

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>General Fund</u>	<u>Conference</u>	<u>Girls Program</u>	<u>TeamWorks</u>	<u>Total Governmental Funds</u>
REVENUES					
Federal grants	\$ -0-	\$ -0-	\$ -0-	\$ 1,369,819	\$ 1,369,819
Miscellaneous	-0-	41,111	1,655	-0-	42,766
Total revenues	-0-	41,111	1,655	1,369,819	1,412,585
EXPENDITURES					
Current:					
General government:					
Personal services/employee benefits	473,441	-0-	-0-	340,448	813,889
Contractual services	54,096	8,317	-0-	722,299	784,712
Other costs	172,216	19,999	1,625	307,072	500,912
Total expenditures	699,753	28,316	1,625	1,369,819	2,099,513
Excess (deficiency) of revenues over Expenditures	(699,753)	12,795	30	-0-	(686,928)
Other financing sources (uses):					
State general fund appropriation - regular	792,200	-0-	-0-	-0-	792,200
Reversions to state general fund FY 10	(92,447)	-0-	-0-	-0-	(92,447)
Total other financing sources (uses)	699,753	-0-	-0-	-0-	699,753
Net change in fund balances	-0-	12,795	30	-0-	12,825
Fund balances - beginning	100	43,002	7,285	-0-	50,387
Fund balances - ending	\$ 100	\$ 55,797	\$ 7,315	\$ -0-	\$ 63,212

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
COMMISSION ON THE STATUS OF WOMEN

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS - TO THE STATEMENT OF
 ACTIVITIES - GOVERNMENTAL ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2010**

Net change in fund balances (Statement of Revenues,
 Expenditures and Changes in Fund Balances) \$ 12,825

Amounts reported for governmental activities in the
 Statement of Activities are different for the year
 ended June 30, 2010 because:

In the Statement of Activities, certain operating expenses -
 compensated absences payable - are measured by the amounts
 earned during the year. In the Governmental Funds, however,
 expenditures are measured by the amount of financial resources
 used (essentially the amounts actually paid). The (increase)
 decrease in the liability for compensated absences payable for
 the year
 was: 12,900

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

Capital outlay expenditures which were capitalized	\$ -0-	
Depreciation	<u>(21,259)</u>	
Excess of capital outlay expenditures over depreciation		<u>(21,259)</u>
Change in net assets of Governmental Activities (Statement of Activities)		<u>\$ 4,466</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
COMMISSION ON THE STATUS OF WOMEN

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts - Budgetary Basis</u>	<u>Variance- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Other	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total revenues	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
EXPENDITURES:				
Current:				
General Government:				
Personal svcs/Employee benefits	512,600	512,600	473,441	39,159
Contractual services	58,000	58,000	54,096	3,904
Other costs	<u>221,600</u>	<u>221,600</u>	<u>172,216</u>	<u>49,384</u>
Total expenditures	<u>792,200</u>	<u>792,200</u>	<u>699,753</u>	<u>92,447</u>
Excess (deficiency) of revenues over expenditures	<u>(792,200)</u>	<u>(792,200)</u>	<u>(699,753)</u>	<u>92,447</u>
Other financing sources (uses):				
State general fund appropriations	792,200	792,200	792,200	-0-
Reversions – FY 10	<u>-0-</u>	<u>-0-</u>	<u>(92,447)</u>	<u>(92,447)</u>
Total other financing sources and uses	<u>792,200</u>	<u>792,200</u>	<u>699,753</u>	<u>(92,447)</u>
Net change in fund balance	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
COMMISSION ON THE STATUS OF WOMEN

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - SPECIAL REVENUE FUND -
CONFERENCE
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Miscellaneous	\$ 50,000	\$ 50,000	\$ 41,111	\$ (8,889)
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>41,111</u>	<u>(8,889)</u>
EXPENDITURES:				
Current:				
General Government:				
Personal svcs/Employee benefits	-0-	-0-	-0-	-0-
Contractual services	10,000	10,000	8,317	1,683
Other costs	<u>40,000</u>	<u>40,000</u>	<u>19,999</u>	<u>20,001</u>
Total expenditures	<u>50,000</u>	<u>50,000</u>	<u>28,316</u>	<u>21,684</u>
Excess (deficiency) of revenues over expenditures	<u>-0-</u>	<u>-0-</u>	<u>12,795</u>	<u>12,795</u>
Other financing sources (uses):				
State general fund appropriations	-0-	-0-	-0-	-0-
Special appropriations	-0-	-0-	-0-	-0-
Reversions to State General Fund	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total other financing sources and uses	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Net change in fund balance	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 12,795</u>	<u>\$ 12,795</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
COMMISSION ON THE STATUS OF WOMEN

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - SPECIAL REVENUE FUND -
GIRLS PROGRAM
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Miscellaneous	\$ 20,000	\$ 20,000	\$ 1,655	\$ (18,345)
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>1,655</u>	<u>(18,345)</u>
EXPENDITURES:				
Current:				
General Government:				
Personal svcs/Employee benefits	-0-	-0-	-0-	-0-
Contractual services	-0-	-0-	-0-	-0-
Other costs	<u>20,000</u>	<u>20,000</u>	<u>1,625</u>	<u>18,375</u>
Total expenditures	<u>20,000</u>	<u>20,000</u>	<u>1,625</u>	<u>18,375</u>
Excess (deficiency) of revenues over expenditures	<u>-0-</u>	<u>-0-</u>	<u>30</u>	<u>30</u>
Other financing sources (uses):				
State general fund appropriations	-0-	-0-	-0-	-0-
Special appropriations	-0-	-0-	-0-	-0-
Reversions to State General Fund	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total other financing sources and uses	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Net change in fund balance	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 30</u>	<u>\$ 30</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
COMMISSION ON THE STATUS OF WOMEN

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - SPECIAL REVENUE FUND - TEAMWORKS
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance- Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Miscellaneous	\$ 1,440,000	\$ 1,440,000	\$ 1,369,819	\$ (70,181)
Total revenues	<u>1,440,000</u>	<u>1,440,000</u>	<u>1,369,819</u>	<u>(70,181)</u>
EXPENDITURES:				
Current:				
General Government:				
Personal svcs/Employee benefits	420,300	358,900	340,448	18,452
Contractual services	766,600	766,600	722,299	44,301
Other costs	253,100	314,500	307,072	7,428
Total expenditures	<u>1,440,000</u>	<u>1,440,000</u>	<u>1,369,819</u>	<u>70,181</u>
Excess (deficiency) of revenues over expenditures	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Other financing sources (uses):				
State general fund appropriations	-0-	-0-	-0-	-0-
Special appropriations	-0-	-0-	-0-	-0-
Reversions to State General Fund	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total other financing sources and uses	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Net change in fund balance	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
COMMISSION ON THE STATUS OF WOMEN

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2010

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The State of New Mexico Commission on the Status of Women (Commission) was created by the Laws of 1974, Chapter 90, Subsection 1 and amended by the New Mexico Statutes Annotated, 1978 Compilation, Section 28-3-1 through 28-3-11. The Commission's purpose is to stimulate and encourage throughout the State of New Mexico, the study and review of the status of women:

- Recommended methods of overcoming discrimination against women in public and private employment.
- Promote method for enabling women to develop their skills, continue their education and be retained.
- Cooperate with and assist public and private entities dealing with women.
- Conduct periodic conferences throughout the State of New Mexico to apprise women of their rights and opportunities and to learn from them their needs and problems.
- Secured recognition of women's accomplishments and contributions to New Mexico.
- Provide workforce development activities for women receiving Temporary Assistance for Needy Families (TANF), formerly known as welfare.

The mission of the New Mexico Commission on the Status of Women is to increase awareness of the rights, responsibilities, and interests of women and girls in New Mexico and to preserve women's history and contributions to the State. In partnership with the New Mexico State Human Services Department, the Commission administrators programs directed at workforce development for adult women in accordance with the maintenance-of-effort requirements for the temporary assistance for needy family block grant program.

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

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement #34 "Basic Financial Statements and Management Discussion and Analysis for State and Local Governments." This Statement provides for the most significant change in financial reporting in over twenty years and is scheduled for a phased implementation based on size of government.

The Commission implemented the provisions of GASB #34 effective July 1, 2001. As a part of this Statement, there is a new reporting requirement regarding the government's infrastructure (road, bridges, etc.) The Commission does not own any infrastructure assets and therefore is unaffected by this requirement. The Commission also implemented the provisions of the later related GASB statements #37 and #38 which affect GASB #34 and its implementation.

A. Financial Reporting Entity

Governmental Accounting Standards Board Statement (GASBS) 14, "The Financial Reporting Entity," effective for periods beginning after December 15, 1992, establishes standards for defining and reporting on the financial reporting entity. GASBS 14 supersedes previous standards issued by the National Council on Governmental Accounting. The requirements of GASBS 14 apply at all levels to all state and local governments.

GASB 14 defines the financial reporting entity as consisting of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. This definition of the reporting entity is based primarily on the notion of financial accountability as the "cornerstone of all financial reporting in government."

A primary government is any state government or general-purpose local government, consisting of all the organizations that make up its legal entity. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are, for financial reporting purposes, part of the primary government. The Commission, therefore, is part of the primary government of the State of New Mexico, and its financial data should be included with the financial data of the State. However, New Mexico does not at present issue an audited Comprehensive Annual Financial Report inclusive of all agencies of the primary government.

The Audit Act, Sections 12-6-1 through 12-6-14, NMSA 1978, requires the financial affairs of every agency to be thoroughly examined and audited each year, and a complete written report to be made. Moreover, the New Mexico State Auditor requires that each agency shall prepare financial statements in accordance with accounting principles generally accepted in the United States of America. As a result, the Commission has prepared and issued its own audited, agency Annual Financial Report.

Included within the Commission for this purpose are the following: All of the programs that are administered and/or controlled by the Commission have been included.

No entities were noted that should be considered component units of the Commission. No entities were specifically excluded from the Commission because no entities were noted as meeting any of the criteria for potential inclusion.

B. Basic Financial Statements - GASB Statement #34

The basic financial statements include both government-wide (based on the Commission as a whole) and fund financial statements. The new reporting model focus is on either the Commission as a whole or major individual funds (within the 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 activities. In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are presented on a consolidated basis by column, and are reflected on a full accrual, economic resources basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. The Commission did not have any business-type activities during the year ended June 30, 2010, and the Commission has decided not to apply any FASB pronouncements issued after November 30, 1989.

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) by related program revenues, operating and capital grants. The program revenues must be directly associated with the function or a business-type activity. Program-related grants and contributions consist of donations for a conference and of federal grants for Temporary Assistance to Needy Families. The Commission includes only two functions (general government and public service).

The net cost (by function or business-type activity) is normally covered by general revenues (intergovernmental revenues or other revenue, etc.). Historically, the previous mode did not summarize or present net cost by function or activity. The Commission does not currently employ indirect cost allocation systems. The Commission's policy for when an expense is incurred for purposes for which both restricted and unrestricted assets are available is to utilize the restricted assets first.

This government-wide focus is more on the sustainability of the Commission as an entity and the change in aggregate financial position resulting from the activities of the current fiscal period.

The fund financial statements are similar to the financial statements presented in the previous accounting model. Emphasis here is on the major funds in either the governmental or business-type categories. Non-major funds (by category) or fund type are summarized into a single column. The General Fund is required to be a major program, and the Commission has decided that since the three Special Revenue Funds are very important to the operations of the Commission, they should all be major funds. Therefore, there are no nonmajor funds. The Commission has no fiduciary funds or component units similar to fiduciary funds, but if the Commission did, they would not be included in the government-wide financial statements.

The governmental fund statements are presented on a current financial resources and modified accrual basis of accounting. This presentation is deemed appropriate to (a) demonstrate legal compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the Commission's actual experience conforms to the budget or fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the page following each statement, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column on the governmental-wide presentation.

Interfund accounts which are on the fund financial statements would have been eliminated in the government-wide financial statements if there were any. There were no such accounts at June 30, 2010.

C. Basis of Presentation

The financial transactions of the Commission are maintained on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, expenditures or expenses and other financing sources or uses. 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 summarized by type in the accompanying financial statements. The various funds are reported by generic classification within the financial statements.

The new reporting model, GASB Statement 34, sets forth minimum criteria for the determination of major funds based on a percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or governmental and enterprise combined. All these governmental funds have been classified as major funds by the Commission after considering the criteria for major funds. Only individual governmental or individual enterprise funds can be considered for major fund status.

1. Governmental Fund Types

The focus of Governmental Fund measurement (in the Fund Financial Statements) is based upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the Governmental Funds of the Commission.

The Commission reports the following major governmental funds.

General Fund - The General Fund is the general operating fund of the Commission and is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is funded primarily by an appropriation from the State General Fund, and any unused funds at the end of the fiscal year revert back to the State General Fund.

Special Revenue Funds

The Special Revenue Funds are used to account for revenue that is legally restricted to expenditures for special purposes. The funds are used to account for proceeds for each program sources of revenue which is legally restricted for each special purpose. There are three special revenues funds:

Conference (#087)- New Mexico Commission on the Status of Women statutory requirements, Article 3, 28-3-2, states the Commission shall conduct periodic conferences throughout the state and secure recognition of women's accomplishments and contributions for New Mexico. These funds are received on behalf of the State from gifts, donations and bequests. Any unexpended or unencumbered balance remaining at the year end shall not revert to State General Fund. It is a non-reverting fund per Laws of 2007, Chapter 28, Section 4, Subsection F.

Girls Program (#274)- This funding is generated by voluntary donations, ticket sales, admission fees and corporate advertisers/sponsors and are used to pay for transition conferences and the Governor's Award for Outstanding New Mexico Women awards program. Any unexpended or unencumbered balance remaining at the year end shall not revert to State General Fund. It is a non-reverting fund per Laws of 2007, Chapter 28, Section 4, Subsection F.

TeamWorks (#383)- Special Revenue funding is appropriated by the State of New Mexico, Human Services Department (HSD). It is known as block grant that transfers from HSD to the Commission to develop, establish and operate job placement programs for participants as defined in the New Mexico Works Act. It is a non-reverting fund per the contract between HSD and the Commission and also is totally financed by federal monies.

Under the terms of grant agreement, the Commission funds certain programs by the combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the programs, followed by categorical block grants, and by the unrestricted general

revenues. Any unexpended or unencumbered balance is reverted to the New Mexico Human Services Department.

2. Non-Current Governmental Assets/Liabilities

GASB Statement #34 eliminated the presentation of Account Groups, but provides for these records to be maintained and incorporates the information into the Governmental Activities column in the government-wide Statement of Net Assets.

D. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditure/expenses are recognized in the accounts and reported in the financial statements. It 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.

Modified Accrual - All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period which is considered within sixty days of year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to GASB Statement #33, which was also adopted as of July 1, 2001 by the Commission, 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 revenue by the recipient. The TeamWorks Special Revenue Fund is the only fund on a reimbursement basis so it is the only fund which should have deferred revenue. None of the other funds should defer revenue.

E. Budgetary Accounting

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

1. No later than September 1st, the Commission prepares a budget appropriation request by category to be presented to the next Legislature.
2. The appropriation request is submitted to the New Mexico Department of Finance and Administration's Budget Division (DFA) and to the Legislative Finance Committee (LFC).
3. DFA makes recommendations and adjustments to the appropriation request which then becomes the Governor's proposal to the Legislature.
4. The LFC holds hearings on the appropriation request, also submitting recommendations and adjustments before presentation to the Legislature.

5. Both the DFA's and LFC's recommended appropriation proposals are presented to the Legislature for approval of the final budget plan.
6. Budget hearings are scheduled before the New Mexico House Appropriations and Senate Finance Committees. The final outcome of these hearings are incorporated into the General Appropriations Act.
7. The Act is signed into law by the Governor of the State of New Mexico within the legally prescribed time limit.
8. The Commission submits, no later than May 1, to DFA an annual operating budget by category and line item based upon the appropriations made by the Legislature. The DFA - Budget Division reviews and approves the operating budget which becomes effective on July 1.
9. All subsequent budget adjustments must be approved by the Commission and the Director of the DFA - Budget Division. The budget for the current year was properly amended.
10. Legal budget control for expenditures and encumbrances is by category of line item.
11. Formal budgetary integration is employed as a management control device during the fiscal year for the General Fund and the Special Revenue Funds.
12. The budget is adopted on a modified accrual basis of accounting that is consistent with accounting principles generally accepted in the United States of America. This change was implemented with the laws of 2004, Chapter 114, Section 3, paragraph N and paragraph O. It is effective for fiscal years beginning July 1, 2004. However, there is a statutory exception per the General Appropriation Act, Laws of 2006, Chapter 109, Section 3, Subsections N and O. The budget is adopted on the modified accrual basis of accounting except for accounts payable accrued at the end of the fiscal year that do not get paid by the statutory deadline per Section 6-10-4 NMSA 1978. Those accounts payable must be paid out of the next year's budget. There were none of these accounts payable at June 30, 2010. A reconciliation is not provided because there were no differences between the budgetary basis and the modified accrual basis.
13. Each year the Legislature approves multiple year appropriations, which the State considers as continuing appropriations. The Legislature authorizes these appropriations for two to five years; however, it does not identify the authorized amount by the fiscal year. Consequently, the appropriation is budgeted in its entirety the first year the Legislature authorizes it. The unexpended portion of the budget is carried forward as the next year's beginning budget balance until either the project period has expired or the appropriation has been fully expended. The budget presentations in these financial statements are consistent with this budgeting methodology.
14. Appropriations lapse at the end of the fiscal year except for those amounts recorded as vouchers payable and salaries payable. All of the Commission's funds except for the General Fund are non-reverting

F. Capital Assets

Property, plant and equipment including software, purchased or acquired is carried at historical cost or estimated historical cost. Contributed assets are recorded at the fair market values as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life

of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The State's capitalization policy, i.e., the dollar value above which asset acquisitions including software, are added to the capital accounts, is \$5,000 which is a change in policy effective July 1, 2005. However, all capital outlay purchases may not necessarily be capitalized. The Commission does not capitalize any interest in regards to its capital assets.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. The Commission utilizes Internal Revenue Service guidelines to estimate the useful lives on fixed assets as follows:

Furniture and fixtures	10 years
Data processing equipment	6 years
Equipment and machinery	10 years

GASB Statement #34 requires the recording and depreciation of infrastructure assets. Infrastructure assets include roads, bridges, traffic signals, etc. The Commission does not own any infrastructure assets.

G. Encumbrances Accounting

Encumbrances accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation and is employed as an extension of formal budgetary control in the General Fund and the Special Revenue Funds. Encumbrances not recorded as vouchers payable at year end lapse.

H. Compensated Absences Payable

Vacation and sick leave earned and not taken is cumulative; however, upon termination of employment, sick pay for such leave hours accumulated up to 600 hours is forfeited, and vacation pay is limited to payment for 240 hours. Vacation leave up to the maximum of 240 hours is payable upon separation from service at the employee's current hourly rate. Sick leave is payable semiannually to qualified employees for hours accumulated above 600 hours at a rate equal to 50 percent of their hourly rate, not to exceed 120 hours each semiannual period. Upon retirement, payment for sick leave is limited to 400 hours accumulated in excess of 600 hours at the 50 percent hourly rate. The compensated absences payable is included in the government-wide financial statements.

Qualified classified employees, per the schedule approved by the Commission, accumulate annual leave to a maximum of 240 hours as follows:

<u>Years of Service</u>	<u>Hours Earned Per Pay Period</u>
Less than 3 years	3.08
Between 3 and 7 years	3.69
Between 7 and 11 years	4.61
Between 11 and 15 years	5.54
Over 15 years	6.15

Exempt employees who are appointed by the Governor accumulate annual leave per a schedule developed by the Department of Finance and Administration to a maximum of 240 hours as follows:

<u>Years of Service</u>	<u>Hours Earned Per Pay Period</u>
Less than 3 years	4.62
Between 3 and 7 years	5.54
Between 7 and 14 years	6.46
Over 14 years	7.39

I. Due to State of New Mexico General Fund (Reversions)

Reversions to the State of New Mexico General Fund by the Commission are based on the definitions of reverting funds.

Reverting Funds - All funds that are not identified by law as non-reverting are reverting funds. Such funds are the excess of budgeted expenditures over actual expenditures.

Current year reversions due to the State of New Mexico General Fund as of June 30, 2010 were as follows:

	<u>General Fund</u>
Current year:	
FY 10 reversions	<u>\$ 92,447</u>
Total FY 10 reversions	<u>\$ 92,447</u>

J. Reservations of Fund Balances

Reservations of fund balances on the Governmental funds are created to either (1) satisfy legal covenants that require that a portion of the fund balance be segregated or (2) identify the portion of the fund balance that cannot be appropriated for future expenditures. The only specific reservations of fund balance accounts at June 30, 2010 were:

Reserved for Petty Cash – This reserve was created for funds that have been committed to petty cash funds.

K. Revenues, Expenditures and Expenses

Substantially all governmental fund revenues are accrued. The due from other state agencies at June 30, 2010 consists of \$295,746 in federal grants reimbursements due to the TeamWorks Special Revenue Fund by the State of New Mexico, Human Services Department. No allowance for doubtful accounts was necessary in the opinion of management.

Expenditures are recognized when the related fund liability is incurred.

L. Net Assets

The government-wide financial statements utilize a net asset presentation. Net Assets are categorized as invested in fixed assets, restricted and unrestricted.

Invested 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. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost. The Commission did not have any related debt during the year ended June 30, 2010

Unrestricted (Deficit) Net Assets - represent the deficit of the Commission at June 30, 2010. It consists of the Commission's compensated absences payables, for which there are currently no resources available to finance it. It is expected that this deficit will be financed by future state appropriations. These funds are restricted and can only be used to finance certifications and similar items.

M. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

2. INVESTMENT ACCOUNTS, INVESTMENT POLICY AND CASH

Investment Accounts With State Treasurer

The following is a summary of the investment accounts of the Commission with the New Mexico State Treasurer which represent the Commission's interest in the State of New Mexico General Fund Investment Pool as reported by the New Mexico Department of Finance and Administration (DFA):

	SHARE FUND Number	Financial Statement Balances At June 30, 2010
General Fund	60100-0430	\$ 185,352
Conference Fund	60100-0870	59,129
Girls Program	60100-2740	7,315
TeamWorks Fund	60100-3830	106,427
Total		<u>\$ 358,223</u>

However, the TeamWorks Fund balance includes \$295,746 in receivables not received until after June 30, 2010 so the correct balance at June 30, 2010 is \$295,746 minus \$106,427 or \$189,319 which is an investment overdraft and reflected as such in the financial statements.

The New Mexico State Treasurer monitors the collateral for deposits held by it for other state entities, which would include the investment accounts of the Commission, which represent the Commission's interest in the General Fund Investment Pool. The Office of the State Treasurer has its own separate annual independent audit in which the collateral pledged to secure these accounts is disclosed. That report may be obtained by writing to the State of New Mexico State Treasurer's Office, P.O. Box 608, Santa Fe, New Mexico 87504-0608. The Commission is not permitted to have any investments, and the Commission did not have any investments during the year ended June 30, 2010. There is no custodial risk in relations to the accounts at the Commission's level. The custodial risk would belong to the New Mexico State Treasurer.

The Commission also has \$100 in petty cash in the General Fund and \$400 in petty cash in the TeamWorks Fund. The Commission also has a bank account-demand deposit with Wells Fargo that had a balance of \$1,166 at June 30, 2010 with no reconciling items. It was fully collateralized by FDIC Insurance during the year ended June 30, 2010 so there was no custodial risk.

3. CAPITAL ASSETS

A summary of changes in the capital assets for the year ended June 30, 2010 as follows:

	Balance June 30, 2009	Additions	Deletions	Balance June 30, 2010
Furniture and fixtures	\$ 15,326	\$ -0-	\$ -0-	\$ 15,326
Data processing equipment	294,896	-0-	(54,765)	240,131
Equipment and machinery	27,351	-0-	(1,975)	25,376
Total Capital assets	<u>337,573</u>	<u>-0-</u>	<u>(56,740)</u>	<u>280,833</u>
Less accumulated depreciation for:				
Furniture and fixtures	(14,070)	(1,256)	-0-	(15,326)
Data processing equipment	(271,317)	(18,475)	54,765	(235,027)
Equipment and machinery	(24,827)	(1,528)	1,975	(24,380)
	<u>(310,214)</u>	<u>(21,259)</u>	<u>56,740</u>	<u>(274,733)</u>
Total accumulated depreciation				
Total Capital Assets, Net of Accumulated Depreciation	<u>\$ 27,359</u>	<u>\$ (21,259)</u>	<u>-0-</u>	<u>\$ 6,100</u>

Depreciation expense for the year ended June 30, 2010 was \$21,259. All of the depreciation expense of \$21,259 was allocated as follows:

General government	\$ 2,784
Public service	18,475
Workforce training	<u>\$ 21,259</u>

4. COMPENSATED ABSENCES PAYABLE

A summary of changes in the compensated absences payable for the year ended June 30, 2010 is as follows:

	<u>Balance June 30, 2009</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2010</u>	<u>Due Within One Year</u>
Compensated Absences Payable	\$ 42,782	\$ 23,550	\$ (36,450)	\$ 29,882	\$ 29,882

\$29,882 has been classified as a current liability in the Statement of Net Assets. In prior years, the General Fund has been used to liquidate its compensated absences for its employees. The General Fund is expected to continue to do so in the future. The TeamWorks Special Revenue Fund has been used to liquidate its compensated absences for its employees in the past and is expected to continue to do so in the future.

5. RETIREMENT PLAN

Plan Description. Substantially all of the full-time employees of the Commission 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, 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. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, New Mexico 87504-2123. The report is also available on PERA’s website at www.pera.state.nm.us.

Funding Policy. Plan members are required to contribute 7.42% (ranges from 3.83% to 16.65% depending upon the plan) of their gross salary. The Commission is required to contribute 16.59% (ranges from 7.0% to 25.72% depending upon the plan) of the gross covered salary. The contribution requirements of plan members and the Commission are established under Chapter 10, Article 11 NMSA 1978. The requirements may be amended by acts of the Legislature. The Commission’s contribution to PERA for the years ended June 30, 2010, 2009 and 2008 was \$88,768, \$107,775 and \$95,283, respectively, which was equal to the amount of the required contribution for each year.

6. POST-EMPLOYMENT BENEFITS

Plan Description. The Commission contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit post-employment 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 post-employment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

Funding Policy. The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at www.nmrhca.state.nm.us.

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. The statute requires each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee is required to contribute .65% of their salary. In the fiscal years ending June 30, 2011 through June 30, 2013, the contribution rates for employees and employers will rise as follows:

For employees who are not members of an enhanced retirement plan the contribution rates will be:

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employee Contribution Rate</u>
FY11	1.666%	.833%
FY12	1.834%	.917%
FY13	2.000%	1.000%

Also, employers joining the program after 1/1/98 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 Commission's contributions to the RHCA for the years ended June 30, 2010, 2009 and 2008 were \$7,047, \$7,236 and \$6,280 respectively, which equal the required contributions for each year.

7. INSURANCE COVERAGE

The Commission 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 the Commission are covered by blanket fidelity bond and money securities coverage by the State of New Mexico for the period July 1, 2009, through June 30, 2010.

8. COMMITMENTS - OPERATING LEASES

The Commission leased its office space and equipment under operating leases with non-cancelable terms. Total rental expenditures for the year ending June 30, 2010 for all operating leases were \$254,624.

Future rental expenditures under these leases are as follows:

Year Ending June 30	Payments
2011	\$ 50,864
2012	51,334
2013	48,828
2014	40,363
2015-2016	61,443
Total	<u>\$ 252,832</u>

9. OPERATING TRANSFERS FROM OTHER STATE AGENCIES

The following are the transfers in and out from other state agencies during the year ended June 30, 2010. The Commission's Fund involved in these transfers was the General Fund, SHARE fund 60100-04300.

	SHARE Fund	FUND TITLE	TRANSFER	
			In	Out
(1)	34100	Department of Finance & Administration	\$ 792,200	\$ -0-
(2)	34100	Department of Finance & Administration	-0-	12,028
		Total	<u>\$ 792,200</u>	<u>\$ 12,028</u>

- (1) State General Fund Appropriation
- (2) Reversion to State General Fund for the fiscal year ended June 30, 2009.

10. DUE FROM OTHER STATE AGENCIES

	SHARE Fund	Title	TeamWorks Special Revenue Fund	Total
(1)	63000	Human Services Department	<u>\$ 295,746</u>	<u>\$ 295,746</u>

- (1) For reimbursement of TANF grant

SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO
COMMISSION ON THE STATUS OF WOMEN

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Grantor Number</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
Department of Health and Human Services: Passed through the State of New Mexico Human Services Department: TANF CLUSTER			
TANF block grant pursuant to the New Mexico Domestic Assistance Program	GSA-06- 630-9000- 0004	93.558	\$ 1,369,819
ARRA – Emergency Contingency Fund for Temporary Assistance for Needy Families (TANF) State Programs		93.714	-0-
ARRA – Temporary Assistance for Needy Families (TANF) Supplemental Grants		93.716	<u>-0-</u>
Total Expenditures of Federal Awards			<u>\$ 1,369,819</u>

Notes to Schedule of Expenditures of Federal Awards

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the State of New Mexico Commission on the Status of Women (Commission) and is presented on the accrual basis of accounting which is the same basis as was used to prepare the financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

2. Non-Cash Assistance

The Commission did not receive any federal awards in the form of non-cash assistance during the year.

3. Subrecipients

The Commission did not provide any federal awards to subrecipients during the year.

OTHER REPORTS

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Members of the Commission on the Status of Women
State of New Mexico
Commission on the Status of Women
Albuquerque, New Mexico

and

Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

I have audited the financial statements of the governmental activities, each major fund and the respective budgetary comparisons of the General Fund and the Conference Fund, the Girls Program, and the TeamWorks Special Revenue Funds of the State of New Mexico, Commission on the Status of Women (Commission) as of and for the year ended June 30, 2010 which collectively comprise the Commission's basic financial statements, and have issued my report thereon dated November 19, 2010. I conducted my 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

In planning and performing my audit, I considered the Commission's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Commission's internal control over financial reporting.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

My 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. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use of the Governing Board of the Commission, the management of the Commission, the State of New Mexico Department of Finance and Administration, the State of New Mexico Office of the State Auditor, and the State of New Mexico Legislative Finance Committee and is not intended to be and should not be used by anyone other than these specified parties.

Chester W. Matlockes, CPA

November 19, 2010

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M Chester W. Mattocks
Certified Public Accountant

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Members of the Commission on the Status of Women
State of New Mexico
Commission on the Status of Women
Albuquerque, New Mexico
and
Mr. Hector H. Balderas
State Auditor
Santa Fe, New Mexico

Compliance

I have audited the compliance of the State of New Mexico, Commission on the Status of Women (Commission) with the types of compliance requirements described in the *(OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2010. The Commission's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Commission's management. My responsibility is to express an opinion on the Commission's compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Commission's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the Commission's compliance with those requirements.

In my opinion, the Commission complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2010.

Internal Control Over Compliance

Management of the Commission is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered the Commission's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the

effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Commission's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

My consideration of internal control over compliance 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 compliance that might be deficiencies, significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses as defined above.

This report is intended solely for the information and use of the Governing Board of the Commission, the management of the Commission, the State of New Mexico Department of Finance and Administration, the State of New Mexico Legislative Finance Committee, the State of New Mexico Office of the State Auditor, and applicable federal grantors, and is not intended to be and should not be used by anyone other than these specified parties.

Chester W. Mattocks, CPA

November 19, 2010

STATE OF NEW MEXICO
COMMISSION ON THE STATUS OF WOMEN

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unqualified.

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X no
- Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiencies identified that are not considered to be material weakness(es)? _____ yes X none reported

Type of auditor's report issued on compliance for major programs: Unqualified.

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? _____ yes X no

Identification of major programs:

CFDA Number(s) Name of Federal program or Cluster

TANF CLUSTER

93.558	Temporary Assistance for Needy Families (TANF)
93.714	ARRA- Emergency Contingency Fund for Temporary Assistance for Needy Families (TANF) State Programs
93.716	ARRA- Temporary Assistance for Needy Families (TANF) Supplemental Grants

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee: X yes _____ no

**STATE OF NEW MEXICO
COMMISSION ON THE STATUS OF WOMEN**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS- CONTINUED
FOR THE YEAR ENDED JUNE 30, 2010**

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

STATE OF NEW MEXICO
COMMISSION ON THE STATUS OF WOMEN

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010

No audit findings were reported in the prior year.

STATE OF NEW MEXICO
COMMISSION ON THE STATUS OF WOMEN

EXIT CONFERENCE
FOR THE YEAR ENDED JUNE 30, 2010

An exit conference was held on November 29, 2010. Attending were the following:

State of New Mexico, Commission on the Status of Women

Mary Molina Mescall, Executive Director
LaNelle Witt, Chair of Commission
Michelle Gallegos, Chief Financial Officer
Cynthia Jacobsen-Wolfe, TeamWorks Director

Independent Auditor

David Baca, Audit Senior

Note: The financial statements presented in this report were substantially prepared by the independent auditor, Chester W. Mattocks, CPA.