STATE OF NEW MEXICO
COMMISSION ON THE STATUS OF WOMEN
Albuquerque, New Mexico

FINANCIAL STATEMENTS
June 30, 2011

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STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
OFFICIAL ROSTER
June 30, 2011

COMMISSION MEMBERS

Agnes Maldonado, Chair (Albuquerque)

Dolores (Lori) Kitts (Flora Visa) -District 1
Adolfo Alarid (Santa Fe) – District 2
Gerald Gallegos (Ojo Caliente) – District 2
Jennifer James (Albuquerque) – District 3
Erin Van Soelen (Clovis) – District 4
Janet Carrejo (Reserve) – District 5
Judy Ledford (Carlsbad) – District 6
Cynthia Ann West (Ruidoso) – District 6
Virginia Robertson (Las Cruces) – District 7
Diamantina Storment (Las Cruces) – District 7

ADMINISTRATION

Mary Molina Mescall, Executive Director
Michelle Gallegos, Chief Financial Officer

Clifton Gunderson LLP
Certified Public Accountants & Consultants

Independent Auditor's Report

To the Members of
State of New Mexico
Commission on the Status of Women
Mr. Hector H. Balderas
New Mexico State Auditor

We have audited the accompanying financial statements of the governmental activities, each major fund, and the budgetary comparisons for the general fund and the major special revenue funds of the State of New Mexico Commission on the Status of Women (the Commission) as of and for the year ended June 30, 2011, 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. 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 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. We believe that our audit provides a reasonable basis for our opinions.

In our 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 as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof, 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.

As discussed in Note 2 to the financial statements, the Commission was not funded for fiscal year 2012 and operations have ceased. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2011, on our consideration of the Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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,

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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.

The management's discussion and analysis on pages 4 through 9 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted 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 our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Clifton Gunderson LLP

Albuquerque, New Mexico
October 31, 2011

The State of New Mexico Commission on the Status of Women (the Commission) Management's Discussion and Analysis (MD&A) is designed to assist the reader in focusing on significant financial issues, provide an overview of the Commission's financial activity, identify changes in the Commission's financial position (ability to address future year challenges), identify any material deviations from the financial plan and identify any fund issues of concern.

The MD&A is designed to focus on the past year's activities, resulting changes and currently known facts. Please read it in conjunction with the Commission's financial statements and notes which follow this section.

Overview of the Financial Statements

This annual report consists of three parts: 1) management's discussion and analysis, 2) the basic financial statements, and 3) single audit.

The basic financial statements include two kinds of statements that provide different views of the Commission. The first two statements are government-wide financial statements that provide both long-term and short-term information about the Commission's overall financial status. The remaining statements are fund financial statements that focus on individual parts of the Commission's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

The MD&A should provide an objective and easily readable analysis of the government's financial activities, based on currently known facts, decisions or conditions. It should provide an analysis of the government's overall financial position and results of operations to assist users in assessing whether the financial position has improved as a result of the year's activities. Additionally, it should provide an analysis of significant changes that occur in funds and significant budget variances.

Government-wide Financial Statements. The Statement of Net Assets shows the Commission's overall financial position as of June 30, 2011. This financial statement is comparable to the balance sheet in a private sector entity's set of financial statements. A Statement of Net Assets differs from a balance sheet in several ways, but there is one main difference. The Commission is a government agency and a trustee of public assets rather than a company with shareholders or owners. In a private sector balance sheet, the surplus (or deficit) of assets compared to liabilities is the owners' equity. In governmental financial statements, this excess is labeled net assets.

The next government-wide statement is the Statement of Activities. This statement provides information about revenue and expenditure activity throughout the course of fiscal year 2011. The statement provides the net asset balance at the beginning of the year and the balance at the end of the year. The difference between revenue and expenditure amounts provides for the change in net assets.

The remaining financial statements report the Commission's operations in greater detail than the government-wide statements.

Fund Financial Statements. The fund financial statements provide more detailed information about the Commission's most significant funds. Funds are accounting devices that are used to keep track of specific sources of funding and spending for particular purposes.

The Commission has one fund type:

Governmental Funds **-** All of the Commission's services are included in governmental funds, which focus on (a) how cash and other financial assets that can be readily converted to cash, flow in and out, and (b) the balances left at year-end that are available for spending. The governmental fund statements provide a detailed short-term view that help the user determine whether there are more or fewer financial resources that can be spent in the near future to finance the Commission's programs. Since this information does not include the additional long-term focus of the government-wide statements, reconciliation between the government-wide statements and the fund financial statements is provided for governmental-type activities.

Financial Analysis of the Commission as a Whole

Net Assets: Total Commission net assets for fiscal year ended June 30, 2011 are $69,556. However, all of those assets are restricted as to the purposes they can be used for.

Table A-1
The Commission's Net Assets

	FY 2011	FY2010	Amount Change	Total % Change
Assets:				
Current and other assets	$ 372,298	$ 549,208	$ (176,910	-33%
Capital assets	-	6,100	(6,100)	-100%
Total assets	$ 372,298	$ 555,308	$ (183,010)	-33%
Liabilities:				
Current liabilities	$ 302,742	$ 515,878	$ (213,136)	-42%
Total liabilities	302,742	515,878	(213,136)	-42%
Net assets:				
Invested in capital assets	-	6,100	(6,100)	-100%
Restricted	69,556	63,112	6,444	11%
Unrestricted	-	(29,782)	29,782	100%
Total net assets	69,556	39,430	30,126	77%
Total liabilities and net assets	$ 372,298	$ 555,308	$ (183,010)	-33%

The Commission total assets are comprised of $372,298 in current and other assets. The overall decrease in total assets from the previous fiscal year is $183,010. Liabilities are also broken out into two segments: current liabilities and non-current liabilities. The total amount of current liabilities is $302,742, a decrease of 42% from the prior year balance of $515,878. This decrease is attributable to a decrease in accounts payable, investment account overdraft and compensated absences at the fiscal year end.

Governmental Activities: The table below summarizes the Commission's activities for the fiscal years ended June 30, 2011 and 2010. Total change in net assets from the previous fiscal year was an increase of $30,126. Program revenues, which are mostly made up of federal grant money, decreased 47% from FY2010. Related federal expenditures which are reported in public service expenses decreased 48%, in line with the decrease in federal revenues.

Table A-2
The Commission's Activities

	FY 2011	FY2010	Amount Change	Total % Change
Revenues:				
Program revenues	$ 751,374	$ 1,412,585	$ (661,211)	-47%
General	542,891	699,753	(156,862)	-23%
Total revenues	1,294,265	2,112,338	(818,073)	-39%
Expenses:				
General government	524,542	696,087	(171,545)	-25%
Public service	739,597	1,411,785	(672,188)	-48%
Total expenses	1,264,139	2,107,872	(843,733)	-40%
Change in net assets	30,126	4,466	25,660	575%
Net assets, beginning	39,430	34,964	4,466	13%
Net assets, ending	$ 69,556	$ 39,430	$ 30,126	77%

The Commission manages fund accounts that receive funding from sources created in the laws of the State of New Mexico, federal grants and other miscellaneous sources.

Information on Individual Funds

The Commission is responsible for the management of four individual fund accounts. In addition to the general fund, there are three special revenue funds that have specific mandated uses. The first table below lists the beginning and ending cash balances for each fund managed by the Commission.

Fund Name	Balance, June 30, 2011	Balance, June 30, 2010	Total % Change
General Fund	$ 195,705	$ 185,352	6%
Conference Fund	$ 65,458	$ 59,129	11%
Girls Program Fund	$ 6,955	$ 7,315	-5%
Teamworks Fund	$ (77,563)	$ (189,319)	59%

The tables below list the total revenue, net other financing sources, and expenditures for each fund managed by the Commission.

	Revenue and Net Other Financing Sources		
Fund Name	Fiscal Year Ended June 30, 2011	Fiscal Year Ended June 30, 2010	Total % Change
General Fund	$ 552,789	$ 699,753	-21%
Conference Fund	38,947	41,111	-6%
Girls Program Fund	425	1,655	-75%
Teamworks Fund	702,104	1,369,819	-49%
Total revenues and net other financing sources	$ 1,294,265	$ 2,112,338	-39%

	Expenditures		
Fund Name	Fiscal Year Ended June 30, 2011	Fiscal Year Ended June 30, 2010	Total % Change
General Fund	$ 552,889	$ 699,753	-21%
Conference Fund	30,608	28,316	8%
Girls Program Fund	785	1,625	-52%
Teamworks Fund	702,104	1,369,819	-49%
Total expenditures	$ 1,286,386	$ 2,099,513	-39%

Budgets, Revenue and Expenditures

General Fund: For FY 2011, State General Fund appropriations of $712,500 equaled budgeted appropriations. Total expenditures were $169,509 under budget due to proper budgeting throughout the year.

Capital Asset and Long-term Debt Activity

Capital Assets: The Commission did not hold any capital assets at June 30, 2011. All capital assets, which were fully depreciated, were transferred to the New Mexico Human Services Department.

Long-term Debt: The Commission does not hold any long-term debt and also had no long-term liabilities.

Anticipated Future Conditions and Changes

Funding for the Commission for the 2012 fiscal year was vetoed during the 2011 State of New Mexico Legislative session. Operations for the Commission ceased on July 1, 2011. Without General Fund appropriation for the 2012 fiscal year, the Commission entered into a memorandum of understanding (MOU) with the New Mexico Human Services Department (HSD) to assist and support the Commission to close the fiscal year ended June 30, 2011. Pursuant to NMSA 9-8-8, the Commission is administratively attached to HSD. HSD will assist and support the Commission in meeting statutory responsibilities and duties.

Contacting the Commission's Financial Management

The Commission's financial statements are designed to provide our constituents and stakeholders with a general overview of the Commission's finances and to show accountability for the money it receives. If you have questions about this report or need additional information, contact Commission on Status of Women CFO Donna Sandoval, Administrative Services Division, New Mexico Human Services Department, P.O. Box 2348, Santa Fe, New Mexico 87504-2348.

STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
STATEMENT OF NET ASSETS
June 30, 2011

ASSETS

		Governmental Activities
Current:		
State General Fund Investment Pool	$	268,118
Due from other state agencies		104,180
Total current assets		372,298
Capital assets		-
Less accumulated depreciation		-
Total capital assets, net		-
TOTAL ASSETS	$	372,298

LIABILITIES

		Governmental Activities
Current:		
Investment account overdraft	$	77,563
Accounts payable		23,748
Accrued payroll and benefits		30,287
Due to State of New Mexico General Fund		169,609
Compensated absences payable:		
Expected to be paid within one year		1,535
Total current liabilities		302,742
Total liabilities		302,742

NET ASSETS

Invested in capital assets		-
Restricted for Special Revenue Funds projects		69,556
Unrestricted		-
Total net assets		69,556
TOTAL LIABILITIES AND NET ASSETS	$	372,298

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

STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
STATEMENT OF ACTIVITIES
Year Ended June 30, 2011

Functions/Programs	Expenses	Program Revenues: Operating Grants and Contributions	Net (Expenses), Revenue and Changes in Net Assets
Governmental Activities:			
General government	$ (524,542)	$ 9,898	$ (514,644)
Public service	(739,597)	741,476	1,879
Total governmental activities	$ (1,264,139)	$ 751,374	(512,765)
Transfers:			
State General Fund appropriation , net of current year reversion of ($169,609)			542,891
Total transfers			542,891
CHANGE IN NET ASSETS			30,126
NET ASSETS, BEGINNING OF YEAR			39,430
NET ASSETS, END OF YEAR			$ 69,556

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

STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2011

	General Fund	Conference	Girls Program	TeamWorks	Total Governmental Funds
ASSETS					
State General Fund					
Investment Pool	$ 195,705	$ 65,458	$ 6,955	$ -	$ 268,118
Due from other funds	-	-	-	1,559	1,559
Due from other state agencies	-	-	-	104,180	104,180
TOTAL ASSETS	$ 195,705	$ 65,458	$ 6,955	$ 105,739	$ 373,857
LIABILITIES					
Investment overdraft	$ -	$ -	$ -	$ 77,563	$ 77,563
Accounts payable	7,941	1,322	-	14,485	23,748
Accrued payroll and benefits	16,596	-	-	13,691	30,287
Due to other funds	1,559	-	-	-	1,559
Due to State of New Mexico	-	-	-	-	-
General Fund reversion FY11	169,609	-	-	-	169,609
Total liabilities	195,705	1,322	-	105,739	302,766
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	-	64,136	6,955	-	71,091
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	-	64,136	6,955	-	71,091
TOTAL LIABILITIES AND FUND BALANCES	$ 195,705	$ 65,458	$ 6,955	$ 105,739	$ 373,857

The accompanying notes are an integral part of the 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
June 30, 2011

TOTAL FUND BALANCE - GOVERNMENTAL FUNDS (GOVERNMENTAL FUNDS BALANCE SHEET)	$ 71,091
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Compensated absences payable are not due and payable in the current period and, therefore, are not reported in the funds.	(1,535)
NET ASSETS OF GOVERNMENTAL ACTIVITIES (STATEMENT OF NET ASSETS)	$ 69,556

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

STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended June 30, 2011

	General Fund	Conference	Girls Program	TeamWorks	Total Governmental Funds
REVENUES					
Federal grants	$ -	$ -	$ -	$ 701,757	$ 701,757
Miscellaneous	9,898	38,947	425	347	49,617
Total revenues	9,898	38,947	425	702,104	751,374
EXPENDITURES					
Personal services/employee benefits	407,533	-	-	181,327	588,860
Contractual services	36,628	5,646	535	391,865	434,674
Other costs	108,728	24,962	250	128,912	262,852
Total expenditures	552,889	30,608	785	702,104	1,286,386
Excess (deficiency) of revenues over (under) expenditures	(542,991)	8,339	(360)	-	(535,012)
OTHER FINANCING SOURCES (USES)					
State general fund appropriation	712,500	-	-	-	712,500
Reversion to State General Fund FY11	(169,609)	-	-	-	(169,609)
Total other financing sources	542,891	-	-	-	542,891
NET CHANGE IN FUND BALANCES	(100)	8,339	(360)	-	7,879
FUND BALANCES, BEGINNING OF YEAR	100	55,797	7,315	-	63,212
FUND BALANCES, END OF YEAR	$ -	$ 64,136	$ 6,955	$ -	$ 71,091

The accompanying notes are an integral part of the 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
Year Ended June 30, 2011

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS (STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES)	$	7,879
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.		
Depreciation expense		(6,100)
Capital outlay		-
Excess of capital outlay over depreciation expense		(6,100)
Internal transfers of capital assets from government fund to enterprise fund.		
Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Change in compensated absences		28,347
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES (STATEMENT OF ACTIVITIES)	$	30,126

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

STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
STATEMENT OF REVENUES AND EXPENDITURES - GENERAL FUND -
BUDGET AND ACTUAL
Year Ended June 30, 2011

	GENERAL FUND			
	Budgeted Amounts		Actual Amounts (Budgetary GAAP Basis)	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	$ -	$ -	$ 9,898	$ 9,898
Total revenues	-	-	9,898	9,898
EXPENDITURES				
Personal services/employee benefits	523,900	506,900	407,533	99,367
Contractual services	41,300	40,000	36,628	3,372
Other	171,200	165,600	108,728	56,872
Total expenditures	736,400	712,500	552,889	159,611
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(736,400)	(712,500)	(542,991)	169,509
OTHER FINANCING SOURCES (USES)				
State General Fund appropriations	736,400	712,500	712,500	-
Reversions (Non-budgeted item)	-	-	(169,609)	(169,609)
Total other financing sources and uses	736,400	712,500	542,891	(169,609)
NET CHANGE IN FUND BALANCE	$ -	$ -	$ (100)	$ (100)

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

STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
STATEMENT OF REVENUES AND EXPENDITURES - SPECIAL REVENUE FUNDS
BUDGET AND ACTUAL
Year Ended June 30, 2011

	CONFERENCE			
	Budgeted Amounts		Actual Amounts (Budgetary GAAP Basis)	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	$ 40,000	$ 40,000	$ 38,947	$ (1,053)
Total revenues	40,000	40,000	38,947	(1,053)
EXPENDITURES				
Personal services/employee benefits	-	-	-	-
Contractual services	-	15,000	5,646	9,354
Other	40,000	25,000	24,962	38
Total expenditures	40,000	40,000	30,608	9,392
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	8,339	8,339
OTHER FINANCING SOURCES (USES)				
State General Fund appropriations	-	-	-	-
Reversions to State General Fund	-	-	-	-
Total other financing sources and uses	-	-	-	-
NET CHANGE IN FUND BALANCE	$ -	$ -	$ 8,339	$ 8,339

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

STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
STATEMENT OF REVENUES AND EXPENDITURES - SPECIAL REVENUE FUNDS
BUDGET AND ACTUAL (CONTINUED)
Year Ended June 30, 2011

	GIRLS PROGRAM			
	Budgeted Amounts		Actual Amounts (Budgetary GAAP Basis)	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	$ 20,000	$ 20,000	$ 425	$ (19,575)
Total revenues	20,000	20,000	425	(19,575)
EXPENDITURES				
Personal services/employee benefits	-	-	-	-
Contractual services	-	5,000	535	4,465
Other	20,000	5,000	250	4,750
Total expenditures	20,000	10,000	785	9,215
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	10,000	(360)	(10,360)
OTHER FINANCING SOURCES (USES)				
State General Fund appropriations	-	-	-	-
Reversions to State General Fund	-	-	-	-
Total other financing sources and uses	-	-	-	-
NET CHANGE IN FUND BALANCE	$ -	$ 10,000	$ (360)	$ (10,360)

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

STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
STATEMENT OF REVENUES AND EXPENDITURES - SPECIAL REVENUE FUNDS
BUDGET AND ACTUAL (CONTINUED)
Year Ended June 30, 2011

	TEAMWORKS			
	Budgeted Amounts		Actual Amounts (Budgetary GAAP Basis)	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Federal grants	$ 1,000,000	$ 850,000	$ 701,757	$ (148,243)
Miscellaneous	-	-	347	347
Total revenues	1,000,000	850,000	702,104	(147,896)
EXPENDITURES				
Personal services/employee benefits	221,200	221,200	181,327	39,873
Contractual services	631,700	483,700	391,865	91,835
Other	147,100	145,100	128,912	16,188
Total expenditures	1,000,000	850,000	702,104	147,896
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES)				
State General Fund appropriations	-	-	-	-
Reversions to State General Fund	-	-	-	-
Total other financing sources and uses	-	-	-	-
NET CHANGE IN FUND BALANCE	$ -	$ -	$ -	$ -

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

NATURE OF ORGANIZATION

The State of New Mexico Commission on the Status of Women (the 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 methods 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.
- Secure 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates in Preparing Financial Statements

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

Financial Reporting Entity

The financial statements for the 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. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

pronouncements. Although the Commission has the option to apply FASB pronouncements issued after that date to its business-type activities, the Commission has chosen not to do so and did not have any business-type activities during the year ended June 30, 2011. The more significant accounting policies established in GAAP and used by the Commission are described below.

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.

Basic Financial Statements – Government-wide Statements

The basic financial statements include both government-wide (based on the Commission 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 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, 2011.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.) The Commission does not currently employ indirect cost allocation systems.

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.

Basic Financial Statements – Fund Financial Statements

The emphasis in fund financial statements 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.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

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 (04300) - The General Fund is the general operating fund of the Commission and is used to account for all financial resources not accounted for and reported 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 and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects. There are three special revenues funds:

Conference (08700) - 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 the State General Fund. It is a non-reverting fund per Laws of 2007, Chapter 28, Section 4, Subsection F.

Girls Program (27400) - This funding is generated by voluntary donations, ticket sales, admission fees and corporate advertisers/sponsors and is 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 the State General Fund. It is a non-reverting fund per Laws of 2007, Chapter 28, Section 4, Subsection F.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

TeamWorks (38300) - 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.

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.

Budgetary Accounting

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

1. No later than September 1, 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, 2011. 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 identity 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Property, plant and equipment, including software, purchased or acquired with an original cost of $5,000 or more 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.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Furniture and fixtures	5 - 10 years
Data processing equipment	6 years
Machinery and equipment	5 - 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.

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:

Years of Service	Hours Earned per Pay Period
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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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:

Years of Service	Hours Earned per Pay Period
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

New Pronouncements

The GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54), effective for reporting periods after June 15, 2010. The statement establishes fund balance classifications, provides for a hierarchy of spending constraints for spendable resources and requires disclosure of non-spendable and spendable resources (see Governmental Fund Balances below).

Governmental Fund Balances

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

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

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

Committed – Amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Legislative and Executive branches of the State.

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

Unassigned – All amounts not included in other spendable classifications.

As of June 30, 2011, only the Conference (08700) and the Girls Program (27400) had a fund balance. Fund balance in these funds has been classified as Restricted for those specific and related programs.

Use of Restricted Resources

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the State's policy to use restricted resources first. When expenditures/expenses are incurred for purposes for which unrestricted (committed, assigned and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the State's policy to spend committed resources first.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues, Expenditures and Expenses

Substantially all governmental fund revenues are accrued. The due from other state agencies at June 30, 2011 consists of $104,180 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.

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, 2011.

Restricted Net Assets – This amount is restricted by external creditors, grantors, contributors, laws or regulations of other governments, enabling legislation or constitutional provisions. At fiscal year ended June 30, 2011, all net assets were restricted.

Unrestricted Net Assets – This amount is all net assets that do not meet the definition of “invested in capital assets, net of related debt” or “restricted net assets.”

NOTE 2 – APPROPRIATIONS VETOED

Funding for the Commission for the 2012 fiscal year was vetoed during the 2011 State of New Mexico Legislative session. Operations for the Commission ceased on July 1, 2011. Without General Fund appropriation for the 2012 fiscal year, the Commission entered into a memorandum of understanding (MOU) with the New Mexico Human Services Department (HSD) to assist and support the Commission to close the fiscal year ended June 30, 2011. Pursuant to NMSA 9-8-8, the Commission is administratively attached to HSD. HSD will assist and support the Commission in meeting statutory responsibilities and duties. As outlined in the MOU, all capital assets (as they were federally funded) were transferred to HSD. Additionally, any obligations or claims for the Commission but not known as of June 30, 2011 are the responsibility of HSD.

NOTE 3 – INVESTMENT ACCOUNTS, INVESTMENT POLICY AND CASH

State of New Mexico General Fund Investment Pool

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:

	SHARE Fund Number	Financial Statement Balances at June 30, 2011
General Fund	60100-0430	$ 195,705
Conference Fund	60100-0870	65,458
Girls Program	60100-3830	6,955
TeamWorks Fund	60100-3830	(77,563)
Total		$ 190,555

Interest Rate Risk

The Commission does not have an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

For additional GASB 40 disclosure information related to the above investment pool, the reader should refer to the separate audit report for the State Treasurer's Office. The New Mexico State Treasurer's Office is not rated.

Pledged Collateral (Custodial Credit Risk)

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. In accordance with Section 6-10-7 NMSA 1978, deposits of public monies are to be collateralized in an aggregate equal to 50% of deposits in excess of Federal Deposit Insurance Corporation (FDIC) insurance coverage. Deposits are exposed to custodial risks if they are not covered by depository insurance.

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

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

NOTE 4 – CAPITAL ASSETS

The capital assets activity for the year ended June 30, 2011 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets:				
Furniture and fixtures	$ 15,326	$ -	$ (15,326)	$ -
Data processing equipment	240,131	-	(240,131)	-
Machinery and equipment	25,376	-	(25,376)	-
Total capital assets	280,833	-	(280,833)	-
Accumulated depreciation:				
Furniture and fixtures	(15,326)	-	15,326	-
Data processing equipment	(235,027)	(6,100)	241,127	-
Machinery and equipment	(24,380)	-	24,380	-
Total accumulated depreciation	(274,733)	(6,100)	280,833	-
Net capital assets	$ 6,100	$ (6,100)	$ -	$ -

Depreciation expense for the year ended June 30, 2011 was $6,100. All of the depreciation expense of $6,100 was allocated to Public Service. During the year, all capital assets were transferred to HSD. The assets were fully depreciated at the time of transfer. See Note 2 for further explanation of the capital asset transfer to HSD.

NOTE 5 – COMPENSATED ABSENCES PAYABLE

A summary of changes in the compensated absences payable for the year ended June 30, 2011 is as follows:

	Balance June 30, 2010	Increase	(Decrease)	Balance June 30, 2011	Amounts Due Within One Year
Compensated absences	$ 29,882	21,375	(49,722)	$ 1,535	$ 1,535

$1,535 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.

NOTE 6 – PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

Plan Description

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

Funding Policy

Plan members are required to contribute 7.42% of their gross salary. The Commission is required to contribute 16.59% of the gross covered salary. The contribution requirements of plan members and the Commission are established in State statute under Chapter 10, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The Commission's contributions to PERA for the fiscal years ending June 30, 2011, 2010 and 2009 were $61,137, $88,768 and $107,775, respectively, which equal the amount of the required contribution for each fiscal year.

NOTE 7 – POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN

Plan Description

The Commission 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.

NOTE 7 – POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (CONTINUED)

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

Funding Policy

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

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, 2011, the statute required each participating employer to contribute 1.666% of each participating employee's annual salary; each participating employee was required to contribute .8333% of their salary. In the fiscal years ending June 30, 2012 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:

Fiscal Year	Employer Contribution Rate	Employee Contribution Rate
FY12	1.834%	.917%
FY13	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 Commission's contributions to the RHCA for the years ended June 30, 2011, 2010 and 2009 were $6,466, $7,047 and $7,236, respectively, which equal the required contributions for each year.

NOTE 8 – 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, 2010 through June 30, 2011.

NOTE 9 – RISK MANAGEMENT

The Commission is exposed to various risks of loss for which the Commission carries insurance with the State of New Mexico Risk Management Division.

NOTE 10 – OPERATING TRANSFERS IN AND OUT FROM OTHER STATE AGENCIES

The following are the transfers in and out from other state agencies during the year ended June 30, 2011. The Commission's fund involved in these transfers was the General Fund, SHARE Fund 60100-04300.

	SHARE Fund	Fund Title	Transfer In	Transfer Out
(1)	34100	Dept. of Finance & Administration	$ 712,500	
(2)	34100	Dept. of Finance & Administration		$ 169,609
Total				

(1) State General Fund Appropriation
(2) Reversion to State General Fund for the fiscal year ended June 30, 2011

NOTE 11 – DUE FROM OTHER STATE AGENCIES

The following is due from other state agencies as of June 30, 2011

	SHARE Fund	Title	38300 TeamWorks Special Revenue Fund	Total
(1)	63000	Human Services Department	$ 104,180	$ 104,180

(1) For reimbursement of TANF grant

NOTE 12 – DUE FROM/TO OTHER FUNDS

The Teamworks fund (38300) was owed $1,559 from the General Fund (04300) as of June 30, 2011. The purpose of the interfund balance is for the General Fund to pay administrative costs not permitted to be paid out of the Teamworks fund.

SUPPLEMENTAL INFORMATION

STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2011

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal Grantor Pass-Through Grantor Number	Federal Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through State of NM Human Services Dept.:			
Temporary Assistance for Needy Families (TANF) CLUSTER			
Domestic Assistance Program	93.558	GSA-06-630-9000-0004	$ 701,757
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 701,757

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Commission and is presented on the modified accrual basis of accounting. 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 basic financial statements.

NOTE 2 – NON-CASH ASSISTANCE

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

NOTE 3 – SUBRECIPIENTS

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

Clifton Gunderson LLP
Certified Public Accountants & Consultants

Independent Auditor's 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*

To the Members of
State of New Mexico
Commission on the Status of Women
Mr. Hector H. Balderas
New Mexico State Auditor

We have audited the financial statements of the governmental activities, each major fund, and the respective budgetary comparisons for the general fund and other special revenue funds of the State of New Mexico Commission on the Status of Women (the Commission) as of and for the year ended June 30, 2011 and have issued our report thereon dated October 31, 2011. 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

In planning and performing our audit, we considered the Commission's internal control over financial reporting as a basis for designing our audit 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 Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all deficiencies, significant deficiencies or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a deficiency in internal control over financial reporting that we consider to be a material weakness.

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 Commission's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2011-01 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission'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 matters that are required to be reported under *Government Auditing Standards*.

We also noted certain other matters that are required to be reported pursuant to *Government Auditing Standards* paragraphs 5.14 and 5.16, and pursuant to Section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and questioned costs as finding 2011-02.

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

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

Clifton Gunderson LLP

Albuquerque, New Mexico
October 31, 2011

Independent Auditor's Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133

To the Members of
State of New Mexico
Commission on the Status of Women
Mr. Hector H. Balderas
New Mexico State Auditor

Compliance

We have audited the State of New Mexico Commission on the Status of Women (the Commission) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of the Commission's major federal programs for the year ended June 30, 2011. The Organization's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Commission's management. Our responsibility is to express an opinion on the Commission's compliance based on our audit.

We conducted our 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 Not-For-Profit Organizations*. Those standards and OMB Circular A-133 require that we 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 we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Commission's compliance with those requirements.

In our opinion, the Commission complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements which is required to be reported in accordance with OMB Circular A-133, and which is described in the accompanying schedule of findings and questioned costs as item 2011-03.

Internal Control over Compliance

The 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 our audit, we considered the Commission's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over 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, we do not express an opinion on the effectiveness of the Commission's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2011-01 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit the attention of those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2011-03 to be significant deficiency.

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

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

Clifton Gunderson LLP

Albuquerque, New Mexico
October 31, 2011

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 ☐ no
- Significant deficiency (ies) identified that are not considered to be material weaknesses? ☐ yes ☒ none reported

Noncompliance material to financial statements noted? ☐ yes ☒ no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☒ yes ☐ no
- Significant deficiency (ies) identified that are not considered to be material weaknesses? ☒ yes ☐ none reported

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

Any audit findings, disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? ☒ yes ☐ no

Identification of major program:

<u>TANF Cluster</u>

CFDA Number(s)	Name of Federal Program or Cluster
93.558	Temporary Assistance for Needy Families (TANF)

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

Auditee qualified as low-risk auditee? ☒ yes ☐ no

Section II – Financial Statement Findings

Finding 2011-01 Control Environment (Material Weakness)

Condition: Funding for the Commission on the Status of Women (CSW) was vetoed during the 2011 Legislative Session and, without a General Appropriation for SFY 2012, the CSW is unable to close fiscal year 2011 without the assistance of the Human Services Department (HSD). Pursuant to NMSA 9-8-8, the Commission is administratively attached to HSD. HSD has entered into a Memorandum of Understanding (MOU) with the Commission and will complete the closing of SFY 2011. Per discussions with management of HSD, they are not aware of, nor able to comment on, the internal control of the Commission during SFY 2011, since the Commission was a separate agency during this time.

Criteria: Per State Audit Rule Section 2.2.2.10(Q), all audits are required to perform a consideration of internal control and risk assessment in a financial statement audit.

Additionally, under the guidance of OMB Circular A-133, Subpart B, an agency that expends Federal funds must also demonstrate internal controls pertaining to the compliance requirements for Federal programs.

Cause: The unusual circumstances of the lack of funding for an operating budget for SFY 2012 caused the operations of the Commission to cease and personnel to seek alternative employment.

Effect: Our assessment does not state that the Commission did not have internal controls, but because of these unusual circumstances, we are unable to properly assess the internal control structure during the SFY 2011. Even though internal control testwork could not be properly assessed or tested, we performed substantive tests of details over financial statement balances and compliance.

Recommendation: We understand these unusual circumstances are an isolated incident and want to emphasize this does not reflect on the management or internal control structure for HSD. There is no recommendation to address this matter.

Management's Response: HSD Management concurs.

2011-02 Untimely Reversion (Control Deficiency)

Condition: The Commission's general fund reversion of $169,609 was not paid to the State General Fund by the required date of September 30, 2011.

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

Cause: The unusual circumstances, lack of funding for an operating budget for SFY 2012, caused the operations of the Commission to cease. As operations had ceased during SFY 2012, the reversion amount was not calculated until the start of the financial audit, which occurred after September 30, 2011.

Effect: Non-compliance with Section 6-5-10, NMSA 1978.

Recommendation: Given the unusual circumstances, we agree with the reversion calculation being corrected with the audit. No formal recommendation.

Management's Response: HSD Management concurs.

Section III – Federal Award Findings and Questioned Costs

2011-01 Control Environment (Material Weakness)

U.S. Department of Health and Human Services
Grant: TANF
CFDA #: 93.558
Question Costs: $0

Condition: Funding for the Commission on the Status of Women (CSW) was vetoed during the 2011 Legislative Session and, without a General Appropriation for SFY 2012, the CSW is unable to close fiscal year 2011 without the assistance of the Human Services Department (HSD). Pursuant to NMSA 9-8-8, the Commission is administratively attached to HSD. HSD has entered into a Memorandum of Understanding (MOU) with the Commission and will complete the closing of SFY 2011. Per discussions with management of HSD, they are not aware of, nor able to comment on, the internal control of the Commission during SFY 2011, since the Commission was a separate agency during this time.

Criteria: Per State Audit Rule Section 2.2.2.10(Q), all audits are required to perform a consideration of internal control and risk assessment in a financial statement audit.

Additionally, under the guidance of OMB Circular A-133, Subpart B, an agency that expends Federal funds must also demonstrate internal controls pertaining to the compliance requirements for Federal programs.

Cause: The unusual circumstances of the lack of funding for an operating budget for SFY 2012 caused the operations of the Commission to cease and personnel to seek alternative employment.

Effect: Our assessment does not state that the Commission did not have internal controls, but because of these unusual circumstances, we are unable to properly assess the internal control structure during the SFY 2011. Even though internal control testwork could not be properly assessed or tested, we performed substantive tests of details over financial statement balances and compliance.

Recommendation: We understand these unusual circumstances are an isolated incident and want to emphasize this does not reflect on the management or internal control structure for HSD. There is no recommendation to address this matter.

Management's Response: HSD Management concurs.

2011-03 Unallowable Federal Costs (Significant Deficiency)

U.S. Department of Health and Human Services
Grant: TANF
CFDA #: 93.558
Question Costs: $0

Condition: During our single audit test work, the following unallowable costs were identified and charged against the TANF grant 93.558:

1) During allowed cost test work, it was noted that the Commission charged administrative expenses in excess of the allowable limit by $11,189.

2) It was noted the Commission was charging late fees on utility bills to the grants. It is estimated that $17 in late fees were inappropriately charged to the grant during the fiscal year.

Criteria: Per OMB Circular A-87, Cost *Principles for State, Local, and Indian Tribal Governments*, alcoholic beverages, fines and penalties are un-allowable costs.

Per the General Services Administration (GSA) 10-630-9000-0015 agreement with NM Human Services Department (HSD), administrative costs shall be limited to 10% of the total GSA dollar amount.

Cause: Management oversight surrounding the monitoring of the administrative expenses.

Effect: The Commission is not in compliance with GSA, HSD and Circular A-87. Although these costs were unallowable for this grant, they have been transferred to the general fund; thus there are no questioned costs pertaining to this single audit testwork.

Recommendation: Due to the circumstances related to operation of the Commission, there is no recommendation.

Management's Response: HSD Management concurs and will implement additional review and monitoring of monthly invoices received from sub-recipients to identify unallowable costs and require statewide accounting system, SHARE, reports as supporting documentation.

Section I—Financial Statement Findings

There were no findings for the year ended June 30, 2010.

Section II – Federal Award Findings and Questioned Costs

There were no findings for the year ended June 30, 2010.

STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN
EXIT CONFERENCE
June 30, 2011

An exit conference was held with the Commission on October 26, 2011. The conference was held at the Clifton Gunderson office in Albuquerque, New Mexico. In attendance were:

STATE OF NEW MEXICO COMMISSION ON THE STATUS OF WOMEN

Agnes Maldonado, Commission Chair
Donna Sandoval, Chief Financial Officer

CLIFTON GUNDERSON LLP

Raul Anaya, CPA, Assurance Manager
Matthew Bone, CPA, Assurance Manager

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