



OFFICE OF THE STATE AUDITOR

Hector H. Balderas

STATE OF NEW MEXICO

Aging & Long Term Care Department

FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 2009

(With Independent Auditor's Report Thereon)

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AGING AND LONG TERM SERVICES DEPARTMENT

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AGING AND LONG TERM SERVICES DEPARTMENT

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**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT**

Official Roster

June 30, 2009

Name	Title
Michael Spanier	Acting Cabinet Secretary
Buffie Saavedra	Acting Consumer & Elder Rights Division Director
Lynne Anker-Unnever	Aging Network Division Director
Robert Lujan	Administrative Services Division Director
Kathleen Hart	APS Division Director
Kimberly Austin-Oser	Long-Term Care Division Director
Anna Marie Ortiz	General Counsel
Ted Starnes	Financial Manager
Mark Gonzales	Accountant/Auditor
Fred Muniz	Financial Consultant
Louie Baca	Accountant/Auditor



State of New Mexico
OFFICE OF THE STATE AUDITOR

Hector H. Balderas
State Auditor

Carla C. Martinez
Deputy State Auditor

Independent Auditor's Report

State of New Mexico
Aging and Long Term Services Department
Santa Fe, New Mexico

We have audited the accompanying financial statements of the governmental activities, each major fund, including the budgetary comparisons for the general fund and major special revenue funds, and the aggregate remaining fund information of the State of New Mexico Aging and Long Term Services Department (Agency) as of and for the year ended June 30, 2009, which collectively comprise the Agency's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the Agency's general fund accounts and special revenue funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2009, as listed in the table of contents. These financial statements are the responsibility of the Agency's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, we express no such opinion. 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in note 1, the financial statements of the Agency are intended to present the financial position, and the changes in financial position, and budgetary comparisons, where applicable, of only that portion of the governmental activities, major funds, and remaining fund information of the State of New Mexico that is attributable to the transactions of the Agency. They do not purport to, and do not, present fairly the financial position of the State of New Mexico as of June 30, 2009, and the changes in the financial position and budgetary comparison, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major funds and the aggregate remaining fund information of the Agency as of June 30, 2009, and the respective changes in financial position and 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 addition, in our opinion, the financial statements referred to above present fairly, in all material respect, the respective financial position of each general fund account and special revenue funds of the Agency as of June 30, 2009, and the respective changes in the financial position thereof for the year ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2009, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 4 through 7 are not a required part of the basic financial statements but are 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 and the combining and 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, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The other supplemental information as listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards and other financial supplemental information have been subjected to the auditing procedures applied in the audit of the basic financial statements and combining and individual fund financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements and combining and individual fund financial statements taken as a whole.

Office of the State Auditor

Office of the State Auditor

December 14, 2009

**STATE OF NEW MEXICO
AGING AND LONG-TERM SERVICES DEPARTMENT**

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2009

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements consist of the following: government-wide financial statements, governmental fund statements, and a statement reconciling the above-mentioned statements.

Basic Financial Statements (Statement of Net Assets and Statement of Activities)

The basic government-wide financial statements report information about the State of New Mexico Aging and Long Term Service Department (ALTSD) using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government assets and liabilities. All the current year revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The government-wide financial statements report the ALTSD's net assets and how they have changed.

Fund Financial Statements (Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance)

The statements provide detailed information about the ALTSD's significant programs. We feel the presentation is more meaningful at the program level, since the ALTSD is appropriated funds by programs that span both general fund and major special revenue funds. Budgets are maintained and controlled at the program level not at the individual fund level.

The fund financial statements provide detailed information about the ALTSD's significant funds. Funds are accounting devices that the ALTSD uses to keep track of specific sources of funding and spending for particular purposes.

The Aging and Long Term Services Department operates with revenues from the State General Fund, federal grant awards, and other state revenues appropriated by the legislature. Expenditures are authorized by the General Appropriations Act, which is approved by the legislature each year. The General Appropriations Act provides that each agency submit an annual operating budget for approval to the Budget Division of the Department of Finance and Administration. The operating budget of the Agency may be adjusted, through a budget adjustment request (BAR) as provided by law. The State Budget Division of the Department of Finance and Administration may approve such adjustments, if the budget adjustment results in an increased expenditure of other state funds, internal service funds, or interagency funds above the amounts appropriated; or if it is an authorization to expend federal funds.

The ALTSD operates with State General Fund appropriations and federal grant awards. Expenditures are controlled by a budget, which is approved by the State Legislature each year. Multiyear Capital Projects are financed with State General Fund appropriations, General Obligation Bond proceeds and Severance Tax Bond proceeds.

**STATE OF NEW MEXICO
AGING AND LONG-TERM SERVICES DEPARTMENT**

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2009

Analysis of Financial Position (Statement of Net Assets)

	<u>FY2008</u>	<u>FY2009</u>	<u>Percent Change</u>
Current and Other Assets	\$ 27,762,493	\$ 22,201,402	-20.0%
Capital Assets	<u>265,047</u>	<u>161,224</u>	<u>-39.2%</u>
Total Assets	28,027,540	22,362,626	-20.2%
Current Liabilities	10,919,853	11,057,283	1.3%
Long Term Liabilities	<u>230,242</u>	<u>254,856</u>	<u>10.7%</u>
Total Liabilities	11,150,095	11,312,139	1.5%
Net Assets		-	
Invested In Capital Assets, net of Related Debt	265,047	161,224	-39.2%
Unrestricted	<u>16,612,398</u>	<u>10,889,263</u>	<u>-34.5%</u>
Total Net Assets	\$ 16,877,445	\$ 11,050,487	-34.5%

	<u>FY2008</u>	<u>FY2009</u>	<u>Percent Change</u>
Revenues			
Program Revenues:			
Operating Grants	\$ 16,930,886	\$ 16,658,541	-1.6%
General Revenues:			
Appropriations	50,785,131	48,656,713	-4.2%
Bond Proceeds Appropriations	6,238,180	5,259,879	-15.7%
Other	<u>87,713</u>	<u>95,816</u>	9.2%
Total Revenues	74,041,910	70,670,949	-4.6%
Expenses			
Social Services	<u>75,116,009</u>	<u>76,497,907</u>	1.8%
Change in Net Assets	(1,074,099)	(5,826,958)	442.5%
Net Assets - Beginning	17,951,544	16,877,445	-6.0%
Net Assets - Ending	<u>\$ 16,877,445</u>	<u>\$ 11,050,487</u>	-34.5%

**STATE OF NEW MEXICO
AGING AND LONG-TERM SERVICES DEPARTMENT**

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2009

Analysis of ALTSD's Overall Financial Position and Result of Operations

There are significant changes in the ALTSD's Financial Position (Statement of Net Assets) and Operations (Statements of Activities) from the prior year. Total assets decreased by approximately 20.2% from \$28,027,540 to \$22,362,626, total liabilities also increases by approximately 1.5%. The major reason for the significant changes in current assets, current liabilities, Social Service expenses and the major decrease in the Bond Proceeds appropriations is attributed to the liquidation of in capital project fund balances. Total net assets decreased by approximately 34.5% from \$16,877,445 to \$11,050,487. Recognition of compensated absences (\$846,650); accumulated depreciation (\$1,080,247) and depreciation expense (\$167,125) caused total net assets to decrease by approximately 12.4%. Net assets as reflected in the Statement of Activities reflect a decrease of \$5,826,958 compared to the previous year's level. It should be noted that the major reason for the decrease in total assets of \$5,826,958 is attributed to the liquidation of the capital project accruals in FY 2009. A significant portion or \$11,050,487 of the Net assets as shown in the Statement of Activities is designated for use in subsequent years.

Budgetary Highlights

The State Legislature makes annual appropriations to the ALTSD. Amendments to the budget are made through budget adjustment requests and require approval by the Budget Division of the Department of Finance and Administration (DFA). Over the course of the year, the ALTSD revised its budget several times. These budget amendments fall into two categories:

- Changes made in the first quarter to account for program changes from 2008 to 2009.
- Increases or reallocations of appropriations to prevent budget overruns.

Even with these adjustments, actual expenditures were \$3,727,208 below final budget amounts and the total represents less than 5.3% of the operating budget.

A positive variance of \$2,950,119 for General fund activities was the result of two factors. The first factor was due to the operational delays in implementing and obtaining authorization for the re-authorized TBI program. The second factor was attributed to operational saving due to vacant positions.

A positive variance of \$482,844 in the Community Involvement (Aging Network) – Special Revenue fund activity resulted from awards made to community programs that could not be liquidated by the deadlines.

A positive variance of \$294,245 in the Elder Rights and Health Advocacy – Special Revenue funds activity is due to federally funded programs whose budgets overlap the state budget cycle.

General Budgetary Highlights

The Aging and Long Term services Department continues to present budgetary comparison information on a program level structure that is reflective of the ALTSD's legally adopted budget.

A reclassification was made to the Capital Projects at June 30, 2006 as required by GASB 33, *Accounting and Reporting Non-Exchange transactions*. Previously, the ALTSD recognized the bond proceeds from the sale of the Severance Tax Bonds or General Obligation Bonds by the Board of Finance, when the other entities receiving the bond proceed requested draws or payments. GASB 33 requires that for intermediary entities that issue bonds, such as the ALTSD that capital project expenses and the related due to bond recipient be recognized in the amount of the bond when sold. The requirements have changed to comply with the following directive:

In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to Governmental Accounting Standards Board Statement No. 33 (GASB 33), *Accounting and Financial Reporting for Nonexchange Transactions*, the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenues when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met, under most circumstances, should be reported as advances by the provider and deferred revenue by the recipient.

**STATE OF NEW MEXICO
AGING AND LONG-TERM SERVICES DEPARTMENT**

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2009

Capital Assets

At the end of 2009, the Department had invested \$161,224 in furniture and fixtures, data processing equipment, other equipment and machinery, and automobiles. This amount represents a net decrease of \$103,823 or 39.2 percent less than the previous year.

Legislative Actions and Economic Factors Affecting Next Year's Budgets and Rates

During the 2003 Legislative Session the Legislature enacted House Bill 585, which was subsequently signed by the governor. This Legislation became law effective June 20, 2003. The purpose of the Aging and Long-Term Services Department Act was to create a single, unified department to administer all laws and exercise all functions formerly administered by the State Agency on Aging and to administer all laws and exercise functions of the Human Services Department, the Department of Health and the Children Youth and Families Department that relates to aging, adults with disabilities or long-term care services. During the course of the 46th legislature, Chapter 23, Laws of 2004 was enacted into law. This Act relating to executive reorganization and creating the Aging and Long-Term Services Department provided for a phased-in transition.

The senior citizen population 55 years old and over, continues to grow at an accelerated rate which corresponds with the operating budget request. The appropriation request is a direct correlation between the growth in the senior citizen clientele group and the need for financial resources needed to maintain community programs.

One of the statutory program objectives for the ALTSD is to promote and develop programs of community resources and facilities designed to meet the social and nutritional needs of older persons and especially those with disabilities. This objective is accomplished by working with legislators throughout the year not just during the legislative session. Additionally, this requires working with federal governmental entities to acquire additional federal funds.

CONTACTING THE DEPARTMENT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Agency's finances and to demonstrate the Department's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Department's Administrative Services Division at the address below:

Robert Lujan, ASD Director
NM Aging & Long-Term Care Department
2550 Cerrillos Road
Santa Fe, NM 87505

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Exhibit A

Statement of Net Assets
June 30, 2009

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Petty cash	\$ 800
Interest in State Treasurer Investment Pool (note 3)	17,882,096
Other cash on deposit	8,869
Advances to subrecipients	91,713
Due from state agencies (note 4)	3,306,136
Due from federal government	907,316
Other receivables	4,472
Total current assets	22,201,402
Noncurrent assets:	
Capital assets, net of depreciation (note 5)	161,224
Total assets	22,362,626
<u>LIABILITIES</u>	
Current Liabilities:	
Interest in State Treasurer Investment Pool	732,539
Vouchers payable	7,560,711
Accounts payable	285,596
Accrued payroll payable	817,683
State dated warrants due to SGF (note 9)	600
Deferred revenue	48,294
Due to State General Fund (note 9)	1,004,234
Due to other state agencies	13,956
Other Liabilities	1,876
Compensated absences payable (note 6)	591,794
Total current liabilities	11,057,283
Long-Term Liabilities:	
Compensated absences payable (note 6)	254,856
Total liabilities	11,312,139
<u>NET ASSETS</u>	
Investment in capital assets	161,224
Unrestricted	10,889,263
Total net assets	\$ 11,050,487

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

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT**

Exhibit B

**Statement of Activities
Year Ended June 30, 2009**

	Governmental Activities
Expenses:	
Social services	\$ 76,497,907
Program Revenue	
Operating grants	16,658,541
Net program expenses	(59,839,366)
General revenues	
Miscellaneous revenues	95,816
Total general revenues	95,816
Transfers	
State General Fund appropriation	49,694,200
Bond Proceeds Appropriations	5,259,879
Reversions FY 2009	(1,037,487)
Net transfers	53,916,592
Change in net assets	(5,826,958)
Net assets, beginning	16,877,445
Net assets, ending	\$ 11,050,487

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Balance Sheet - Governmental Funds
June 30, 2009

	Program Support (General Fund)	Long Term Services (General Fund)	Adult Protective Services (General Fund)	Elder Rights and Health Advocacy (Special Revenue Fund)	Aging Network (Special Revenue Fund)	Capital Projects (Special Revenue Fund)	Total Governmental Funds
Assets							
Petty cash	\$ 100	\$ -	\$ -	\$ -	\$ 700	\$ -	\$ 800
Interest in State General Fund Investment Pool with State Treasurer (note 3)	40,044	2,508,803	393,883	113,857	4,524,442	10,301,267	17,882,096
Cash on deposit (note 3)	-	-	-	8,869	-	-	8,869
Advances to subrecipients (note 4)	82,565	922,850	645,370	29,172	91,713	-	91,713
Due from state agencies (note 4)	153,678	17,806	-	124,868	610,964	1,534,060	3,306,136
Due from federal government (note 4)	-	1,717,239	-	-	-	-	907,316
Due from other Funds	-	-	136	2,195	-	-	1,717,239
Other receivables (note 4)	-	-	92	942	-	-	2,331
Prepaid Expenses	1,030	77	-	-	-	-	2,141
Total assets	\$ 277,417	\$ 5,166,575	\$ 1,039,481	\$ 279,903	\$ 5,319,938	\$ 11,835,327	\$ 23,918,641
Liabilities and Fund Balances							
Liabilities:							
Interest in State Treasurer Investment Pool (deficit)	\$ 88,195	\$ 373,912	\$ -	\$ 96,502	\$ 96,106	\$ 77,824	\$ 732,539
Vouchers Payable	19,866	388,232	453,490	51,689	4,540,794	2,106,640	7,560,711
Accounts payable	-	-	25,845	3,680	-	256,071	285,596
Accrued payroll payable	118,190	200,931	355,157	92,035	51,370	-	817,683
State dated warrants due to SGF (note 9)	-	-	-	300	300	-	600
Deferred revenue	-	7,500	-	-	9,296	31,498	48,294
Due to Federal Government	-	-	-	-	-	-	-
Due to State General Fund (note 9)	50,562	388,378	204,989	26,828	333,477	-	1,004,234
Due to other state agencies	504	11,826	-	-	1,826	-	13,956
Due to subrecipients (note 4)	-	-	-	-	-	5	5
Due to Other Funds	-	1,717,239	-	-	-	-	1,717,239
Other Liabilities	-	1,536	-	-	335	-	1,871
Total liabilities	277,317	3,089,354	1,039,481	271,034	5,033,504	2,472,038	12,182,728
Fund Balances:							
Reserved for petty cash	100	-	-	-	700	-	800
Unreserved reported in:							
General - designated (note 2-L)	-	2,077,221	-	-	-	-	2,077,221
Special Revenue - designated (note 2-L)	-	-	-	-	-	9,363,289	9,363,289
Special Revenue - undesignated	-	-	-	8,869	285,734	-	294,603
Total fund balances	100	2,077,221	-	8,869	286,434	9,363,289	11,735,913
Total liabilities and fund balances	\$ 277,417	\$ 5,166,575	\$ 1,039,481	\$ 279,903	\$ 5,319,938	\$ 11,835,327	\$ 23,918,641

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

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT**

Exhibit D

**Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Assets
June 30, 2009**

Total fund balance-Governmental Funds	\$ 11,735,913
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Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet.

These assets consist of:

Data processing equipment	\$ 824,948	
Furniture and Fixtures	74,221	
Equipment & Machinery	44,575	
Automobiles	297,728	
Accumulated depreciation	<u>(1,080,247)</u>	161,224

Some liabilities are not due and payable in the current period and, therefore, are not reported in the Governmental Funds balance sheet.

These liabilities consist of:

Compensated absences	<u>(846,650)</u>
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Net assets of governmental activities	<u><u>\$ 11,050,487</u></u>
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The accompanying notes are an integral part of the financial statements.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues, Expenditures
and Changes in Fund Balances - Governmental Funds
Year Ended June 30, 2009

	Program Support (General Fund)	Long Term Services (General Fund)	Adult Protective Services (General Fund)	Elder Rights and Health Advocacy (Special Revenue Fund)	Aging Network (Special Revenue Fund)	Capital Projects (Special Revenue Fund)	Total Governmental Funds
Revenues:							
Federal grants	1,024,633	2,942,704	2,511,360	1,475,048	7,797,851	-	15,751,596
Private Gifts and Grants	-	-	-	-	15,704	-	15,704
Miscellaneous revenue	72	323	8	8,545	86,868	-	95,816
Total revenues	1,024,705	2,943,027	2,511,368	1,483,593	7,900,423	-	15,863,116
Expenditures:							
General government:							
Current:							
Personal services and employee benefits	2,779,041	4,343,683	9,278,998	1,678,216	372,563	-	18,452,501
Contractual services	178,316	2,184,629	4,033,395	100,804	18,458	-	6,515,602
Other	380,505	714,200	2,076,573	603,861	35,355,013	9,772,148	48,902,300
Other financing uses	-	2,012,000	-	-	175,881	255,538	2,443,219
Total expenditures	3,337,862	9,254,512	15,388,966	2,382,881	35,921,715	10,027,686	76,313,622
Excess (deficiency) of revenues over expenditures	(2,313,157)	(6,311,485)	(12,877,598)	(899,288)	(28,021,292)	(10,027,686)	(60,450,506)
Other financing sources (uses) (note 10):							
Transfers to other state agencies	-	1,471,930	-	-	-	(580,689)	891,241
Transfers from other state agencies	-	-	-	-	-	-	-
Bond Proceeds Appropriations	-	-	-	-	-	5,259,879	5,259,879
State General Fund appropriation	2,310,800	4,845,300	12,843,200	904,100	28,472,300	30,000	49,405,700
Compensation package	44,200	66,600	152,200	19,600	5,900	-	288,500
Reversion to State General Fund	(41,843)	(388,621)	(252,112)	(24,412)	(330,499)	-	(1,037,487)
Total other financing sources (uses)	2,313,157	5,995,209	12,743,288	899,288	28,147,701	4,709,190	54,807,833
Net changes in fund balances	-	(316,276)	(134,310)	-	126,409	(5,318,496)	(5,642,673)
Fund balances, June 30, 2008	100	2,393,497	134,310	8,869	160,025	14,681,785	17,378,586
Fund balances, June 30, 2009	\$ 100	\$ 2,077,221	\$ (0)	\$ 8,869	\$ 286,434	\$ 9,363,289	\$ 11,735,913

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

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT**

Exhibit F

**Reconciliation of the Governmental Funds Statement of
Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities
Year ended June 30, 2009**

Net change in fund balances-Governmental Funds \$ (5,642,673)

Amounts reported for governmental activities in the
Statement of Activities are different because:

Capital outlays are reported as expenditures
in governmental funds. However, in the statement of
Activities, the cost of capital assets is allocated over
their estimated useful lives as depreciation expense.

In the current period, these amounts are:

Data processing equipment	(69,357)	
Furniture and Fixtures	-	
Equipment & Machinery	(5,935)	
Automobiles	(91,833)	
Depreciation expense	(167,125)	
Capital Outlay	<u>63,302</u>	(103,823)

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. These activities consist of:

Increase in compensated absences	<u>(80,462)</u>	
Change in net assets of governmental activities		<u><u>\$ (5,826,958)</u></u>

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Exhibit G
Page 1 of 5

Statement of Revenues and Expenditures
Budget (GAAP) Basis and Actual
Year Ended June 30, 2009

	Program Support General Fund			Variance with Final Budget Positive (Negative)
	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	
Revenues:				
Intergovernmental revenues:				
State General Fund	\$ 2,346,800	\$ 2,310,800	\$ 2,310,800	\$ -
Federal grants	1,032,200	1,108,055	1,024,633	(83,422)
Other financing sources	44,200	44,200	44,200	-
Private gifts and grants	-	-	-	-
Miscellaneous revenue	-	-	72	72
Fund Balance	-	-	-	-
Total revenues	<u>\$ 3,423,200</u>	<u>\$ 3,463,055</u>	<u>\$ 3,379,705</u>	<u>\$ (83,350)</u>
Expenditures:				
General government:				
Current:				
Personal services and employee benefits	\$ 2,880,900	\$ 2,790,356	\$ 2,779,041	\$ 11,315
Contractual services	164,100	191,428	178,316	13,112
Other	378,200	481,271	380,505	100,766
Other financing uses	-	-	-	-
Total expenditures	<u>\$ 3,423,200</u>	<u>\$ 3,463,055</u>	<u>\$ 3,337,862</u>	<u>\$ 125,193</u>
Excess (deficiency) of revenues over expenditures			\$ 41,843	
Reversion to State General Fund			\$ (41,843)	
Net change in fund balance			<u>\$ -</u>	

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Exhibit G
Page 2 of 5

**Statement of Revenues and Expenditures
Budget (GAAP) Basis and Actual
Year Ended June 30, 2009**

	<u>Long Term Services - General Fund</u>			Variance with Final Budget Positive (Negative)
	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	
Revenues:				
Intergovernmental revenues:				
State General Fund	5,689,300	\$ 4,845,200	\$ 4,845,300	\$ 100
Federal grants	3,312,500	3,545,565	2,942,704	(602,861)
Other financing sources	1,805,600	1,855,600	1,538,530	(317,070)
Private gifts and grants	-	-	-	-
Misc. revenue	-	-	323	-
Other Financing Source	-	1,717,239	1,717,239	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total revenues	<u>\$ 10,807,400</u>	<u>\$ 11,963,604</u>	<u>\$ 11,044,096</u>	<u>\$ (919,831)</u>
Expenditures:				
General government:				
Current:				
Personal services and employee benefits	\$ 4,580,000	\$ 4,560,236	\$ 4,343,683	\$ 216,553
Contractual services	2,467,600	4,384,542	2,184,629	2,199,913
Other	1,132,300	1,006,826	714,200	292,626
Other financing uses	2,627,500	2,012,000	2,012,000	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total expenditures	<u>\$ 10,807,400</u>	<u>\$ 11,963,604</u>	<u>\$ 9,254,512</u>	<u>\$ 2,709,092</u>
Excess (deficiency) of revenues over expenditures			\$ 1,789,584	
Reversion to State General Fund			\$ (388,621)	
Other Financing Source			\$ (1,717,239)	
Net change in fund balance			<u>\$ (316,276)</u>	

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

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT**

**Exhibit G
Page 3 of 5**

**Statement of Revenues and Expenditures
Budget (GAAP) Basis and Actual
Year Ended June 30, 2009**

Adult Protective Services - General Fund				
	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental revenues:				
State General Fund	\$ 13,314,000	\$ 12,843,200	\$ 12,843,200	\$ -
Federal grants	2,509,400	2,509,400	2,511,360	1,960
Other financing sources	152,200	152,200	152,200	-
Private gifts and grants	-	-	-	-
Misc. revenue	-	-	8	8
Fund Balance	-	-	-	-
Total revenues	\$ 15,975,600	\$ 15,504,800	\$ 15,506,768	\$ 1,968
Expenditures:				
General government:				
Current:				
Personal services and employee benefits	\$ 8,972,500	\$ 9,317,500	\$ 9,278,998	\$ 38,502
Contractual services	3,922,000	3,944,000	4,033,395	(89,395)
Other	3,081,100	2,243,300	2,076,573	166,727
Other financing uses	-	-	-	-
Total expenditures	\$ 15,975,600	\$ 15,504,800	\$ 15,388,966	\$ 115,834
Excess (deficiency) of revenues over expenditures			\$ 117,802	
Reversion to State General Fund			\$ (252,112)	
Net change in fund balance			\$ (134,310)	

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Exhibit G
Page 4 of 5

**Statement of Revenues and Expenditures
Budget (GAAP) Basis and Actual
Year Ended June 30, 2009**

Elder Rights and Health Advocacy - Special Revenue Funds				
	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental revenues:				
State General Fund	\$ 957,000	\$ 904,100	\$ 904,100	\$ -
Federal grants	1,387,200	1,753,426	1,475,048	(278,378)
Other financing sources	19,600	19,600	19,600	-
Private gifts and grants	-	-	-	-
Misc. revenue	-	-	-	-
Fund Balance	-	-	-	-
Total revenues	\$ 2,363,800	\$ 2,677,126	\$ 2,398,748	\$ (278,378)
Expenditures:				
General government:				
Current:				
Personal services and employee benefits	\$ 1,766,200	\$ 1,855,956	\$ 1,678,216	\$ 177,740
Contractual services	103,100	146,325	100,804	45,521
Other	494,500	674,845	603,861	70,984
Other financing uses	-	-	-	-
Total expenditures	\$ 2,363,800	\$ 2,677,126	\$ 2,382,881	\$ 294,245
Excess (deficiency) of revenues over expenditures			\$ 15,867	
Reversion to State General Fund			\$ (24,412)	
Misc. revenue			\$ 8,545	
Net change in fund balance			\$ -	

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Exhibit G
Page 5 of 5

Statement of Revenues and Expenditures
Budget (GAAP) Basis and Actual
Year Ended June 30, 2009

<u>Aging Network - Special Revenue Funds</u>				
	<u>Original Approved Budget</u>	<u>Final Approved Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Intergovernmental revenues:				
State General Fund	\$ 28,497,300	\$ 28,367,900	\$ 28,472,300	\$ 104,400
Federal grants	7,759,100	7,915,759	7,797,851	(117,908)
Other financing sources	5,900	5,900	5,900	-
Private gifts and grants	-	25,000	15,704	(9,296)
Misc. revenue	90,000	90,000	86,868	(3,132)
Fund Balance	-	-	-	-
Total revenues	<u>\$ 36,352,300</u>	<u>\$ 36,404,559</u>	<u>\$ 36,378,623</u>	<u>\$ (25,936)</u>
Expenditures:				
General government:				
Current:				
Personal services and employee benefits	\$ 351,500	\$ 420,294	\$ 372,563	\$ 47,731
Contractual services	75,000	89,100	18,458	70,642
Other	35,738,200	35,707,565	35,355,013	352,552
Other financing uses	187,600	187,600	175,681	11,919
Total expenditures	<u>\$ 36,352,300</u>	<u>\$ 36,404,559</u>	<u>\$ 35,921,715</u>	<u>\$ 482,844</u>
Excess (deficiency) of revenues over expenditures			\$ 456,908	
Reversion to State General Fund			\$ (330,499)	
Net change in fund balance			<u>\$ 126,409</u>	

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2009

1. History and Organization

The New Mexico State Agency on Aging (Agency) was created by Chapter 203, Laws of 1979 and was administratively attached to the New Mexico Human Services Department. During the 2003 Legislative session the Legislature enacted House Bill 585, which was subsequently signed by the Governor of the State of New Mexico. This legislation became law effective June 20, 2003. The law makes the Agency a cabinet level department and renames it the State of New Mexico Aging and Long Term Services Department (ALTSD). The Department administrative head is the Secretary, who is appointed by and serves at the pleasure of the Governor.

The statutory duties of the ALTSD are to establish and maintain a comprehensive statewide program designed to meet the social service needs of the state's aged population including but not limited to the following:

- Strengthen and coordinate services of state and local public bodies for the benefit of the aged;
- Promote the utilization of older persons in all phases of employment;
- Disseminate information to the aged relative to federal, state and local services;

A schedule reconciling the State Treasurer's/DFA balances to the financial statements is presented below:

- Encourage training programs, retraining programs and opportunities for older workers;
- Develop new methods of job placement for older workers;
- Promote public recognition of the advantage of hiring and retaining older workers; and
- Promote and develop programs of community resources and facilities designed to meet the social needs of older persons.

Additionally, statutes provide for a Policy Advisory Committee to the Aging and Long Term Services Department, which is composed of eleven members appointed by the Governor.

2. Summary of Significant Accounting Policies

The financial statements of the Aging and Long Term Services Department have been prepared in conformity with accounting principles generally accepted (US GAAP) in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Financial Reporting Entity

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in US GAAP. The basis - but not the only - criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2009

2. Summary of Significant Accounting Policies(cont'd)

A. Financial Reporting Entity (cont'd)

include, but are not limited to, selection of the governing authority, designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon application of these criteria, the following is a brief review of each potential component unit addressed in defining the government's reporting entity.

Included within the reporting entity:

No entities were considered to be component units.

Excluded from the reporting entity:

Area Agencies on Aging - They have their own Boards of Directors or elected officials. The ALTSD does not exercise financial control over these entities to the extent necessary to make them component units.

The Aging and Long Term Service Department is legally separate and fiscally independent of other state agencies. Although the agency director serves at the pleasure of the Governor, that person has decision-making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. The financial statements of ALTSD are intended to present the financial position and the changes in financial position and budgetary comparison, where applicable, of only that portion of the governmental activities, major funds, and information of the State of New Mexico that is attributable to the transactions of the ALTSD. They do not purport to, and do not, present fairly the financial position of the State of New Mexico as of June 30, 2009.

B. Basic Financial Statements – GASB Statement No. 34

The basic financial statements include both government-wide (based on the Aging and Long Term Service Department as a whole) and fund financial statements. The new reporting model focus is on either the Aging and Long Term Service Department as a whole or major individual funds (within the fund financial statements). The Agency has elected to present all of its funds as major funds. Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business type activities. The Aging and Long Term Service Department has only governmental type activities. In the government-wide Statement of Net Assets, the governmental column reflects a full accrual, economic resources basis, which incorporates long-term assets as well as long-term debt and obligations.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2009

2. Summary of Significant Accounting Policies (cont'd)

B. Basic Financial Statements – GASB Statement No. 34 (cont'd)

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 reduced gross expenses (including depreciation) by related program revenues, operating and capital grants. The program revenues must be directly associated with the function. The Aging and Long Term Service Department includes only one function (social services). The operating grants from the federal government and private gifts and grants received to carry social services (the primary function of the Agency) are classified as program revenue. General revenues (General Fund appropriations, transfers-in from other state agencies, federal aid, private gifts and proceeds from bond sales, etc.) normally cover the net cost (by function). Historically, the previous model did not summarize or present net cost by function or activity. Indirect costs are not allocated because there is only one function.

This government-wide focus is more on the sustainability of the Aging and Long Term Service Department as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. The governmental fund statements are presented on a current financial resource measurement focus and the 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 ALTSD'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 column, a reconciliation is presented on the page following each statement, which briefly explains the adjustment necessary to transform the fund based financial statements into the governmental column on the government-wide presentation.

Net assets are restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net assets. When both restricted and unrestricted resources are available for use, generally it is the ALTSD's policy to use restricted resources first, then unrestricted resources, as they are needed.

C. Basis of Presentation – Fund Accounting

The ALTSD has made a major change in the development and presentation of the basic financial statements, since Fiscal Year 2008. The statements now summarize detailed information about the ALTSD's significant programs. The change in presentation was made at the program level, while maintaining individual funds, since the ALTSD is required to present budget information by programs that span both general fund and special revenue funds.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2009

2. **Summary of Significant Accounting Policies** (cont'd)

C. Basis of Presentation – Fund Accounting (continued)

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

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 by Program of the Governmental Funds utilized by the Aging and Long Term Service Department.

General Fund - ~~The General Fund (Funds # 049 and Fund # 270 – reverting and non-reverting Fund # 768)~~ are the general operating funds of the ALTSD and are used to account for all financial resources except those required to be accounted for in another fund. Because of the nature of the ALTSD, the General Fund accounts for the resources available and used in the administration of the aging programs. Portions of fund # 049 are summarized in the "Program Support Unit." Fund # 270 is reflective of the program for "Adult Protective Services." The balance of fund # 049 and all of fund # 768 are presented in the program for "Long Term Services."

Special Revenue Funds - Special Revenue Funds (Fund # 953 and non-reverting Funds # 622) are utilized to account for those proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. . Part of fund 953 is used to account for the "Elder Rights and Health Advocacy" program and the balance of fund # 953 and all of fund # 622 make up the "Aging Network Program."

All Elder Rights and Health Advocacy programs are direct services provided by agency staff throughout the state these services include; HIBAC counseling, Nursing Home Ombudsman, Prescription Drug assistance, in addition to providing training for staff and service providers.

The Aging Network program provides grants throughout the state to fund local programs for the elderly. State Community Programs (reverting) – The state appropriates funds to the Agency to supplement the federal Title III-B, III-C, and III-E programs (Social Services, Nutrition, Disease Prevention and Family Caregiver). The funds are allocated to four Area Agencies on Aging who distribute the funds to Senior Citizen programs throughout the state and directly to Pueblo and Apache Indian programs.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2009

2. Summary of Significant Accounting Policies (cont'd)

C. Basis of Presentation – Fund Accounting (continued)

Social Services Title III-B and Congregate Meals Title III-C – These programs are designed to fill the gaps in existing supportive social services and nutrition contracted to Area Agencies on Aging (AAA) under an approved Area Plan for delivering services to the 60+ population in the planning and Service Areas. This is accomplished through a consolidated, coordinated system. Federal funds are awarded to the state on the basis of population over age 60, and sub-state allocations are made to Planning and Service Areas by formula (60+, 60+minority, 60+below poverty).

Area Agency administration is limited to 10% of the III-B, III-C, and III-E allocation and must be matched 75/25. Local service providers must match federal funds 85/15. Of the 15%, 5% is required to be state funds. State appropriated funds are utilized for AAA administration and local community programs. Programs range from state and locally supported nutrition and senior center programs, access services (chore, visiting, telephone reassurance, homemaker, and home health), congregate and home delivered meals, legal, advocacy, ombudsman services to residences of long-term care facilities, and other community programs designed to relieve isolation, provide socialization, prevent abuse and assist older people to remain in their homes.

State Capital Outlay Funds – The New Mexico Legislature annually appropriates general or bond funds to the ALTSD for the purpose of altering or renovating senior center centers; for purchasing equipment and furnishings for these centers; and for purchasing new vehicles to replace obsolete vehicles used by the centers.

D. Basis of Accounting

The financial statements for the Department have been prepared in accordance the 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. Pronouncements of the Financial Accounting Standards Board (FASB) issued after November 30, 1989, are not applied in the preparation of the financial statements of the proprietary fund type in accordance with GASB No. 20. 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.

Basis of accounting refers to the point at which revenues or expenditures or 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.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2009

2. **Summary of Significant Accounting Policies** (cont'd)

D. Basis of Presentation – Fund Accounting (continued)

Modified Accrual – All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; 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. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. There are no interfund transactions to be eliminated.

In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to GASB Statement No. 33, the provider should recognize liabilities and expenses and the recipient should recognize receivable 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.

E. Budgets and Budgetary Accounting

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

1. No later than September 1, the ALTSD prepares a budget appropriation request of proposed expenditures and the means of financing them.
2. The appropriation request is submitted to the Department of Finance and Administration's Budget Division (DFA) and to the Legislative Finance Committee (LFC).
3. DFA makes recommendations and adjusts the appropriation request, which becomes the Governor's proposal to the Legislature.
4. LFC holds hearings on the appropriation request also submitting recommendations and adjustments before presentation to the Legislature.
5. Both DFA and LFC's recommended appropriation proposals are presented to the Legislature for approval of the final budget plan.
6. Budgetary control is exercised at the appropriation unit level and changes are approved by DFA. Budget adjustments were made in a legally permissible manner during the fiscal ended June 30, 2009, by increasing or reallocating appropriation unit totals as the need arose during the fiscal year. Individual amendments were not material in relation to the original budget.
7. Formal budgetary integration is employed as a management control device during the year.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2009

2. **Summary of Significant Accounting Policies (cont'd)**

E. Budgets and Budgetary Accounting (cont'd)

8. Budgets for the General Fund and Special Revenue Funds are adopted on a basis that is consistent with accounting principles generally accepted in the United States of America (US GAAP). The General Appropriations Act of 2006, which applies to fiscal year 2009 budgets, established the modified accrual basis of accounting as the budgetary basis of accounting for the State of New Mexico. Under the new law, encumbrances related to single year appropriations lapse at year end. Any remaining encumbrances related to single year appropriations must be reclassified as unreserved fund balance and a liability recorded to recognize amounts subject to reversion. The accounts receivable period of availability will be 60 days following the end of the fiscal year. Budgetary comparisons presented for the General Fund and Special Revenue Funds are on this US GAAP budgetary basis. Budgets for the General Fund and for all Special Revenue Funds except those described as State Capital Outlay Funds are on the fiscal year basis.

Project-length budgets are adopted for those Special Revenue Funds described as State Capital Outlay Funds 053, 089, 386, 396, 534, 595, 648, 700, 883, 954, 962 and 965. The Combined Statement of Revenues and Expenditures – Budgeted and Actual (US GAAP Budgetary Basis) – All Governmental Fund Types and the ~~Combining Statement of Revenues and Expenditures – Budgeted and Actual (US~~ GAAP Budgetary Basis) – Special Revenue Funds do not include these Special Revenue Funds with Multi-year budgets. If they were included, the statements would be misleading.

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 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.

9. Appropriations lapse at the end of the year except for fund 622 and fund 768.

F. Interest in State Treasurer Investment Pool

The Aging and Long Term Service Department has an interest in State Treasurer Investment Pool to include cash on deposit with the State Treasurer and other cash accounts used to finance special projects.

G. Receivables

Receivables consist of amounts due from other federal, state and local governments. No allowance for doubtful accounts is established since all amounts are expected to be collected in the subsequent fiscal year.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2009

2. Summary of Significant Accounting Policies (cont'd)

H. Inventory

Office supply inventory items are considered expenditures when purchased. Therefore, the financial statements do not reflect inventories of office supplies on hand at June 30, 2009.

I. Capital Assets

Capital assets are tangible assets that are used in operations and that have initial useful lives that extend beyond a single reporting period. Capital assets purchased or acquired prior to June 30, 2006 fiscal year at a value of \$1,000 or greater were capitalized. Effective for the June 30, 2006 fiscal year the capitalization policy increased to \$5,000 for additions to capital assets. Capital assets are reported in the Statement of Net Assets at historical cost or estimated fair value, if donated. Capital assets are depreciated using the straight-line method over their estimated useful lives. Items with a cost of less than \$5,000 are expensed in the year of acquisition. Repairs and maintenance expenses are charged to operations when incurred and major betterments and replacements are capitalized. The major classifications of capital assets and their related depreciable lives are as follows:

Data processing equipment	3 years
Furniture and fixtures	7 years
Equipment & Machinery	3-5 years
Automobiles	3 years

J. Accrued Compensated Absences

Employees are entitled to accumulate annual leave at a rate based on appointment date and length of continuous service. A maximum of 240 hours of annual leave may be carried forward after the pay period beginning in December and ending in January. When employees terminate, they are compensated at their current hourly rate for accumulated unpaid annual leave as of the date of termination, up to a maximum of 240 hours. Compensated absences are generally liquidated by the General Fund.

Employees are entitled to accumulate sick leave at a rate of 3.69 hours per pay period. There is no limit to the amount of sick leave that an employee may accumulate. State agencies are allowed to pay fifty (50) percent of each employee's hourly rate for accumulated sick leave over 600 hours up to 120 hours. Payment may be made only once per fiscal year at a specified pay period in either January or July. In accordance with GASB 16, accrued compensated absences consist of accumulated annual leave and related salary payments (employers' matching FICA and Medicare payroll taxes).

K. Net Assets and Fund Balance

The difference between the Agency's assets and liabilities is its net assets. The Agency's net assets consist of two components- invested in capital assets, which is the cost of capital assets, net of accumulated depreciation and unrestricted net assets. In the fund financial statements, governmental funds report reservations of fund balances which represent those portions of fund equity not available for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources. The \$91,713 designated for special projects are advances to sub-grantees for prior period activity.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2009

2. Summary of Significant Accounting Policies (cont'd)

L. Reversions

Unexpended and unencumbered balances are generally reverted to the State General Fund. Chapter 114, Laws of 2006, states that unexpended or unencumbered balances of the State General Fund appropriation to the ALTSD shall revert. Accordingly, reversions have been recorded in the current year for General Fund appropriations. Also, the unexpended and unencumbered balance of special and other appropriations are reverted when required by law.

3. Interest in State Treasurer Investment Pool

With the exception of one special confidential account authorized by the Department of Finance and Administration and the New Mexico State Treasurer, all funds are on deposit with the State Treasurer. State law requires the Department cash be managed by the New Mexico State Treasurer's Office. Accordingly the investments of the Department consist of an interest in the investment pools managed by the New Mexico State Treasurer's Office. No investments are held by the ALTSD. Cash on deposit with the State Treasurer is pooled and invested by the State Treasurer. In general, state statutes require that all deposits held by the State Treasurer be collateralized at a minimum level of 50 percent. Collateral pledged to secure these deposits is monitored by the State Treasurer's Office (STO) and the STO issues separate financial statements that disclose the collateral pledged to secure these deposits. The special account referred to above is a \$15,000 checking account at the Del Norte Credit Union and the account is fully insured by FDIC insurance. The current balance in the account is \$8,869

At June 30, 2009 the Department had the following in pooled cash:

New Mexico State Treasurer's Investment Pool \$16,940,153.

Interest Rate Risk. The State Investment Pool 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. The New Mexico State Treasurer pools are not rated.

For additional GASB 40 disclosure information regarding cash held by the State Treasurer, the reader should see the separate audit report for the State Treasurer's Office for the fiscal year ended June 30, 2009.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2009

3. Interest in State Treasurer Investment Pool

Fund/Fund Description	Fund	Interest in State Treasurer Investment Pool Balance	Reconciling Differences	Financial Statement Balance
<u>General Fund:</u>				
Agency on Aging - Admin	049	\$ 1,277,390	\$ 46,864	\$ 1,324,254
ALTSD - Adult Protective Services	270	377,026	16,857	393,883
Traumatic Brain Injury Fund	768	761,870	415	762,285
GENERAL FUND TOTAL		<u>2,416,286</u>	<u>64,136</u>	<u>2,480,422</u>
<u>Special Revenue Funds:</u>				
Conference on Aging	622	78,783	26,102	104,885
Special Projects	953	4,271,238	69,569	4,340,807
SPECIAL REVENUE FUNDS TOTAL		<u>4,350,021</u>	<u>95,671</u>	<u>4,445,692</u>
<u>Capital Project Funds:</u>				
2006A STB	089	1	-	1
2007A GOB	386	30,062	-	30,062
2004A STB	396	-6969	-	-6969
2004 General Fund	595	3,279,331	-	3,279,331
	648	217	-	217
2003A STB	700	1	-1	-
7 General Fund	883	3,174,994	-	3,174,994
HB-2	954	1,732,164	49,598	1,781,762
06 General fund	962	2,034,900	-	2,034,900
	965	-70,855	-	-70,855
CAPITAL PROJECT FUND TOTAL		<u>10,173,846</u>	<u>49,597</u>	<u>10,223,443</u>
		<u>\$ 16,940,153</u>	<u>\$ 209,404</u>	<u>\$17,149,557</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2009

4. Receivables/Payables – Grants

Receivables due from the Federal government at June 30, 2009 of \$296,352 in the general fund and \$610,964 in the Special Revenue Funds represent revenues earned and recognized on various grants because expenditures related to these grants have been incurred. Advances to sub-recipients of \$91,713 represent monies advanced to sub-recipients for which sub-recipients had not incurred expenditures as of June 30, 2009. Interfund receivables and payables of \$1,717,239 were established to account for the reauthorization of TBI fund balances as reflected in the Program identified as Long Term Services.

Payables of \$7,590,236 at June 30, 2009 represent monies due at June 30, 2009 to vendors for expenditures incurred during the fiscal year ended June 30, 2009, but not paid as of June 30, 2009. Of this amount \$7,560,711 is in line item vouchers payable and \$285,596 is within line item accounts payable. It is the opinion of management that all amounts due from the Federal government are fully collectible so an allowance for uncollectible accounts is not considered necessary. Advances to sub-recipients at June 30, 2009 are more than one year-old and the agency is actively pursuing collection.

Other receivables of the ALTSD at June 30, 2009 are as follows:

From Fund No.		
052	HSD - Gold Program	\$ 82,565
061	TBI Fund	192,448
052	Medicaid Programs	448,754
052	RW Johnson Grant	2,691
052	HSD - Resource Center	236,366
052	HSD – System Transformation	26,164
067	CYFD - Adult Protective Services	645,370
635	Statewide Behavioral Health	<u>16,427</u>
	Total General Fund Receivables	<u>\$ 1,650,785</u>
052	HSD - Gold Program	92,119
052	HSD – Medicaid Programs	29,172
054	State Capital Outlay Fund 053	655,777
563	State Capital Outlay Fund 386	230,891
407	State Capital Outlay Fund 396	81,433
229	State Capital Outlay Fund 534	6,332
022	State Capital Outlay Fund 965	<u>559,627</u>
	Total Special Revenue Receivables	<u>\$ 1,655,351</u>
	Total Due From State Agencies and Other Receivables	<u>\$ 3,306,136</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2009

4. Receivables/Payables – Grants

Of the total of \$1,655,351 in Special Revenue Funds, \$1,534,060 is attributed to the State Capital Outlay Program, all other receivables relate to program monies spent by the Agency but not yet repaid by the grantor agencies.

It is the opinion of management that all other receivables as of June 30, 2009 are fully collectible, so an allowance for uncollectible accounts is not considered necessary.

5. Changes in Capital Assets

A summary of changes in capital assets is as follows:

	Balance 6/30/2008	Additions	Deletions	Transfers	Balance 6/30/2009
<u>Capital Assets</u>					
Data processing equipment	\$ 836,663	\$ 18,728	\$ (30,443)	\$ -	\$ 824,948
Furniture and Fixtures	74,221	-	-	-	74,221
Equipment & Machinery		44,574			44,574
Automobiles	297,728		-	-	297,728
Totals	1,208,612	63,302	(30,443)	-	1,241,471

Accumulated Depreciation

Data processing equipment	(679,809)	(69,357)	30,443		(718,723)
Furniture and Fixtures	(74,221)		-	-	(74,221)
Equipment & Machinery		(5,935)			(5,935)
Automobiles	(189,535)	(91,833)	-	-	(281,368)
Subtotal	(943,565)	(167,125)	30,443	-	(1,080,247)
Net Capital Assets	\$ 265,047	\$(103,823)	\$ -	\$ -	\$ 161,224

The depreciation expense is charged to the Program Support, Long Term Services and Adult Protective Services; the three functions which collectively makes up the general fund.

6. Changes in Long-Term Debt

A summary of changes in long-term debt is as follows:

Reduction of debt includes decreases in compensated absences that are not included as expenditures in the operating budget. Substantially, the general fund has been used to liquidate long-term liabilities.

	Balance 7/1/2008	Additions	Deletions	Balance 6/30/2009	Amount Due Within One Year
Compensated Absences Payable	\$ 766,188	\$ 213,543	\$ 133,081	\$ 846,650	\$ 591,794

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2009

7. Operating Leases

The ALTSD leases office space in Albuquerque and Las Cruces for our direct service programs. The ALTSD also leases several copying machines on a year-to-year basis considered operating leases. All leases may be canceled at the end of any fiscal year with no penalty since all have an early termination clause. Accordingly, there are no future minimum lease payments.

Total office space and equipment rent expense for the year ended June 30, 2009 were \$805,386 and \$128,082 respectively.

8. Contingencies – Grantor Agencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts, if any, of expenditures which have been disallowed by the grantor agencies cannot be determined at this time although the Agency expects such amounts, if any, to be immaterial.

9. Due to State General Fund

Section 3, (D) Chapter 114, Laws 2006 requires all unreserved, undesignated fund balances in reverting funds and accounts revert to the State General Fund by October 1, 2009. The current year reversion and amounts due to the State General Fund are computed as follows:

General Fund:

2008 fiscal year reversion	\$ 625,679
Invalid prior-year payables	18,250
Prior-year refunds	<u> </u>

Due to State General Fund \$ 643,929

Special Revenue Funds:

2008 fiscal year reversion	\$ 360,305
Invalid prior-year payables(reversion)	5,394
Prior-year refunds	<u> </u>

Due to State General Fund \$ 1,004,234

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2009

10. Other Financing Sources (Uses) (Continued)

The following is a summary of transfers between the ALTSD and other state agencies:

Transfers In

From	To	Amount	Description
853	049	\$ 7,129,100	Appropriation Allotment
620	049	110,800	Special Appropriation- Comp Package
057	049	27,000	Special Appropriation- Laws of 2008, Ch 6, Section 22
853	270	12,843,200	Appropriation Allotment
620	270	152,200	Special Appropriation- Comp Package
853	622	75,000	Appropriation Allotment
853	953	29,141,400	Appropriation Allotment
853	953	60,000	Special Appropriation- Laws of 2008, Ch 6, Section 22
620	953	25,500	Special Appropriation- Comp Package
853	953	100,000	Special Appropriation- Laws of 2009 Ch 124, Section 5
853	595	30,000	General Fund - Laws of 2008 Ch 92, Section 33
	768	1,414,674	MOU - Administrative Office of the Courts
	049	50,000	MOU - DOH
853	049	7,255	MOU - GAP reimbursement

Total Operating Transfers In \$ 51,166,129

054	053	972,217	GOB Series 2005
019	089	247,400	Severance Tax Bonds, Series 2006A
563	386	606,279	GOB Series 2007 A
563	386	(325,000)	Correction to reverse prior period receivables.
407	396	156,420	Severance Tax Bonds, Series 2004A
229	534	251,543	Severance Tax Bonds, Series 2005A
529	595	(50,000)	Re-Authorized to LGD
403	700	12,089	Severance Tax Bonds, Series 2003A
341	883	26,624	Severance Tax Bonds, Series 2000
585	883	(32,000)	Re-Authorized to IAD
529	954	(25,000)	Re-Authorized to LGD
818	962	(198,000)	Re-Authorized to PED
027	965	49,311	Prior Period fund balance correction.
027	965	<u>2,988,747</u>	GOB Series 2007

Other Transfers in \$ 4,679,190

Transfers Out

953	FGP Health Dept.	99,660	Foster Grandparent Program
953	SCP Health Dept.	<u>76,021</u>	Senior Companion Program

Total Transfers Out \$ 175,681

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2009

10. Other Financing Sources (Uses) (Continued)

The following is a detailed listing of general fund appropriation reversions due to the State General Fund as shown in the financial statements:

Fund	Fiscal Year	Current Year 2009 Reversions	Prior Year Reversions	Less Amounts Already Paid to State General Fund	Total Due to State General Fund
General Fund:					
Title III-All State Admin.	2008	\$ 8,719	\$ -	\$ 8,719	\$ -
	2009	41,843	-	46,052	(4,209)
TBI	2008	2,737	-	2,737	-
	2009	275,686	-	275,686	-
HRSA	2009	10,924	-	10,924	-
GAP Program	2009	7,255	-	7,255	-
Resource Center	2009	12,791	-	12,847	(56)
HIV/AIDS	2009	1,741	-	1,741	-
Statewide Behavioral Health	2009	6,722	-	6,722	-
Zero Tolerance	2009	8,100	-	8,100	-
Medicaid Programs HSD	2009	56,028	-	56,028	-
Special Z accounts	2008	6,394	-	6,394	-
Adult Protective Services	2008	400	-	400	-
	2009	204,589	-	252,890	(48,301)
Total General Fund		\$ 643,929	\$ -	\$696,495	(\$52,566)

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2009

10. Other Financing Sources (Uses) (cont'd)

Fund	Fiscal Year	Current Year 2009 Reversions	Prior Year Reversions	Less Amounts Already Paid to State General Fund	Total Due to State General Fund
Special Revenue Funds:					
State Training Grant	2008	2,311	-	-	2,311
	2009	111	-	111	-
State Ombudsman	2008	25	-	-	25
	2009	16,090	-	16,090	-
State HIBAC	2008	80	-	-	80
Counseling Grant	2009	1,472	-	1,472	-
Ombudsman- match	2009	1,174	-	1,174	-
<hr/>					
State Prescription Drug Assistance	2009	5,565	-	5,565	-
Mentoring for Transition	2008	1,183	-	1,183	-
State Senior Employment Program	2009	70,817	-	70,583	234
State Community Programs	2009	172,297	-	78,516	93,781
Special Z Code Projects	2009	60,000	-	60,000	-
State Foster Grandparent Program	2008	1,451	-	1,451	-
	2009	19,360	-	19,360	-
State Senior Companion Program	2008	344	-	344	-
	2009	4,357	-	4,357	-
Retired Senior Volunteer Program	2009	3,668	-	3,668	-
Total Special Revenue Funds		<u>360,305</u>	-	<u>263,874</u>	<u>96,431</u>
Total State General Fund Reversions		<u>\$1,004,234</u>	\$ -	<u>\$ 960,369</u>	<u>\$ 43,865</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2009

11. Retirement Plan

Plan Description. Substantially all of the ALTSD'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, 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.

Funding Policy. Plan members are required to contribute 7.42% of their gross salary. The Aging and Long Term Service Department is required to contribute 16.59% of the gross covered salary. The contribution requirements of plan members and the Department is established under Chapter 10, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The ALTSD's contributions to PERA for the years ending June 30, 2009, 2008, and 2007 were \$2,191,065, \$2,028,609, and \$1,765,611 respectively equal to the amount of the required contributions for each year.

12. Retiree Health Care Act Contributions

The Retiree Health Care Act (Act) (Chapter 10, Article 7C NMSA 1978) provides comprehensive core group health insurance for persons who have retired from certain public service in New Mexico. The purpose is to provide eligible retirees, their spouses, dependents, and surviving spouses and dependents with health insurance consisting of a plan, or optional plans, of benefits that can be purchased by funds flowing into the Retiree Health Care Fund and by co-payments or out-of-pocket payments of eligible retirees.

Monies flow to the Retiree Health Care Fund on a pay-as-you-go basis from eligible employers and eligible retirees. Eligible employers consist of institutions of higher education, school districts, or other entities participating in the public school insurance authority and state agencies, state courts, magistrate courts, municipalities or counties, which are affiliated under or covered by the Educational Retirement Act, the Magistrate Retirement Act, or the Public Employees Retirement Act.

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 Retiree Health Care Act on the person's behalf unless that person retires before the employer's NMRCHA effective date, in which event the 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; and former legislators who served at least two years.

Each participating employer makes contributions to the fund in the amount of 1.3% of each participating employee's annual salary. Each participating employee contributes to the fund an employee contribution equal to .65% of the employee's annual salary. Each participating retiree pays a monthly premium for the basic single plan and an additional five dollars (\$5.00) if eligible participant retired prior to the employer's NMRHCA effective date or is a former legislator. Participants may also enroll in optional plans of coverage.

Contributions from participating employers and employees become the property of the Retiree Health Care Fund and are not refundable under any circumstances, including termination of employment or termination of the participating employer's operation or

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2009

participation in the Retiree Health Care Act. The employer, employee, and retiree contributions are to be remitted to the Retiree Health Care Authority on a monthly basis.

The Retiree Health Care Authority issues a separate, publicly available audited financial report that includes post employment benefit expenditures of premiums and claims paid, participant contributions (employer, employee, and retiree), and net expenditures for the Fiscal year. The report also includes the approximate number of retirees participating in the plan. That report may be obtained by writing to the Retiree Health Care Authority, 4308 Carlisle Blvd NE, Albuquerque, New Mexico 87107.

For the fiscal year ended June 30, 2009, the Aging and Long Term Service Department remitted \$164,619 in employer contributions and \$82,310 in employee contributions to the Retiree Health Care Authority.

13. Risk Management and Litigation

The Agency is exposed to various risks of losses related torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Section 15-7-2 NMSA 1978 requires the General Services Department, Risk Management Division (RMD), to be responsible for the acquisition and administration of all insurance purchased by the state. Since 1977, various state statutes have been passed which allow RMD to insure, self-insure or use a combination of both. For the past several years, the RMD has elected to self-insure and has not obtained liability coverage from commercial insurance companies. The RMD has effectively managed risk through various employee education and prevention programs. Risk management expenditures for the Agency are accounted for in the general fund. Any claims are processed through RMD.

There are no pending or threatened legal proceedings involving material matters to which the ALTSD is a party.

14. Accounting for Capital Project Appropriations

To comply with Governmental Accounting Standards Board Statement No. 33 (GASBS 33), *Accounting and Financial Reporting for Nonexchange Transactions*, the Department has changed its accounting treatment of capital project appropriations financed with bond proceeds.

Prior to the change, the Department recognized—in the year the capital project appropriations were authorized by the Legislature—the entire amount of bond proceeds related to capital project appropriations. It also recognized a corresponding liability, due to project recipients, and the expenditure related to that. It did not take into account the impact of eligibility requirements: Under the modified accrual basis of accounting, GASBS 33 requires that the recognition of revenues and expenditures occur only when all applicable eligibility requirements have been met. Since all of the eligibility requirements established by the State Board of Finance had not been met by the end of last fiscal year, the Department's recognition of bond proceeds and the related liability to recipients was premature. The 2009 financial statements do not include recognition of bond proceeds except for those where eligibility requirements were met. There was no effect on fund balance due to this change in accounting.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2009

15. Financial Statement Preparation

The Aging and Long Term Services Department derives the Comprehensive Annual Financial Report (CAFR), from a subsidiary accounting system AFRAS (Agency Financial Reporting and Accounting System). While SHARE is the book of original entry, AFRAS is derived from SHARE data and allows for an independent verification of SHARE data and provides lower level accounting detail necessary for budget maintenance and federal grant reporting. The two systems are reconciled on an ongoing basis and a final journal entry is provided to The Department of Finance and Administration to bridge the differences between the two systems after the fiscal year ends.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

General Fund Accounts
Combining Balance Sheet
June 30, 2009

	Title III and Other All-State	D.O.L. Title V	Employment Gold Program	JH/Cafee Program	Total Program Support	Adult Protective Services	TBI Special	TBI Admin
Assets								
Petty cash	\$ 100	\$ -	\$ -	\$ -	100	\$ -	\$ -	\$ -
Interest in State General Fund Investment Pool with the State Treasurer	39,540	-	-	504	40,044	393,883	762,286	1,592,476
Due from Other State Agencies	-	-	82,565	-	82,565	645,370	-	192,448
Due from federal government	145,154	8,524	-	-	153,678	-	-	-
Due from Other Funds	-	-	-	-	-	-	1,717,239	-
Other receivables	-	-	-	-	-	136	-	-
Prepaid Expenses	742	288	-	-	1,030	92	-	-
Total assets	\$ 185,536	\$ 8,812	\$ 82,565	\$ 504	\$ 277,417	\$ 1,039,481	\$ 2,479,525	\$ 1,784,924
Liabilities and Fund Equity								
Liabilities:								
Cash deficit with State Treasurer	\$ -	\$ 7,483	\$ 80,712	\$ -	\$ 88,195	\$ -	\$ -	\$ -
Vouchers payable	16,684	1,329	1,853	-	19,866	453,490	187,398	4,168
Accounts payable	-	-	-	-	-	25,845	-	-
Accrued payroll payable	118,190	-	-	-	118,190	355,157	-	-
Deferred Revenue	-	-	-	-	-	-	-	-
Due to State General Fund	50,562	-	-	-	50,562	204,989	214,906	63,517
Due to Other State Agencies	-	-	-	504	504	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	1,717,239
Other Liabilities	-	-	-	-	-	-	-	-
Total liabilities	185,436	8,812	82,565	504	277,317	1,039,481	402,304	1,784,924
Fund Equity:								
Fund balance:								
Reserved for petty cash	100	-	-	-	100	-	-	-
Unreserved, designated	-	-	-	-	-	-	2,077,221	-
Total fund equity	100	-	-	-	100	-	2,077,221	-
Total liabilities and fund equity	\$ 185,536	\$ 8,812	\$ 82,565	\$ 504	\$ 277,417	\$ 1,039,481	\$ 2,479,525	\$ 1,784,924

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

General Fund Accounts
Combining Balance Sheet
June 30, 2009

	Special Appropriation	Medicaid Programs	System Transformation Grant	R.W. Johnson Grant	Resource Center	Zero Tolerance	Wider Opportunities For Women	HIV/AIDS Consumer Advocacy	HRSA Grant	Gap Program	Statewide Behavioral Health	Total Long Term Services	Grand Total General Fund
Assets													
Petty cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100
Interest in State General Fund	11,339	-	-	-	-	53,998	7,500	1,947	44,440	34,617	-	2,508,603	2,942,530
Investment Pool with the State Treasurer	-	448,754	26,164	2,691	236,366	-	-	-	-	-	16,427	922,850	1,650,785
Due from Other State Agencies	-	-	-	-	-	-	-	-	17,806	-	-	17,806	171,484
Federal allotment receivable	-	-	-	-	-	-	-	-	-	-	-	1,717,239	1,717,239
Due from Other Funds	-	-	-	-	-	-	-	-	-	-	-	-	136
Other receivables	-	-	-	-	107	-	-	-	(30)	-	-	77	1,199
Prepaid Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 11,339	\$ 448,754	\$ 26,164	\$ 2,691	\$ 236,473	\$ 53,998	\$ 7,500	\$ 1,947	\$ 62,216	\$ 34,617	\$ 16,427	\$ 5,166,575	\$ 6,483,473
Liabilities and Fund Equity													
Liabilities:													
Cash deficit with State Treasurer	\$ -	\$ 146,974	\$ 18,997	\$ 1,845	\$ 196,884	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,212	\$ 373,912	462,107
Vouchers payable	4,945	33,251	7,167	-	26,742	45,898	-	-	50,602	27,362	493	368,232	861,588
Accounts payable	-	-	-	-	-	-	-	-	-	-	-	-	25,845
Accrued payroll payable	-	200,875	-	-	56	-	-	-	-	-	-	200,831	674,278
Deferred Revenue	-	-	-	-	-	-	7,500	-	-	-	-	7,500	7,500
Due to State General Fund	6,384	56,028	-	-	12,791	8,100	-	1,741	10,924	7,255	6,722	368,378	643,929
Due to Other State Agencies	-	11,626	-	-	-	-	-	-	-	-	-	11,626	12,130
Due to Other Funds	-	-	-	-	-	-	-	-	-	-	-	1,717,239	1,717,239
Other Liabilities	-	-	-	846	-	-	-	-	690	-	-	1,536	1,536
Total liabilities	11,339	448,754	26,164	2,691	236,473	53,998	7,500	1,947	62,216	34,617	16,427	3,089,354	4,406,152
Fund Equity:													
Fund balance:													
Reserved for petty cash	-	-	-	-	-	-	-	-	-	-	-	-	100
Unreserved, designated	-	-	-	-	-	-	-	-	-	-	-	2,077,221	2,077,221
Total fund equity	-	-	-	-	-	-	-	-	-	-	-	2,077,221	2,077,321
Total liabilities and fund equity	\$ 11,339	\$ 448,754	\$ 26,164	\$ 2,691	\$ 236,473	\$ 53,998	\$ 7,500	\$ 1,947	\$ 62,216	\$ 34,617	\$ 16,427	\$ 5,166,575	\$ 6,483,473

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

General Fund Accounts
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
Year Ended June 30, 2009

	Title III and Other All-State	D.O.L. Title V	Employment Gold Program	Total Program Support	Adult Protective Services	TBI Special	TBI Admin
Revenues:							
Intergovernmental revenues:							
Federal grants	\$ 514,250	\$ 158,895	\$ 351,488	\$ 1,024,633	\$ 2,511,360	\$ -	\$ 146,970
Other gifts and donations:							
Other revenues	72	-	-	72	8	-	-
Total revenues	514,322	158,895	351,488	1,024,705	2,511,368	-	146,970
Expenditures:							
General government:							
Current:							
Personal services and employee benefits	2,371,205	141,828	266,008	2,779,041	9,278,998	-	343,717
Contractual services	156,280	19,420	2,616	178,316	4,033,395	1,505,975	146,610
Other costs	260,925	35,547	84,033	380,505	2,076,573	-	24,063
Other financing uses	-	-	-	-	-	-	1,600,500
Total expenditures	2,788,410	196,795	352,657	3,337,862	15,388,966	1,505,975	2,114,890
Excess (deficiency) of revenues over expenditures	(2,274,088)	(37,900)	(1,169)	(2,313,157)	(12,877,598)	(1,505,975)	(1,967,920)
Other financing sources (uses):							
Transfers from (to) other state agencies	-	-	-	-	-	3,131,914	(1,717,239)
State General Fund appropriation	2,273,831	35,800	1,169	2,310,800	12,843,200	-	2,024,200
Compensation package	42,100	2,100	-	44,200	152,200	-	4,500
Reversion to State General Fund	(41,843)	-	-	(41,843)	(252,112)	(214,906)	(70,850)
Total other financing sources	2,274,088	37,900	1,169	2,313,157	12,743,288	2,917,008	240,611
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-	-	(134,310)	1,411,033	(1,727,309)
Fund balance, June 30, 2008	100	-	-	100	134,310	666,188	1,727,309
Fund balance at June 30, 2009	\$ 100	\$ -	\$ -	\$ 100	\$ (0)	\$ 2,077,221	\$ -

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
General Fund Accounts
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
Year Ended June 30, 2009

	Special Appropriation	Medicare Programs	System Transformation Grant	Resource Center	Zero Tolerance	ADRC	HIV/AIDS Consumer Advocacy	HRSA Grant	Gap Program	Statewide Behavioral Health	Total Long Term Services	Grand Total
Revenues:												
Intergovernmental revenues:												
Federal grants	\$ -	\$ 1,225,035	\$ 581,252	\$ 643,771	\$ -	\$ 74,370	\$ -	\$ 201,606	\$ -	\$ 69,700	\$ 2,942,704	\$ 6,478,697
Other gifts and donations:												
Other revenues	-	323	-	-	-	-	-	-	-	-	323	403
Total revenues	-	1,225,358	581,252	643,771	-	74,370	-	201,606	-	69,700	2,943,027	6,479,100
Expenditures:												
General government:												
Current:												
Personal services and employee benefits	-	2,133,343	436,955	1,130,973	120,852	-	47,663	70,019	-	60,161	4,343,683	16,401,722
Contractual services	20,606	126,711	112,805	2,808	39,859	74,370	-	148,972	-	5,913	2,184,629	6,396,340
Other costs	-	176,026	31,492	153,817	82,889	-	8,696	19,591	214,000	3,626	714,200	3,171,278
Other financing uses	-	411,500	-	-	-	-	-	-	-	-	2,012,000	2,012,000
Total expenditures	20,606	2,847,580	581,252	1,287,598	243,600	74,370	56,359	238,582	214,000	69,700	9,254,512	27,981,340
Excess (deficiency) of revenues over expenditures	(20,606)	(1,622,222)	-	(643,827)	(243,600)	-	(56,359)	(36,976)	(214,000)	-	(6,311,485)	(21,502,240)
Other financing sources (uses):												
Transfers from (to) other state agencies												
State General Fund appropriation	27,000	1,648,650	-	627,150	248,300	-	50,000	-	7,255	-	1,471,930	1,471,930
Compensation package	-	29,600	-	29,100	3,400	-	8,100	47,900	214,000	-	4,845,300	19,999,300
Reversion to State General Fund	(6,394)	(56,028)	-	(12,423)	(8,100)	-	(1,741)	(10,924)	(7,255)	-	(388,621)	263,000
Total other financing sources	20,606	1,622,222	-	643,827	243,600	-	56,359	36,976	214,000	-	5,995,209	21,051,654
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-	-	-	-	-	-	-	-	(316,276)	(450,586)
Fund balance, June 30, 2008	-	-	-	-	-	-	-	-	-	-	2,393,497	2,527,907
Fund balance at June 30, 2009	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,077,221	\$ 2,077,321

SPECIAL REVENUE FUNDS/PROGRAMS

<u>FUND #</u>	<u>FUNDS/PROGRAMS DESCRIPTION</u>
624-953-2100	Federal Alzheimer's Disease Program - the Administration on Aging awarded funds to the ALTSD for the purpose of establishing a statewide Information and Assistance Services, Consultation and Education Services and Support and Management of an Alzheimer's and Related Dementia Advisory Committee.
624-953-2200	Title III Training - used to provide quarterly training, special training events for opportunities for the State Agency staff and to support other State Agency administrative efforts.
624-953-2300	State Training Grant (reverting) - used to provide on-going training and education. The funds are utilized for continued support of quarterly training sessions, special training events, the annual conference and other training-related activities.
624-953-2400	Long-Term Care Ombudsman Program (reverting) - This federal and state funded program receives and resolves complaints affecting the care of the institutionalized elderly residing in nursing homes, boarding homes, etc.
624-953-2510	State Health Insurance and Benefits Assistance Corps (HIBAC) Program (reverting) - Funded by the 1988 Legislature to implement a peer counseling program in several communities of the State. The Agency developed training materials, selected the communities, recruited older volunteers and trained them on Medicare, Medicaid and other long-term care funding issues. These trained volunteers make themselves available in the local communities to assist other elderly in making decisions about their long-term care financing needs and access to Medicare and Medicaid benefits.
624-953-2590	DHHS Health Care Financing Administration Information Counseling and Assistance Grant (more recently referred to CMS, Centers for Medicare and Medicaid Services - This grant is administered jointly with the HIBAC program, since the basic purposes of the grant are to provide counseling and assistance to older individuals regarding public benefits and insurance. In addition, the agency was to work with certain Medicare supplement insurance coverage provided through HMOs. The Agency provided information to the public about coverage and eligibility.
624-953-2800	Prescription Drug Outreach Program (reverting) - used to assist individuals with access to affordable prescription drugs. The ALTSD administers the MedBank program, conducts outreach/educational activities and provides information, counseling, assistance and referral to individuals with prescription drug needs.
624-953-2900	Senior Medicare Waste Patrol Project - used to provide funding to educate Medicare beneficiaries and to maintain a toll-free telephone line for beneficiaries to report complaints concerning fraud and abuse.
624-953-6100 624-953-6200	Senior Employment Program (Including Title V) (reverting) - used to provide subsidized part-time work opportunities in community service work for low-income persons who are age 55 or older.

SPECIAL REVENUE FUNDS/PROGRAMS

<u>FUND #</u>	<u>FUNDS/PROGRAMS DESCRIPTION</u>
624-953-6400	Golden Opportunities for Lifelong Development (GOLD) – used to provide funding to hire senior citizens from three pilot areas to serve as mentors to assist Welfare-to-Work clients in mastering the life, job and problem solving skills necessary to find and keep jobs that pay well. Administrative funds are provided for program staff and operating expenses.
624-953-4100	State Community Programs (reverting) - The state appropriates funds to the Agency to supplement the federal Title III-B, III-C, III-D and III-E programs (Social Services, Nutrition, Disease Prevention and Family Caregiver). The funds are allocated to five Area Agencies on Aging who distribute the funds to Senior Citizens programs throughout the state and directly to Pueblo and Apache Indian programs.
624-953-4820 624-953-4830	Alzheimer's Program – Federal funds were awarded to provide respite care services, information and assistance services and consultation and education services for individuals with Alzheimer's Disease or related disorders and their families or caregivers. The Agency implemented the programs using the competitive bid process. The grants for respite services were funneled through the Area Agencies on Aging.
624-953-4200 624-953-4300 624-953-4400 624-953-4500 624-953-4600	Title III-B, III-C, III-D, III-E and III-F - These programs are designed to fill the gaps in existing supportive social services, senior center, nutrition, health promotion or disease prevention and in-home care contracted to Area Agencies on Aging (AAA) under an approved Area Plan for delivering services to the 60+ population in the Planning and Service Areas. This is accomplished through a consolidated, coordinated system. Federal funds are awarded to the state on the basis of population over age 60, and sub-state allocations are made to Planning and Service Areas by formula (60+, 60+ minority, 60+ below poverty). Area Agency administration is limited to 10% of the III-B and C allocation and must be matched 75/25. Local service providers must match federal funds 85/15. Of the 15%, 5% is required to be state funds. State appropriated funds are utilized for AAA administration and local community programs. Programs range from state and locally supported nutrition and senior center programs, access services (which include I & R, outreach, and transportation), in-home services (chore, visiting, telephone reassurance, homemaker, and home health), congregate and home delivered meals, legal, advocacy, ombudsman services to residents of long-term care facilities, and other community programs designed to relieve isolation, provide socialization, prevent abuse and assist older people to remain in their own homes.
624-953-4900	Nutrition Supplemental Incentive Program - This program provides cash payments to state Agencies on Aging which have elected to receive such in lieu of all or part of the donated food that nutrition programs would otherwise receive.
624-953-5100	State Foster Grandparent Program (reverting) - State appropriated funds are used to pay stipends to persons age 60 or older who participate in the program and to pay for supportive costs associated with the operation of local programs.

SPECIAL REVENUE FUNDS/PROGRAMS

<u>FUND #</u>	<u>FUNDS/PROGRAMS DESCRIPTION</u>
624-953-5200	State Senior Companion Program (reverting) - State appropriated funds are used to pay stipends to persons age 60 or older who participate in the Program and to pay for supportive costs associated with the operation of local programs.
624-953-5400	State Retired Senior Volunteer Program (reverting) - State appropriated funds are used to fund local efforts to recruit and assign persons age 60 and over as community oriented volunteers.
624-953-6300	Business Outreach Liaison Development (BOLD) Programs - to provide funding to hire senior citizens who are retired Business people from southwestern New Mexico to serve as representatives of the New Mexico Workforce Connection's one-stop center programs. Administrative funds are provided for program staff and operating expenses.
624-953-6500	DVR Mentors – participate in Mentoring Diverse Abilities, a project funded by US Department of Education through the New Mexico Public Education Department, Division of Vocational Rehabilitation. DVR has subcontracted with the Aging and Long Term Services Department to provide mentoring services to 60 Hispanic or Native American youth with disabilities in Anthony and Bernalillo, New Mexico. The mentors support and encourage the youth as they seek post-secondary education and /or employment.
624-953-2706	The Aging and Disability Resource Center – is to provide access to information, assistance, referrals and advocacy in those areas of daily living that will maximize personal choice and independence for seniors and adults with disabilities throughout New Mexico, as well as their caregivers. The resource center facilitates access to a variety of services, including state and federal benefits, prescription drugs, in-home and community-based care, housing, and caregiver support. The resource center is the clearinghouse for services provided by other public and private entities, including the Disabled & Elderly Waiver, Medicaid and Medicare. The center is the host to the Santa Fe County 211 information and referral system, sponsored by the local United Way.
624-953-6500	John H Chafee Foster Youth Mentoring Project – used to provide funding to hire senior citizens from three pilot areas to serve as mentors to assist foster youth out of foster care to make the transition to independent adult life. Administrative funds are provided for program staff and operating expenses.

SPECIAL REVENUE FUNDS/PROGRAMS

<u>FUND #</u>	<u>FUNDS/PROGRAMS DESCRIPTION</u>
624-953-2606	<p>The ALTSD was awarded a five year, \$2,736,384 Centers for Medicare & Medicaid Services (CMS) Systems Change Grant for Community Living. The intent of the funds is to help New Mexico build the infrastructure that will result in effective and enduring improvements in community-integrated services and long-term support systems.</p> <p>With this support, New Mexico's Aging and Long-Term Services Department will, over the course of five years:</p> <ul style="list-style-type: none"> · Improve access to long-term support services for the older adult and adults with disabilities populations through a one-stop, single-point-of-entry system for home and community based services; · Develop a comprehensive, department-wide quality management system; and, <ul style="list-style-type: none"> • Transform information technology systems within the department and across state departments to support access to long-term care services.
624-768-7500	<p>The Traumatic Brain Injury (TBI) Services Trust Fund (Non-reverting fund) is a short term, crisis interim program designed to meet a variety of crisis needs of New Mexico residents living with TBI. This program offers service coordination, life skills coaching and crisis interim services to qualified individuals. A \$5.00 fee attached to all New Mexico traffic citations funds the program.</p>
624-622-4710	<p>The Conference on Aging (Non-reverting fund) is an educational event with an annual registration of approximately 1,000 individuals. Senior citizens receive current information on financial planning, legal protection, health care options and benefits. Funds are self generated through registration fees, sponsorships, exhibitor fees, and fees for advertisement.</p>
053, 089, 386, 396, 534, 595, 648, 700, 883, 954, 962, 965	<p>State Capital Outlay Funds (#386 and #648 reverting) - The New Mexico Legislature annually appropriates general or bond funds to the State Agency on Aging for the purpose of altering or renovating senior citizen centers; for purchasing equipment and furnishings for these centers; and for purchasing new vehicles to replace obsolete vehicles used by the centers.</p>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds
Combining Balance Sheet
June 30, 2009

	AOA ALZHEIMERS Grant	Title III Training Grant	State Training Grant	Long-Term Care Ombudsman Program	State HIBAC Counseling Grant	STG-Grant (System Transformation)	Ombudsman Medicare Match	DHHS CMS Grant	Prescription Drug Assistance	Sub-total Elder Rights and Health Advocacy
Assets										
Petty cash	\$ -	\$ -	\$ -	\$ 8,869	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,869
Interest in State General Fund Investment Pool with the State Treasurer	92,035	-	4,700	-	2,199	-	-	-	11,251	110,185
Advances to subrecipients	-	-	-	-	-	-	-	-	-	-
Due from state agencies	-	-	-	76,058	-	-	29,172	-	-	29,172
Due from federal government	-	1,959	-	2,195	-	403	-	35,633	-	114,053
Other receivables	-	-	-	-	-	-	-	-	-	2,195
Due from Other Funds	-	-	-	-	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-	-	942	-	942
Total assets	\$ 92,035	\$ 1,959	\$ 4,700	\$ 87,122	\$ 2,199	\$ 403	\$ 29,172	\$ 36,575	\$ 11,251	\$ 265,416
Liabilities and Fund Equity										
Liabilities:										
Cash deficit with State Treasurer	\$ -	\$ 195	\$ -	\$ 54,370	\$ -	\$ 403	\$ 26,600	\$ 4,934	\$ -	\$ 86,502
Vouchers payable	-	1,784	2,278	7,768	647	-	1,398	31,341	5,686	50,882
Accounts payable	-	-	-	-	-	-	-	-	-	-
Accrued payroll payable	92,035	-	-	-	-	-	-	-	-	92,035
State dated warrants due to SGF	-	-	-	-	-	-	-	300	-	300
Deferred Revenue	-	-	-	-	-	-	-	-	-	-
Due to Federal Government	-	-	-	-	-	-	-	-	-	-
Due to State General Fund	-	-	2,422	16,115	1,552	-	1,174	-	5,565	26,828
Due to other state agencies	-	-	-	-	-	-	-	-	-	-
Due to subrecipients	-	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-	-	-
Other Liabilities	-	-	-	-	-	-	-	-	-	-
Total liabilities	92,035	1,959	4,700	78,253	2,199	403	29,172	36,575	11,251	256,547
Fund Equity:										
Fund balance:										
Reserved for petty cash	-	-	-	8,869	-	-	-	-	-	8,869
Designated for special projects	-	-	-	8,869	-	-	-	-	-	8,869
Total fund equity	-	-	-	8,869	-	-	-	-	-	8,869
Total liabilities and fund equity	\$ 92,035	\$ 1,959	\$ 4,700	\$ 87,122	\$ 2,199	\$ 403	\$ 29,172	\$ 36,575	\$ 11,251	\$ 265,416

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
Special Revenue Funds
Combining Balance Sheet
June 30, 2009

	Senior Saving Medicare	Aging Disability Resource Center	Total Elder Rights and Health Advocacy	State Senior Employment Program	Title V Senior Employment Program	WBD (BOLD) Employment Program	Employment (GOLD) Program	Daniels Fund	Mentoring for Transition	Federal Alzheimer's	Sub-total Aging Network
Assets											
Petty cash	\$ -	\$ -	\$ 8,869	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest in State General Fund Investment Pool with the State Treasurer	-	3,672	113,857	279,404	-	1,826	-	9,414	1,183	4,893	296,720
Advances to subrecipients	-	-	-	3,173	-	-	-	-	-	1,282	4,455
Due from other state agencies	-	-	29,172	-	-	-	92,119	-	-	-	92,119
Due from federal government	10,807	8	124,868	-	6,278	-	-	-	-	50,094	56,372
Other receivables	-	-	2,195	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	942	-	-	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 10,807	\$ 3,680	\$ 279,903	\$ 282,577	\$ 6,278	\$ 1,826	\$ 92,119	\$ 9,414	\$ 1,183	\$ 56,269	\$ 449,666
Liabilities and Fund Equity											
Liabilities:											
Cash deficit with State Treasurer	\$ 10,000	\$ -	\$ 96,502	\$ -	\$ 4,271	\$ -	\$ 91,825	\$ -	\$ -	\$ -	\$ 96,096
Vouchers payable	807	-	51,889	208,587	2,007	-	294	118	-	54,987	265,993
Accounts payable	-	3,680	3,680	-	-	-	-	-	-	-	-
Accrued payroll payable	-	-	92,035	-	-	-	-	-	-	-	-
State dated warrants due to SGF	-	-	300	-	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-	9,296	-	-	9,296
Due to Federal Government	-	-	-	-	-	-	-	-	-	-	-
Due to State General Fund	-	-	26,828	70,817	-	-	-	-	1,183	-	72,000
Due to other state agencies	-	-	-	-	-	1,826	-	-	-	-	1,826
Due to subrecipients	-	-	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-	-	-	-
Other Liabilities	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	10,807	3,680	271,034	279,404	6,278	1,826	92,119	9,414	1,183	54,987	445,211
Fund Equity:											
Fund balance:											
Reserved for petty cash	-	-	8,869	3,173	-	-	-	-	-	1,282	4,455
Unreserved, designated	-	-	8,869	3,173	-	-	-	-	-	1,282	4,455
Total fund equity	-	-	8,869	3,173	-	-	-	-	-	1,282	4,455
Total liabilities and fund equity	\$ 10,807	\$ 3,680	\$ 279,903	\$ 282,577	\$ 6,278	\$ 1,826	\$ 92,119	\$ 9,414	\$ 1,183	\$ 56,269	\$ 449,666

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds
Combining Balance Sheet
June 30, 2009

	State Community Programs	Special Projects	Federal Title III-B Social Services	Federal Title III-C1 Congregate Meals	Federal Title III-C2 Home Delivrd Meals	Federal Title III-E NFCSP	Federal Title III-D Preventive Health	Federal AoA NSIP	Foster Grandparent Program	Senior Companion Program	State Retired Sr. Volunteer Program	Conference on Aging	Total Aging Network
Assets													
Petty cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 700	\$ 700
Interest in State General Fund Investment Pool with the State Treasurer	3,427,217	160,000	-	-	2,818	-	-	-	247,843	186,307	98,652	104,885	4,524,442
Advances to subrecipients	6,663	-	4,510	1,603	303	-	-	-	31,475	37,793	4,911	-	91,713
Due from state agencies	-	-	-	-	-	-	-	-	-	-	-	-	92,119
Due from federal government	-	-	36,309	98,700	39,241	177,078	2,716	200,548	-	-	-	-	610,964
Other receivables	-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 3,433,880	\$ 160,000	\$ 40,819	\$ 100,303	\$ 42,362	\$ 177,078	\$ 2,716	\$ 200,548	\$ 279,318	\$ 224,100	\$ 103,563	\$ 105,585	\$ 5,319,938
Liabilities and Fund Equity													
Liabilities:													
Cash deficit with State Treasurer	\$ -	\$ -	\$ 10	\$ -	\$ -	\$ -	\$ 2,716	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 96,106
Vouchers payable	3,210,115	-	36,299	98,700	42,059	177,078	-	200,548	227,032	181,606	94,984	3,664	4,540,794
Accounts payable	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued payroll payable	44,505	-	-	-	-	-	-	-	-	-	-	6,865	51,370
State dated warrants due to SGF	300	-	-	-	-	-	-	-	-	-	-	-	300
Deferred Revenue	-	-	-	-	-	-	-	-	-	-	-	-	9,296
Due to Federal Government	-	-	-	-	-	-	-	-	-	-	-	-	-
Due to State General Fund	172,297	60,000	-	-	-	-	-	-	20,811	4,701	3,668	-	393,477
Due to other state agencies	-	-	-	-	-	-	-	-	-	-	-	-	1,826
Due to subrecipients	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	335
Total liabilities	3,427,217	60,000	36,309	98,700	42,059	177,078	2,716	200,548	247,843	186,307	98,652	10,864	5,033,504
Fund Equity:													
Fund balance:													
Reserved for petty cash	6,663	100,000	4,510	1,603	303	-	-	-	31,475	37,793	4,911	700	285,734
Unreserved, designated	6,663	100,000	4,510	1,603	303	-	-	-	31,475	37,793	4,911	94,721	286,434
Total fund equity	13,326	200,000	9,020	3,206	606	-	-	-	62,950	75,586	9,822	95,421	572,168
Total liabilities and fund equity	\$ 3,433,880	\$ 160,000	\$ 40,819	\$ 100,303	\$ 42,362	\$ 177,078	\$ 2,716	\$ 200,548	\$ 279,318	\$ 224,100	\$ 103,563	\$ 105,585	\$ 5,319,938

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
Special Revenue Funds
Combining Balance Sheet
June 30, 2009

	State Capital Outlay Fund 053	State Capital Outlay Fund 089	State Capital Outlay Fund 386	State Capital Outlay Fund 386	State Capital Outlay Fund 554	State Capital Outlay Fund 648	State Capital Outlay Fund 700	State Capital Outlay Fund 883	State Capital Outlay Fund 954	State Capital Outlay Fund 962	State Capital Outlay Fund 965	Total State Capital Outlay
Assets												
Petty cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest in State General Fund Investment Pool with the State Treasurer	-	1	30,062	-	-	217	-	3,174,994	1,781,762	2,034,900	-	10,301,267
Advances to subrecipients	-	-	-	-	-	-	-	-	-	-	-	-
Due from state agencies	655,777	-	230,891	81,433	6,332	-	-	-	-	-	559,627	1,534,060
Due from federal government	-	-	-	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 655,777	\$ 1	\$ 260,953	\$ 81,433	\$ 6,332	\$ 217	\$ -	\$ 3,174,994	\$ 1,781,762	\$ 2,034,900	\$ 559,627	\$ 11,835,327
Liabilities and Fund Equity												
Liabilities:												
Cash deficit with State Treasurer	\$ -	\$ -	\$ -	\$ 6,969	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,855	\$ 77,824
Vouchers payable	399,706	-	230,891	74,464	6,332	-	-	516,374	47,180	36,064	487,332	2,106,640
Accounts payable	256,071	-	-	-	-	-	-	-	-	-	-	256,071
Accrued payroll payable	-	-	-	-	-	-	-	-	-	-	-	-
State dated warrants due to SGF	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Revenue	-	1	30,057	-	-	-	-	-	-	-	1,440	31,498
Due to Federal Government	-	-	-	-	-	-	-	-	-	-	-	-
Due to State General Fund	-	-	-	-	-	-	-	-	-	-	-	-
Due to other state agencies	-	-	-	-	-	-	-	-	-	-	-	-
Due to subrecipients	-	-	5	-	-	-	-	-	-	-	-	5
Other Liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	655,777	1	260,953	81,433	6,332	217	308,297	516,374	47,180	36,064	559,627	2,472,038
Fund Equity:												
Fund balance:												
Reserved for petty cash	-	-	-	-	-	217	-	-	1,734,582	1,998,836	-	9,363,289
Unreserved, designated	-	-	-	-	-	-	-	2,658,620	1,734,582	1,998,836	-	9,363,289
Total fund equity	-	-	-	-	-	217	-	2,658,620	1,734,582	1,998,836	-	9,363,289
Total liabilities and fund equity	\$ 655,777	\$ 1	\$ 260,953	\$ 81,433	\$ 6,332	\$ 217	\$ -	\$ 3,174,994	\$ 1,781,762	\$ 2,034,900	\$ 559,627	\$ 11,835,327

STATE OF NEW MEXICO
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Special Revenue Funds
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	Title III Training Grant	State Training Grant	Long-Term Care Ombudsman Program	State HIBAC Counseling Grant	Ombudsman Medicare Match	DHHS CMS Grant	Prescription Drug Assistance	Sub-total Elder Rights and Health Advocacy
Revenues:								
Intergovernmental revenues:								
Federal grants	\$ 6,941	\$ -	\$ 531,179	\$ -	\$ 70,426	\$ 442,589	\$ -	\$ 1,051,135
Private Gifts and Grants	-	-	-	-	-	45	-	8,545
Miscellaneous revenue	-	-	8,500	-	-	-	-	-
Total revenues	6,941	-	539,679	-	70,426	442,634	-	1,059,680
Expenditures:								
General government:								
Current:								
Personal services and employee benefits	-	-	769,378	205,975	130,792	246,160	132,156	1,484,461
Contractual services	4,983	-	19,668	-	-	-	6,356	30,007
Other costs	1,958	9,789	146,843	18,653	10,060	212,774	44,423	444,500
Other Financing Uses	-	-	-	-	-	-	-	-
Total expenditures	6,941	9,789	934,889	224,628	140,852	458,934	182,935	1,958,968
Excess (deficiency) of revenues over expenditures	-	(9,789)	(395,210)	(224,628)	(70,426)	(16,300)	(182,935)	(899,288)
Other financing sources (uses) (note 10):								
Transfers from (to) other state agencies	-	-	-	-	-	-	-	-
Bond Proceeds appropriations	-	-	-	-	-	-	-	-
State General Fund appropriation	-	9,900	399,200	222,300	70,200	16,300	186,200	904,100
Compensation package	-	-	12,100	3,800	1,400	-	2,300	19,600
Reversion to State General Fund	-	(111)	(16,090)	(1,472)	(1,174)	-	(5,565)	(24,412)
Total other financing sources (uses)	-	9,789	395,210	224,628	70,426	16,300	182,935	899,288
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-	-	-	-	-	-
Fund balance, June 30, 2008	-	-	8,869	-	-	-	-	8,869
Fund balance, June 30, 2009	\$ -	\$ -	\$ 8,869	\$ -	\$ -	\$ -	\$ -	\$ 8,869

STATE OF NEW MEXICO
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	Senior Saving Medicare	Aging & Disability Resource Center	Total Elder Rights and Health Advocacy	State Senior Employment Program	Title V Senior Employment Program	Employment (GOLD) Program	Daniels Fund	Federal Alzheimer's	Sub-total Aging Network
Revenues:									
Intergovernmental revenues:									
Federal grants	\$ 179,754	\$ 244,159	1,475,048	\$ -	\$ 281,249	\$ 344,424	\$ -	\$ 100,353	\$ 726,026
Private Gifts and Grants	-	-	-	-	-	-	15,704	-	15,704
Miscellaneous revenue	-	-	8,545	-	-	-	-	-	-
Total revenues	179,754	244,159	1,483,593	-	281,249	344,424	15,704	100,353	741,730
Expenditures:									
General government:									
Current:									
Personal services and employee benefits	166,004	27,751	1,678,216	42,183	-	-	-	-	42,183
Contractual services	-	70,797	100,804	-	-	-	-	14,861	14,861
Other costs	13,750	145,611	603,861	1,271,261	321,749	356,163	15,704	85,492	2,050,369
Other Financing Uses	-	-	-	-	-	-	-	-	-
Total expenditures	179,754	244,159	2,382,881	1,313,444	321,749	356,163	15,704	100,353	2,107,413
Excess (deficiency) of revenues over expenditures	-	-	(899,288)	(1,313,444)	(40,500)	(11,739)	-	-	(1,365,683)
Other financing sources (uses) (note 10):									
Transfers from (to) other state agencies	-	-	-	-	-	-	-	-	-
Bond Proceeds appropriations	-	-	-	-	-	-	-	-	-
State General Fund appropriation	-	-	904,100	1,384,261	40,500	11,739	-	-	1,436,500
Compensation package	-	-	19,600	-	-	-	-	-	-
Reversion to State General Fund	-	-	(24,412)	(70,817)	-	-	-	-	(70,817)
Total other financing sources (uses)	-	-	899,288	1,313,444	40,500	11,739	-	-	1,365,683
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	8,869	3,173	-	-	-	1,282	4,455
Fund balance, June 30, 2008	-	-	-	-	-	-	-	-	-
Fund balance, June 30, 2009	\$ -	\$ -	\$ 8,869	\$ 3,173	\$ -	\$ -	\$ -	\$ 1,282	\$ 4,455

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
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Year Ended June 30, 2009

	State Community Programs	Special Projects	Federal Title III-B Social Services	Federal Title III-C1 Congregate Meals	Federal Title III-C2 Home Delivrd Meals	Federal Title III-E NFCSF	Federal Title III-D Preventive Health	Federal Aoa NSIP	Foster Grandparent Program	Senior Companion Program	State Retired Sr. Volunteer Program	Conference on Aging	Total Aging Network
Revenues:													
Intergovernmental revenues:													
Federal grants	\$ -	\$ -	\$ 1,715,072	\$ 1,779,628	\$ 873,315	\$ 878,168	\$ 121,614	\$ 1,704,028	\$ -	\$ -	\$ -	\$ -	\$ 7,797,851
Private Gifts and Grants	-	-	-	-	-	-	-	-	-	-	-	-	15,704
Miscellaneous revenue	-	-	-	-	-	-	-	-	-	-	-	86,868	86,868
Total revenues	-	-	<u>1,715,072</u>	<u>1,779,628</u>	<u>873,315</u>	<u>878,168</u>	<u>121,614</u>	<u>1,704,028</u>	-	-	-	<u>86,868</u>	<u>7,900,423</u>
Expenditures:													
General government:													
Current:													
Personal services and employee benefits	311,334	-	-	-	-	-	-	-	-	-	-	-	372,563
Contractual services	22,322,863	-	1,715,072	1,779,628	873,315	878,168	121,614	1,704,028	1,752,359	1,540,521	504,460	112,816	18,458
Other costs	-	-	-	-	-	-	-	-	99,660	76,021	-	-	35,355,013
Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-	-	175,681
Total expenditures	<u>22,633,997</u>	-	<u>1,715,072</u>	<u>1,779,628</u>	<u>873,315</u>	<u>878,168</u>	<u>121,614</u>	<u>1,704,028</u>	<u>1,852,019</u>	<u>1,616,542</u>	<u>504,460</u>	<u>135,459</u>	<u>35,921,715</u>
Excess (deficiency) of revenues over expenditures	<u>(22,633,997)</u>	-	-	-	-	-	-	-	<u>(1,852,019)</u>	<u>(1,616,542)</u>	<u>(504,460)</u>	<u>(48,591)</u>	<u>(28,021,292)</u>
Other financing sources (uses) (note 10):													
Transfers from (to) other state agencies	-	-	-	-	-	-	-	-	-	-	-	-	-
Bond Proceeds appropriations	-	-	-	-	-	-	-	-	-	-	-	-	-
State General Fund appropriation	22,800,394	160,000	-	-	-	-	-	-	1,871,379	1,620,899	508,128	75,000	28,472,300
Compensation package	5,900	(60,000)	-	-	-	-	-	-	(19,360)	(4,357)	(3,668)	-	5,900
Reversion to State General Fund	(172,297)	-	-	-	-	-	-	-	-	-	-	-	(330,499)
Total other financing sources (uses)	<u>22,633,997</u>	<u>100,000</u>	-	-	-	-	-	-	<u>1,852,019</u>	<u>1,616,542</u>	<u>504,460</u>	<u>75,000</u>	<u>28,147,701</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	<u>100,000</u>	-	-	-	-	-	-	-	-	-	<u>26,409</u>	<u>126,409</u>
Fund balance, June 30, 2008	<u>6,863</u>	-	<u>4,510</u>	<u>1,603</u>	<u>303</u>	-	-	-	<u>31,475</u>	<u>37,793</u>	<u>4,911</u>	<u>68,312</u>	<u>160,025</u>
Fund balance, June 30, 2009	<u>\$ 6,863</u>	<u>\$ 100,000</u>	<u>\$ 4,510</u>	<u>\$ 1,603</u>	<u>\$ 303</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,475</u>	<u>\$ 37,793</u>	<u>\$ 4,911</u>	<u>\$ 94,721</u>	<u>\$ 286,434</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
Special Revenue Funds
Combining Statement of Revenue, Expenditures
and Changes in Fund Balances
Year Ended June 30, 2009

	State Capital Outlay Fund 053	State Capital Outlay Fund 089	State Capital Outlay Fund 386	State Capital Outlay Fund 386	State Capital Outlay Fund 534	State Capital Outlay Fund 595	State Capital Outlay Fund 548	State Capital Outlay Fund 700	State Capital Outlay Fund 883	State Capital Outlay Fund 954	State Capital Outlay Fund 962	State Capital Outlay Fund 965	Total State Capital Outlay
Revenues:													
Intergovernmental revenues:													
Federal grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Private Gifts and Grants	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures:													
General government:													
Current:													
Personal services and employee benefits	-	-	-	-	-	-	-	-	-	-	-	-	-
Contractual services	-	-	-	-	-	-	-	-	-	-	-	-	-
Other costs	972,217	247,400	606,279	156,420	251,543	1,559,486	12,089	12,089	1,846,924	195,437	887,735	3,036,618	9,772,148
Other Financing Uses	-	-	-	-	-	123,627	-	-	36,480	16,431	79,000	-	255,538
Total expenditures	972,217	247,400	606,279	156,420	251,543	1,683,113	12,089	12,089	1,883,404	211,868	966,735	3,036,618	10,027,686
Excess (deficiency) of revenues over expendi...	(972,217)	(247,400)	(606,279)	(156,420)	(251,543)	(1,683,113)	(12,089)	(12,089)	(1,883,404)	(211,868)	(966,735)	(3,036,618)	(10,027,686)
Other financing sources (uses) (note 10):													
Transfers from (to) other state agencies	-	-	-	(325,000)	-	(50,000)	-	-	(32,000)	(25,000)	(198,000)	49,311	(580,689)
Bond Proceeds appropriations	972,217	247,400	606,279	156,420	251,543	1,559,486	12,089	12,089	1,846,924	195,437	887,735	3,036,618	9,772,148
State General Fund appropriation	-	-	-	-	-	30,000	-	-	26,624	-	-	-	5,298,879
Compensation package	-	-	-	-	-	-	-	-	-	-	-	-	30,000
Reversion to State General Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	972,217	247,400	606,279	(168,580)	251,543	(40,000)	12,089	12,089	(5,376)	(25,000)	(198,000)	3,036,618	4,709,190
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-	(325,000)	-	(1,703,113)	-	-	(1,888,780)	(236,868)	(1,164,735)	-	(5,318,486)
Fund balance, June 30, 2008	-	-	-	325,000	-	4,674,147	217	-	4,547,400	1,971,450	3,163,571	-	14,681,785
Fund balance, June 30, 2009	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,971,034	\$ 217	\$ -	\$ 2,658,620	\$ 1,734,582	\$ 1,998,836	\$ -	\$ 9,363,289

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT**

**Special Revenue Funds - Capital Projects - Fund 053
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2009**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 6,115,801	\$ 4,963,235	\$ 972,217	\$ 5,935,452
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>6,115,801</u>	<u>4,963,235</u>	<u>972,217</u>	<u>5,935,452</u>
Expenditures:				
General government:				
Other costs	6,115,801	4,963,235	972,217	5,935,452
Total expenditures	<u>6,115,801</u>	<u>4,963,235</u>	<u>972,217</u>	<u>5,935,452</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
State General Fund appropriation	-	-	-	-
Reversion to State General Fund	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2008			<u>-</u>	<u>-</u>
Fund balance at June 30, 2009			<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT**

**Special Revenue Funds - Capital Projects - Fund 089 (A)
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2009**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 120,000	\$ 119,008	\$ -	\$ 119,008
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
	<u>120,000</u>	<u>119,008</u>	<u>-</u>	<u>119,008</u>
Total revenues				
Expenditures:				
General government:				
Other costs	<u>120,000</u>	<u>119,008</u>	<u>-</u>	<u>119,008</u>
Total expenditures	<u>120,000</u>	<u>119,008</u>	<u>-</u>	<u>119,008</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
State General Fund appropriation	-	-	-	-
Reversion to State General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2008			<u>-</u>	<u>-</u>
Fund balance at June 30, 2009			<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds - Capital Projects - Fund 089 (B)
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2009

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 2,991,900	\$ 2,226,279	\$ 247,400	\$ 2,473,679
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>2,991,900</u>	<u>2,226,279</u>	<u>247,400</u>	<u>2,473,679</u>
Expenditures:				
General government:				
Other costs	<u>2,991,900</u>	<u>2,226,279</u>	<u>247,400</u>	<u>2,473,679</u>
Total expenditures	<u>2,991,900</u>	<u>2,226,279</u>	<u>247,400</u>	<u>2,473,679</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
State General Fund appropriation	-	-	-	-
Reversion to State General Fund	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2008			<u>-</u>	<u>-</u>
Fund balance at June 30, 2009			<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT**

**Special Revenue Funds - Capital Projects - Fund 386
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2009**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 4,133,169	\$ 1,642,860	\$ 606,279	\$ 2,249,139
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>4,133,169</u>	<u>1,642,860</u>	<u>606,279</u>	<u>2,249,139</u>
Expenditures:				
General government:				
Other costs	<u>5,592,304</u>	<u>3,066,317</u>	<u>606,279</u>	<u>3,672,596</u>
Total expenditures	<u>5,592,304</u>	<u>3,066,317</u>	<u>606,279</u>	<u>3,672,596</u>
Excess (deficiency) of revenues over expenditures	<u>(1,459,135)</u>	<u>(1,423,457)</u>	<u>-</u>	<u>(1,423,457)</u>
Other financing sources (uses):				
Transfers to other state agencies	-	(7,820)	-	(7,820)
State General Fund appropriation	1,459,135	1,459,135	-	1,459,135
Reversion to State General Fund	-	(27,858)	-	(27,858)
Total other financing sources (uses)	<u>1,459,135</u>	<u>1,423,457</u>	<u>-</u>	<u>1,423,457</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2008			<u>-</u>	<u>-</u>
Fund balance at June 30, 2009			<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT**

**Special Revenue Funds - Capital Projects - Fund 396
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2009**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$7,812,808	\$7,812,808	\$ 156,420	\$ 7,969,228
Bond sales-correction			(325,000)	(325,000)
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
	<u>7,812,808</u>	<u>7,812,808</u>	<u>(168,580)</u>	<u>7,644,228</u>
Expenditures:				
General government:				
Other costs	<u>7,812,808</u>	<u>7,487,808</u>	<u>156,420</u>	<u>7,644,228</u>
	<u>7,812,808</u>	<u>7,487,808</u>	<u>156,420</u>	<u>7,644,228</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>325,000</u>	<u>(325,000)</u>	<u>-</u>
Other financing sources (uses):				
State General Fund appropriation	-	-	-	-
Reversion to State General Fund	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 325,000</u>	<u>(325,000)</u>	<u>-</u>
Fund balance, June 30, 2008			<u>325,000</u>	<u>-</u>
Fund balance at June 30, 2009			<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT**

**Special Revenue Funds - Capital Projects - Fund 534
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2009**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 8,251,860	\$ 6,036,071	\$ 251,543	\$ 6,287,614
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>8,251,860</u>	<u>6,036,071</u>	<u>251,543</u>	<u>6,287,614</u>
Expenditures:				
General government:				
Other costs	<u>8,251,860</u>	<u>6,036,071</u>	<u>251,543</u>	<u>6,287,614</u>
Total expenditures	<u>8,251,860</u>	<u>6,036,071</u>	<u>251,543</u>	<u>6,287,614</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
State General Fund appropriation	-	-	-	-
Reversion to State General Fund	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	-	-
Fund balance, June 30, 2008			<u>-</u>	<u>-</u>
Fund balance at June 30, 2009			<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT**

**Special Revenue Funds - Capital Projects - Fund 595
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2009**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
General government:				
Other costs	<u>9,637,101</u>	<u>4,840,853</u>	<u>1,559,486</u>	<u>6,400,339</u>
Total expenditures	<u>9,637,101</u>	<u>4,840,853</u>	<u>1,559,486</u>	<u>6,400,339</u>
Excess (deficiency) of revenues over expenditures	<u>(9,637,101)</u>	<u>(4,840,853)</u>	<u>(1,559,486)</u>	<u>(6,400,339)</u>
Other financing sources (uses):				
State General Fund appropriation	9,637,101	9,637,101	30,000	9,667,101
Reversion to State General Fund	-	(122,101)	(123,627)	(245,728)
Reversion to State General Fund	-	-	(50,000)	(50,000)
Total other financing sources (uses)	<u>9,637,101</u>	<u>9,515,000</u>	<u>(143,627)</u>	<u>9,371,373</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 4,674,147</u>	(1,703,113)	2,971,034
Fund balance, June 30, 2008			<u>4,674,147</u>	<u>-</u>
Fund balance at June 30, 2009			<u>\$ 2,971,034</u>	<u>\$ 2,971,034</u>

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT**

**Special Revenue Funds - Capital Projects - Fund 648
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2009**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 27,094,891	\$ 11,381,773	\$ -	\$ 11,381,773
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>27,094,891</u>	<u>11,381,773</u>	<u>-</u>	<u>11,381,773</u>
Expenditures:				
General government:				
Other costs	<u>27,531,891</u>	<u>11,812,927</u>	<u>-</u>	<u>11,812,927</u>
Total expenditures	<u>27,531,891</u>	<u>11,812,927</u>	<u>-</u>	<u>11,812,927</u>
Excess (deficiency) of revenues over expenditures	<u>(437,000)</u>	<u>(431,154)</u>	<u>-</u>	<u>(431,154)</u>
Other financing sources (uses):				
State General Fund appropriation	437,000	437,000		437,000
Reversion to State General Fund	<u>-</u>	<u>(5,629)</u>	<u>-</u>	<u>(5,629)</u>
Total other financing sources (uses)	<u>437,000</u>	<u>431,371</u>	<u>-</u>	<u>431,371</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 217</u>	<u>-</u>	<u>217</u>
Fund balance, June 30, 2008			<u>217</u>	<u>-</u>
Fund balance at June 30, 2009			<u>\$ 217</u>	<u>\$ 217</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds - Capital Projects - Fund 700
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2009

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 3,588,563	\$ 2,937,826	\$ 12,089	\$ 2,949,915
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
	<u>3,588,563</u>	<u>2,937,826</u>	<u>12,089</u>	<u>2,949,915</u>
Total revenues				
Expenditures:				
General government:				
Other costs	<u>3,588,563</u>	<u>2,937,826</u>	<u>12,089</u>	<u>2,949,915</u>
	<u>3,588,563</u>	<u>2,937,826</u>	<u>12,089</u>	<u>2,949,915</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
State General Fund appropriation	-	-	-	-
Reversion to State General Fund	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)				
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2008			<u>-</u>	<u>-</u>
Fund balance at June 30, 2009			<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT**

**Special Revenue Funds - Capital Projects - Fund 883 (A)
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2009**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 138,945	\$ 120,786	\$ -	\$ 120,786
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>138,945</u>	<u>120,786</u>	<u>-</u>	<u>120,786</u>
Expenditures:				
General government:				
Other costs	6,518,827	1,953,268	1,820,300	3,773,568
Other Financing Uses	-	-	36,480	36,480
Other Financing Uses - re-authorization	-	-	32,000	32,000
Total expenditures	<u>6,518,827</u>	<u>1,953,268</u>	<u>1,888,780</u>	<u>3,842,048</u>
Excess (deficiency) of revenues over expenditures	<u>(6,379,882)</u>	<u>(1,832,482)</u>	<u>(1,888,780)</u>	<u>(3,721,262)</u>
Other financing sources (uses):				
State General Fund appropriation	6,379,882	6,379,882	-	6,379,882
Reversion to State General Fund	-	-	-	-
Total other financing sources (uses)	<u>6,379,882</u>	<u>6,379,882</u>	<u>-</u>	<u>6,379,882</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$4,547,400</u>	<u>(1,888,780)</u>	<u>2,658,620</u>
Fund balance, June 30, 2008			<u>4,547,400</u>	<u>-</u>
Fund balance at June 30, 2009			<u>\$ 2,658,620</u>	<u>\$2,658,620</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds - Capital Projects - Fund 883 (B)
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2009

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$1,401,620	\$ 896,439	\$ 26,624	\$ 923,063
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>1,401,620</u>	<u>896,439</u>	<u>26,624</u>	<u>923,063</u>
Expenditures:				
General government:				
Other costs	<u>1,406,620</u>	<u>901,439</u>	<u>26,624</u>	<u>928,063</u>
Total expenditures	<u>1,406,620</u>	<u>901,439</u>	<u>26,624</u>	<u>928,063</u>
Excess (deficiency) of revenues over expenditures	<u>(5,000)</u>	<u>(5,000)</u>	-	<u>(5,000)</u>
Other financing sources (uses):				
State General Fund appropriation	5,000	5,000	-	5,000
Reversion to State General Fund	-	-	-	-
Total other financing sources (uses)	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	-	-
Fund balance, June 30, 2008			-	-
Fund balance at June 30, 2009			<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT**

**Special Revenue Funds - Capital Projects - Fund 954
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2009**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:		567,367		
State shared revenue:		(3,592,633)		
Bond sales	\$ 4,160,000	\$ 4,160,000	\$ -	\$ 4,160,000
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
	<u>4,160,000</u>	<u>4,160,000</u>	<u>-</u>	<u>4,160,000</u>
Total revenues				
Expenditures:		(546,307)		
General government:		10,685,647		
Other costs	13,231,144	11,231,954	195,437	11,427,391
	<u>13,231,144</u>	<u>11,231,954</u>	<u>195,437</u>	<u>11,427,391</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>(9,071,144)</u>	<u>(7,071,954)</u>	<u>(195,437)</u>	<u>(7,267,391)</u>
Other financing sources (uses):				
Transfers to other state agencies	-	(25,560)	(16,431)	(41,991)
State General Fund appropriation	9,071,144	9,071,144	(25,000)	9,046,144
Reversion to State General Fund	-	(2,180)	-	(2,180)
	<u>9,071,144</u>	<u>9,043,404</u>	<u>(41,431)</u>	<u>9,001,973</u>
Total other financing sources (uses)				
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 1,971,450</u>	(236,868)	1,734,582
Fund balance, June 30, 2008			<u>1,971,450</u>	-
Fund balance at June 30, 2009			<u>\$ 1,734,582</u>	<u>\$ 1,734,582</u>

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT**

**Special Revenue Funds - Capital Projects - Fund 962(A)
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2009**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$2,040,000	\$2,040,000	\$ -	\$2,040,000
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>2,040,000</u>	<u>2,040,000</u>	<u>-</u>	<u>2,040,000</u>
Expenditures:				
General government:				
Other costs	<u>2,098,000</u>	<u>2,098,000</u>	<u>-</u>	<u>2,098,000</u>
Total expenditures	<u>2,098,000</u>	<u>2,098,000</u>	<u>-</u>	<u>2,098,000</u>
Excess (deficiency) of revenues over expenditures	<u>(58,000)</u>	<u>(58,000)</u>	<u>-</u>	<u>(58,000)</u>
Other financing sources (uses):				
State General Fund appropriation	58,000	58,000	-	58,000
Reversion to State General Fund	-	-	-	-
Total other financing sources (uses)	<u>58,000</u>	<u>58,000</u>	<u>-</u>	<u>58,000</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2008			<u>-</u>	<u>-</u>
Fund balance at June 30, 2009			<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
Special Revenue Funds - Capital Projects - Fund 962(B)
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2009

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 5,068,447	\$ 4,678,368	\$ -	\$ 4,678,368
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>5,068,447</u>	<u>4,678,368</u>	<u>-</u>	<u>4,678,368</u>
Expenditures:				
General government:				
Other costs	11,056,947	7,513,297	887,735	8,401,032
Other Financing Uses	-	-	79,000	79,000
Other Financing Uses - re-authorizations	-	-	198,000	198,000
Total expenditures	<u>11,056,947</u>	<u>7,513,297</u>	<u>1,164,735</u>	<u>8,678,032</u>
Excess (deficiency) of revenues over expenditures	<u>(5,988,500)</u>	<u>(2,834,929)</u>	<u>(1,164,735)</u>	<u>(3,999,664)</u>
Other financing sources (uses):				
State General Fund appropriation	5,988,500	5,991,350	-	5,991,350
Reversion to State General Fund	-	7,150	-	7,150
Total other financing sources (uses)	<u>5,988,500</u>	<u>5,998,500</u>	<u>-</u>	<u>5,998,500</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 3,163,571</u>	<u>(1,164,735)</u>	<u>1,998,836</u>
Fund balance, June 30, 2008			<u>3,163,571</u>	<u>-</u>
Fund balance at June 30, 2009			<u>\$ 1,998,836</u>	<u>\$ 1,998,836</u>

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT**

**Special Revenue Funds - Capital Projects - Fund 965
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2009**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 26,608,733	\$ 10,104,088	\$ 2,987,307	\$ 13,091,395
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>26,608,733</u>	<u>10,104,088</u>	<u>2,987,307</u>	<u>13,091,395</u>
Expenditures:				
General government:				
Other costs	<u>26,608,733</u>	<u>10,054,777</u>	<u>3,036,618</u>	<u>13,091,395</u>
Total expenditures	<u>26,608,733</u>	<u>10,054,777</u>	<u>3,036,618</u>	<u>13,091,395</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>49,311</u>	<u>(49,311)</u>	<u>-</u>
Other financing sources (uses):				
State General Fund appropriation				
Reversion to State General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 49,311</u>	<u>(49,311)</u>	<u>-</u>
Fund balance, June 30, 2008			<u>49,311</u>	<u>-</u>
Fund balance at June 30, 2009			<u>\$ -</u>	<u>\$ -</u>

JPA AGREEMENT NUMBER	JPA PARTIES	AMOUNT OF AGREEMENT	EFFECTIVE	EXPIRES	PURPOSE/COMMENTS	AUDIT AGENCY	FISCAL AGENCY	REPORTING AGENCY
03-630-0976	ALTSD/HSD	ALTSD shall bill HSD monthly for Medicaid matching funds.	02/19/04	Article VII	To designate the administrative, fiscal & programmatic responsibility for long-term care ombudsman services provided to Medicaid recipients.	HSD	DFA	HSD
03-630-73	ALTSD/HSD	ALTSD shall bill HSD monthly for Medicaid matching funds.	05/01/03	Article IX	To obtain services from ALTSD in order to match state funds appropriated to ALTSD with federal Medicaid funds approved under the Medical Assistance Div. (MAD) state plan of HSD.	HSD	DFA	HSD
04-630-11	ALTSD/HSD	ALTSD shall submit to HSD monthly an invoice for costs incurred for intake, referral and assistance services.	01/01/04	Article IX	To designate the programmatic responsibility for ALTSD of appropriate intake, referral & assistance services for Medicaid recipients, to facilitate the receipt of necessary long-term care services.	HSD	DFA	HSD
05-630-8000-0007	ALTSD/HSD	Shall not exceed \$1,500,000 each 12 consecutive month period of agreement payable by HSD to ALTSD	08/13/04	Section 8	To designate to ALTSD the administrative & programmatic responsibility for the Medicaid programs including the Disabled & Elderly (D&E) Waiver, the Personal Care Option (PCO) program & the Program for All-Inclusive Care for the Elderly (PACE).	HSD	DFA	HSD
05-630-8000-0007-01	ALTSD/HSD	Shall not exceed \$2,050,000 each 12 consecutive month period of agreement payable by HSD to ALTSD	11/16/07	06/30/10	To designate to ALTSD the administrative & programmatic responsibility for the Medicaid programs including, but not limited to, the Disabled & Elderly (D&E) Waiver, the Personal Care Option (PCO) program, the Program for All-Inclusive Care for the Elderly	HSD	DFA	HSD
05-630-8000-0007-02	ALTSD/HSD	Shall not exceed \$2,190,000 each 12 consecutive month period of agreement payable by HSD to ALTSD		Section 8	To designate to ALTSD the administrative & programmatic responsibility for the Medicaid programs including, but not limited to, the Disabled & Elderly (D&E) Waiver, the Personal Care Option (PCO) program, the Program for All-Inclusive Care for the Elderly	HSD	DFA	HSD
06-624-5000-0117	ALTSD/HSD	Shall not exceed \$2,000,000 each 12 consecutive month period of agreement payable by HSD to ALTSD	09/16/05	Section 8	TBI-To allow for collaboration in the area of Brain Injury, to allow for State & federal funds to flow, to fund an HSD FTE for the BI program & to allow ALTSD pay the state share of the direct program costs for the BI program.	ALSTD	DFA	ALSTD
06-624-5000-0173	ALTSD/HSD/DOH/PED/C YFD	Each department shall provide \$20,000 annually	05/19/06	Section 6	To establish, implement & fund the Governor's Office of Faith-Based & Community Initiatives (OFBCI)	ALSTD	DFA	ALSTD
06-690-6000-6002	ALTSD/HSD/DOH/PED/C YFD/NMCD	CYFD as fiscal agent shall transfer to each of the parties the MHT SIG funds which are allocated. ALTSD contribution is \$21,197.	12/09/05	06/30/10	To arrange for allocation of federal funds awarded under the Mental Health Transformation State Incentive Grant (MHT SIG) among these agencies, for the purpose of providing infrastructure support for the Interagency Behavioral Health Purchasing Collaborat	CYFD	DFA	CYFD
06-690-6000-6002-01	ALTSD/HSD/DOH/PED/C YFD/NMCD	Parties agree that MHT SIG funds shall be allocated among themselves in support of IBHPC activities. Allocations & designations set forth in Attachment 1 & revised Attachment 2 may be adjusted to reflect changing circumstances.	08/25/06	06/30/10	Amended to include HED as a party to JPA, to designate HSD as program director & CYFD as fiscal agent, to make the current annual budget effective through the current federal fiscal year, to create a mechanism for allocating, designating & distributing MH	CYFD	DFA	CYFD
07-624-5000-0004	ALTSD/DOH/HSD	Total amount available shall not exceed \$350,000,000 for period of agreement.	08/24/06	Termination 45 days notice.	MI VIA-To delegate responsibilities & oversight of New Mexico's MI VIA Program, a self-directed waiver program for eligible New Mexico participants.	ALSTD	DFA	ALSTD
09-624-4000-0023	ALTSD/DOH	\$111,510	07/01/08	06/30/09	Foster Grandparent Program	ALSTD	DFA	ALSTD
09-624-4000-0047	ALTSD/DOH	\$76,090	07/01/08	06/30/09	Senior Companion Program	ALSTD	DFA	ALSTD
09-624-6000-0029	ALTSD/CYFD	ALTSD shall authorize CYFD to issue "M Warrants" relating to APS programs. ALTSD will reimburse CYFD quarterly for these payments. Shall not exceed \$2,471,000	07/01/08	06/30/09	To set forth the continuing terms for cooperation between ALTSD and CYFD relating to the transfer of APServices in 2005, to identify the administrative, financial, programmatic & support responsibilities; & to provide for the transfer of 20 positions from	ALSTD	DFA	ALSTD
Transition Cases from Child Protective Services to Adult Protective Services	ALSTD/CYFD	N/A	04/13/06	Termination 60 days notice	To provide joint staffings between CYFD & ALTSD to timely provide transition services to youths with incapacitating disabilities who are at risk for self-neglect.			
08-624-2000-0007	National & Community Services	\$29,124	08/01/07	09/01/08	AmeriCorps Vista Program Sponsor	ALSTD	DFA	ALSTD
Participation in the Delivery of Behavioral Health Services to Elderly New Mexicans	ALSTD/Sangre De Cristo Community Health Partnership	ALTSD will compensate for home assessments at the rate of \$600 per assessment	12/10/07	09/30/08	ALTSD to identify older adults in need of behavioral health services or at risk of abuse, neglect & exploitation in order to refer them for services at the earliest possible time.	ALSTD	DFA	ALSTD
Addendum Regarding Confidentiality Requirements	ALSTD/Sangre De Cristo Community Health Partnership	N/A	07/29/08	09/30/08	Addendum to agreement to clarify the terms & conditions of the parties' MOA regarding their participation in...the delivery of behavioral health services to elderly New Mexicans.	ALSTD		
An Interest in Allegations Against & Problems w Providers Contracted w NM Developmental Disabilities Planning Council Office of Guardianship (OOG)	ALTSD/DOH	N/A	05/27/08	Termination 30 days notice	To provide a framework for reporting problems w guardianship providers under contract w the NM Developmental Disabilities Planning Council's Office of Guardianship (OOG) & to provide a method for resolving disputes	OOG		

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Schedule 2
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Schedule of Expenditures of Federal Awards

Year Ended June 30, 2009

Federal Grantor/Program Title	FY	CFDA Number	Federal Expenditures
U.S. Department of Health and Human Services - Title III			
A. Administration	08	93.044 (1)	\$ 104,181
	08	93.045 (1)	93,518
	09	93.044 (1)	112,907
	09	93.045 (1)	<u>203,644</u>
			<u>514,250</u>
B. Training	08	93.044 (1)	4,982
	09	93.044 (1)	1,958
			<u>6,940</u>
B. Social Services (note 2)	08	93.044 (1)	308,653
	09	93.044 (1)	<u>1,406,419</u>
			<u>1,715,072</u>
B. Nursing Home Ombudsman	08	93.044 (1)	139,515
	09	93.044 (1)	<u>265,506</u>
			<u>405,021</u>
C1. Congregate Meals (note 2)	08	93.045 (1)	1,509,075
	09	93.045 (1)	<u>270,553</u>
			<u>1,779,628</u>
C2. Home Delivered Meals (note 2)	08	93.045 (1)	837,373
	09	93.045 (1)	<u>35,942</u>
			<u>873,315</u>
E. Family Caregiver Support (note 2)	08	93.052	878,168
	09	93.052	<u>-</u>
			<u>878,168</u>
D. Preventive Health (note 2)	08	93.043	117,043
	09	93.043	<u>4,571</u>
			<u>121,614</u>

The accompanying notes are an integral part of this schedule.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Schedule 2
Page 2 of 3

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2009

<u>Federal Grantor/Program Title</u>	<u>FY</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
U.S. Department of Health and Human Services - Title III			
Ombudsman Activities	08	93.042	\$ 50,250
	09	93.042	<u>45,068</u>
			<u>95,318</u>
Elderly Abuse	08	93.041	15,385
	09	93.041	<u>15,455</u>
			<u>30,840</u>
Total Title III			<u>6,420,166</u>
Center For Medicare and Medicaid Services (note 2)	09	93.779	355,496
	10	93.779	<u>87,093</u>
			<u>442,589</u>
Nutrition Services Incentive Program (note 2)	08	93.053 (1)	<u>1,704,028</u>
			<u>1,704,028</u>
<hr/>			
Senior Saving Medicare	09	93.048	163,363
	10	93.048	<u>16,391</u>
			<u>179,754</u>
Alzheimer's Disease Program	08	93.051	<u>100,353</u>
System Transformation Grant	09	93.779	<u>581,252</u>
Aging and Disability Resource Center	09	93.048	<u>318,529</u>
Health Resources and Services Administration	09	93.234	<u>201,606</u>

The accompanying notes are an integral part of this schedule.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Schedule 2
Page 3 of 3

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2009

<u>Federal Grantor/Program Title</u>	<u>FY</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
U.S. Department of Health and Human Services			
Pass-Through Programs From			
HSD - Medicaid Programs	09	93.778	\$ 1,225,035
Ombudsman Medicaid			70,426
CYFD - Title XIX	08	93.778	12,740
HSD - Title XX	08	93.667	2,498,620
HSD -TBI Waiver	09	93.778	146,970
CYFD - Behavioral Health	08	93.243	69,700
HSD - Resource Center	08	93.778	643,771
HSD - GOLD	08	93.558	(12,508)
HSD - GOLD	09	93.558	708,420
Subtotal Pass-Through Programs			<u>5,363,174</u>
Total U.S. Department of Health and Human Services			<u>15,311,451</u>
U.S. Department of Labor - Title V			
Senior Employment Program	08	17.235	<u>440,145</u>
			<u>440,145</u>
Total Federal Awards Expended			<u><u>\$ 15,751,596</u></u>

The accompanying notes are an integral part of this schedule.

(1) Major Program

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT**

Notes to the Schedule of Expenditures of Federal Awards

June 30, 2009

NOTE: 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Department and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Governments, and Not-For-Profit Organizations*. The amounts presented in this schedule agree with amounts presented in, or used in the preparation of, the financial statements.

NOTE: 2. SUBRECIPIENTS

Of the federal expenditures presented in the schedule, the Department provided federal awards to subrecipients as follows:

Program Title	Federal CFDA Number	Amount Provided To Subrecipients
Preventive Health	93.043	\$ 121,614
Social Services	93.044	1,715,072
Nutrition Services	93.045	2,652,943
Alzheimer's Disease Program	93.051	85,492
Family Caregiver Support	93.052	878,168
Nutrition Services Incentive Program	93.053	<u>1,704,028</u>
Total		<u>\$ 7,197,317</u>



State of New Mexico
OFFICE OF THE STATE AUDITOR

Hector H. Balderas
State Auditor

Carla C. Martinez
Deputy State Auditor

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*

New Mexico Aging and Long Term-Care Services Department
Santa Fe, New Mexico

We have audited the accompanying financial statements of the governmental activities, each major fund, including the budgetary comparisons for the general fund and major special revenue funds and the aggregate remaining fund information of the New Mexico Aging and Long Term-Care Services Department (ALTSD), as of and for the year ended June 30, 2009 which collectively comprise the ALTSD's basic financial statements as listed in the accompanying table of contents, and have issued our thereon dated December 14, 2009. We have also audited the financial statements of each of the ALTSD's general fund accounts and special revenue funds presented as supplementary information in the year ended June 30, 2009, as listed in the table of content. 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 ALTSD's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the ALTSD's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the ALTSD'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 would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the ALTSD's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the ALTSD's financial statements that is more than inconsequential will not be prevented or detected by the ALTSD's internal control. We consider the deficiencies described in finding 09-01 in the accompanying schedule of findings and questioned costs to be significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the ALTSD's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the ALTSD'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 noted certain matters that are required to be reported under the *Government Auditing Standards January 2007 revision* Paragraph 5.14 and 5.14 and section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and questioned costs as items 08-01, 09-01 and 09-02.

The ALTSD'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 ALTSD's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the ALTSD's management, US Department of Health and Human Services, and other federal awarding agencies and pass through entities, the New Mexico State Auditor's Office, Department of Finance and Administration, and the New Mexico State Legislature and is not intended to be and should not be used by anyone other than these specified parties.

Office of the State Auditor

New Mexico Office of the State Auditor

Santa Fe, New Mexico
December 14, 2009



State of New Mexico
OFFICE OF THE STATE AUDITOR

Hector H. Balderas
State Auditor

Carla C. Martinez
Deputy State Auditor

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

State of New Mexico
Aging and Long Term-Care Services Department
Santa Fe, New Mexico

Compliance

We have audited the compliance of The New Mexico Aging and Long Term-Care Services Department (Agency) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The Agency's major federal programs are 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 each of its major federal programs is the responsibility of the Agency's management. Our responsibility is to express an opinion on the Agency'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 Non-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 Agency'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 of the Agency's compliance with those requirements.

In our opinion, the Agency, 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, 2009.

Internal Control Over Compliance

The management of the Agency 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 Agency'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 our auditing procedures for the purpose of expressing our opinion on compliance, 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 Agency's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

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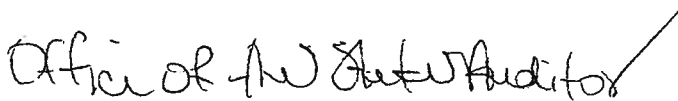
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A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Agency, the Office of the State Auditor, the New Mexico State Legislature, and the New Mexico Department of Finance and Administration and the cognizant audit agency and other federal audit agencies and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Office of the State Auditor". The signature is written in a cursive style and includes a long, sweeping horizontal line that extends to the right of the text.

New Mexico Office of the State Auditor

Santa Fe, New Mexico

December 14, 2009

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT**

STATUS OF PRIOR YEAR AUDIT FINDINGS

Year Ended June 30, 2009

FINDINGS - FINANCIAL STATEMENT AUDIT

08-01 – Inventory and Disposal of Capital Assets - Repeated

FINDINGS - FEDERAL AWARDS PROGRAM

None

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT**

SUMMARY OF AUDITORS' RESULTS

June 30, 2009

Financial Statements

Type of auditors' report issued Unqualified

Internal Control over financial reporting:

● Material weakness(es) indentified? _____ Yes x No

● Significant deficiencies indentified that are not considered to be material weakness(es)? x Yes _____ None reported

Non-compliance material to financial statements noted? _____ Yes x No

Federal Awards

Internal control over major programs:

● Material weakness(es) indentified? _____ Yes x No

● Significant deficiencies indentified 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 Program

CFDA Number Name of Federal Program or Cluster

93.044/93.045/93.053 Aging Cluster

Dollar threshold used to distinguish between type A and type B programs \$ 472,548

Auditee qualified as low-risk auditee? x Yes _____ No

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

June 30, 2009

B. FINANCIAL STATEMENT FINDINGS

08-01 Inventory and Disposal of Capital Assets – (Revised and Repeated)

Condition

The capital asset inventory taken by the Agency at June 30, 2009 was not accurate. Following discrepancies were noted in the capital assets listing:

- One computer listed on the inventory list could not be located by the Agency and there was no evidence that it was disposed of in accordance with the State Auditor's Rule.
- Out of 17 items on deletion list for the year, two items (computers) were not on the list of deletion notification sent to State Auditor's Office. One of the two items was considered obsolete and was set aside to be disposed of, and another could not be located. It could not be determined whether the missing computer's hard drive was properly sanitized. Per the Agency, these items were deleted prior to FY'09
- Out of 27 items listed on the disposition notification to the State Auditor's Office, 12 items were not on the deletion list of FY'09. Two of the twelve items were computers. It could not be determined whether the computer hard drives were properly sanitized. Per the Agency, these items were deleted prior to FY'09.

Criteria

Pursuant to State Audit Rule 2.2.2.10 V NMAC, all agencies are required to submit written certification to the State Auditor that all hard drives of disposed computers have been properly sanitized. Section 12-6-10(A) NMSA 1978 requires each agency to conduct an annual physical inventory of movable chattels and equipment on the inventory list at the end of each fiscal year.

Effect

The missing computers may have been stolen and sensitive information on the computers may be stored on the hard drive. The State Auditor's Office is not notified about every item disposed of from the capital assets listing.

Cause

The capital assets' listing is not maintained accurately. The deletion of the obsolete capital assets and the notification thereof to the State Auditor's Office is not reconciled.

Recommendation

The Agency should verify the accuracy of their capital assets inventory each year at the year end. The obsolete capital assets requiring disposing of should be reconciled with notification thereof to the State Auditor's Office. Computers to be disposed of should be sanitized.

Management Response

Management concurs with the auditor's recommendation. Responsibilities and business process requirements will be clarified, and IT will be consulted with to ensure that assets are properly recorded for disposal. ASD will review deletions proposed by IT to the asset general ledger prior to State Auditor notification.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2009

09-01: Per Diem and Travel Expenditure

Condition

Out of 1318 Per Diem and Travel reimbursement vouchers, we tested 23 vouchers and noted the following:

- One of the 23 vouchers tested included a reimbursement of two alcoholic beverages for \$9.
- Two of the vouchers did not have supervisory approval.
- Out of 23 vouchers tested, 13 pertained to a particular individual. Out of 13 such vouchers tested, we noted that it included 16 meal receipts which were not the usual detail receipts with description of the food, beverage, gratuity and the number of people attending the meal. Lack of *detail* meal receipts appeared to be a pattern, specifically with the employee in question. Due to absence of detail receipts, the auditors were unable to review whether the reimbursements were for allowable expenditures.

Criteria

The White Paper of July 2002, issued by New Mexico Department of Finance and Administration (DFA) on the subject of Authority and Proprietary of Expenditures delineates that pursuant Section 6-5-6 (C) NMSA 1978, "A state agency shall determine that a proposed expenditure is for a public benefit and purpose consistent with the related appropriation and is necessary to carry out the statutory mission of the state agency prior to committing the state to the transaction."

Pursuant Section 6-5-1 NMSA, Manual of Model Accounting Practices (MAP) Vol 1, Section 0.9.3 (E) requires supervisory verification of supporting documents with expenditure vouchers.

Pursuant DFA/FCD Rule 95-1, 2.42.2.9 (B) 3 NMAC, the public officer or employee must submit receipts for the *actual meal* and lodging expenses incurred.

Effect

The Department is not in compliance with Section 6-5-6 (C) NMSA 1978; MAP Vol 1, Section 0.9.3 (E) and DFA/FCD Rule 95-1, 2.42.2.9 (B) 3 NMAC. The Department reimbursed an employee for \$9 for two alcoholic beverages, which was not an allowable expenditure. Two Per Diem reimbursement vouchers were paid without appropriate supervisory review and approval. The reimbursements for meals which lacked detail receipts could include items which are not allowed to be reimbursed.

Cause

The review and approval process for Per Diem and Travel expenditure did not appear to be sufficient.

Recommendation

The Department needs to enhance its Per Diem expenditure approval process to ensure compliance and appropriateness for such expenditures.

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

June 30, 2009

Management Response

The Department did not correctly identify the unallowable expenditure of \$9.00 when the voucher was processed. The ALTSD pre-auditor did not recognize the unallowable expenditure because the receipt used an abbreviation that was difficult to identify and the receipt was printed in a manner that removed pertinent information in reviewing the receipt. The employee has refunded the \$9.00 expenditure to the department. The department will make an effort to research vague or incomplete receipts to insure appropriate reimbursement.

The second condition has to do with supervisory approval. The supervisory approval is an authorization the department uses as an internal approval process (Agency Use Only). In all cases, other than emergencies, supervisors are notified and travel is approved prior to travel taking place. The department concurs with the recommendation that if we are going to use the approval, it should be used without exception.

The third condition noted is the submittal of credit card receipts that do not have itemized detail. The department concurs with the recommendation and will insure all receipts submitted include appropriate detail prior to processing.

09-02 Improper Cell Phone Expenditure

Condition

Out of thirty five cell phone expenditure vouchers, we reviewed six vouchers as part of a compliance test and noted that one of the paid vouchers included roaming charges of \$31.05 incurred as a result of personal use by an employee of the Department. The personal usage charges were neither identified nor reimbursed to the Department prior to the auditor's review.

We also noted that the Department does not have a policy to specifically address cell phone usage. At present, the Information Technology Policy (IT Policy) of the Department defines "Communication Equipment" as part of "IT Resources". The Department explained to the auditors verbally that cell phones are considered communication equipment and therefore the IT Policy is applicable for cell phone usage. However, the IT policy does not specifically refer to cell phones and/or address usage of cell phones.

Criteria

First, Article IX, Section 14 of the Constitution of the State of New Mexico states that "Neither the state, nor any county, school district or municipality, except as otherwise provided in this constitution, shall directly or indirectly lend or pledge its credit or make any donation to or in aid of any person, association, or public or private corporation".

Second, the White Paper of July 2002, issued by New Mexico Department of Finance and Administration (DFA) on the subject of Authority and Proprietary of Expenditures delineates that pursuant to Section 6-5-6 (C) NMSA 1978, "A state agency shall determine that a proposed expenditure is for a public benefit and purpose consistent with the related appropriation and is necessary to carry out the statutory mission of the state agency prior to committing the state to the transaction."

Finally, Section 10.1.1 of IT Resources and Usage Policy of the Department states that "Staff shall utilize ALTSD's IT resources for *State business purposes* and shall conduct themselves in a manner consistent with appropriate behavior standards as established in existing state policies".

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

June 30, 2009

Effect

The Department is not in compliance with Article IX, Section 14 of the Constitution of the State of New Mexico; Section 6-5-6 (C) NMSA 1978; and Section 10.1.1 of the IT Resources and Usage Policy of the Department. The Department paid \$31.05 pertaining to personal use of cell phone which was an unallowable expenditure per the criteria cited above.

Cause

The review and approval process for cell phone usage expenditure did not appear to be sufficient.

Recommendation

The Department needs to enhance its review and approval process of cell phone usage to ensure compliance and appropriateness for such expenditures. The Department needs to review its current policy of communication equipment usage and update it to specifically address and clarify the cell phone usage.

Management Response

Management concurs with the auditor's recommendation. Responsibilities and business process requirements will be clarified, and IT will be consulted with to ensure that assets are properly recorded for disposal. ASD will review deletions proposed by IT to the assets general ledger prior to State Auditor notification.

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT**

EXIT CONFERENCE

June 30, 2009

The exit conference for the fiscal year 2009 audit of Aging and Long-Term Services Department was held on December 14, 2009.

Aging and Long Term Services Department

Michael Spanier, Acting Cabinet Secretary
Robert Luijan, ASD Director
Mark Gonzales, Accountant/Auditor
Louie Baca, Accountant/Auditor
Ted Starnes, Finance Manager
Fred Muniz, Financial Consultant
Anna Marie Ortiz, General Counsel

Office of the State Auditor

Carla Martinez, CPA, Deputy State Auditor
Sanjay Bhakta, Audit Supervisor
Anna Williams, Senior Auditor

The financial statements and footnotes were prepared by the Aging and Long Term Services Department. The Department's employees have the qualifications and training to apply GAAP in recording their financial transactions and preparing their financial statements.
