

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

JUNE 30, 2008

Moss Adams LLP
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TABLE OF CONTENTS

STATE OF NEW MEXICO AGING AND LONG TERM SERVICES DEPARTMENT

	Exhibit/Page
INTRODUCTORY SECTION	
Official Roster	1
FINANCIAL SECTION	
Independent Auditors' Report	2
A. Management's Discussion and Analysis (Required Supplementary Information)	4
B. Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Assets	A 8
Statement of Activities	B 9
Governmental Funds Financial Statements	
Balance Sheet - Governmental Funds	C 10
Reconciliation of the Governmental Funds Balance Sheet to the Government-wide Statement of Net Assets	D 11
Statement of Revenues, Expenditures, and Changes In Fund Balances - Governmental Funds	E 12
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	F 13

TABLE OF CONTENTS

STATE OF NEW MEXICO AGING AND LONG TERM SERVICES DEPARTMENT

	Exhibit/Page
B. Basic Financial Statements (Continued)	
Statement of Revenues and Expenditures Budget (GAAP) Basis and Actual – General Fund	G 14
Notes to Financial Statements	19
	Statement/Page
C. Supplementary Information	
GENERAL FUND ACCOUNTS	
Combining Balance Sheet – General Fund Accounts	1 38
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – General Fund Accounts	2 40
SPECIAL REVENUE FUNDS	
Fund/Program Description	42
Combining Balance Sheet – Special Revenue Funds	3 47
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Special Revenue Funds	4 51
D. Other Supplemental Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Special Revenue Funds – Capital Projects	
Fund 053	1 55
Fund 089 (A)	2 56
Fund 089 (B)	3 57
Fund 386	4 58
Fund 396	5 59
Fund 534	6 60

TABLE OF CONTENTS

STATE OF NEW MEXICO AGING AND LONG TERM SERVICES DEPARTMENT

Schedule/Page

D. Other Supplemental Information (Continued)

Schedule of Revenues, Expenditures and Changes in Fund

Balance – Special Revenue Funds – Capital Projects (Continued)

Fund 595	7	61
Fund 648	8	62
Fund 700	9	63
Fund 883 (A).....	10	64
Fund 883 (B).....	11	65
Fund 954	12	66
Fund 962 (A).....	13	67
Fund 962 (B).....	14	68
Fund 965	15	69

Schedule of Joint Powers Agreements	16	70
---	----------	----

E. Single Audit Section

Schedule of Expenditures of

Federal Awards.....	17	72
---------------------	----------	----

Notes to Schedule of Expenditures

of Federal Awards.....	75
------------------------	-------	----

Report on Internal Control Over Financial

Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Governmental Auditing Standards</i>	76
--	-------	----

Report on Compliance With Requirements

Applicable to each Major Program And on Internal Control Over Compliance in Accordance With OMB Circular A-133	78
--	-------	----

TABLE OF CONTENTS

STATE OF NEW MEXICO AGING AND LONG TERM SERVICES DEPARTMENT

	Page
E. Single Audit Section (Continued)	
Status of Prior Year Audit Findings.....	80
Summary of Auditors' Results	81
Schedule of Findings and Questioned Costs.....	82
Exit Conference	83

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Official Roster

June 30, 2008

Name	Title
Cindy Padilla	Cabinet Secretary
Michael Spanier	Deputy Secretary
Patsy Trujillo	Deputy Secretary
Marise Mcfadden	Consumer & Elder Rights Division Director
Lynne Anker-Unnever	Aging Network Division Director
Robert Lujan	Administrative Services Division Director
Kathleen Hart	Adult Protective Services Division Director
Ana Marie Ortiz	General Counsel
Ted Starnes	Financial Manager
Mark Gonzales	Accountant/Auditor
Fred Muniz	Financial Consultant
Louie Baca	Adult Protective Services Finance Bureau Chief

Independent Auditors' Report

State of New Mexico
Aging and Long Term Services Department
and
Mr. Hector H. Balderas
New Mexico State Auditor

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 (ALTSD) as of and for the year ended June 30, 2008, which collectively comprise ALTSD's basic financial statements as listed in the accompanying table of contents. We have also audited the financial statements of each of ALTSD'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, 2008, as listed in the table of contents. These financial statements are the responsibility of ALTSD'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 ALTSD'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 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 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 remaining fund 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, 2008, and the changes in its 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.

State of New Mexico
Aging and Long Term Services Department
and
Mr. Hector H. Balderas
New Mexico State Auditor

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 ALTSD as of June 30, 2008, 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 respects, the respective financial position of each general fund account and special revenue funds of ALTSD as of June 30, 2008, 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 15, 2008, on our consideration of ALTSD'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 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 is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the basic financial statements. 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 purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards and other 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.

Moss Adams LLP

Albuquerque, New Mexico
December 15, 2008

STATE OF NEW MEXICO
AGING AND LONG-TERM SERVICES DEPARTMENT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2008

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.

Analysis of Financial Position (Statement of Net Assets)

	<u>FY2007</u>	<u>FY2008</u>	<u>Change</u>
Current and Other Assets	\$ 56,125,437	\$ 27,762,493	-50.5%
Capital Assets	332,274	265,047	-20.2%
Total Assets	<u>56,457,711</u>	<u>28,027,540</u>	-50.4%
Current Liabilities	38,328,220	10,919,853	-71.5%
Long Term Liabilities	177,947	230,242	29.4%
Total Liabilities	<u>38,506,167</u>	<u>11,150,095</u>	-71.0%
Net Assets			
Invested In Capital Assets, net of			
Related Debt	332,274	265,047	-20.2%
Unrestricted	17,619,270	16,612,398	-5.7%
Total Net Assets	<u>\$ 17,951,544</u>	<u>\$ 16,877,445</u>	-6.0%

STATE OF NEW MEXICO
AGING AND LONG-TERM SERVICES DEPARTMENT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2008

Analysis of Financial Position (Statement of Net Assets (Cont))

	FY2007	FY2008	Percent Change
Revenues			
Program Revenues:			
Operating Grants	\$ 16,888,427	\$ 16,930,886	0.3%
General Revenues:			
Appropriations	44,788,121	50,785,131	13.4%
Bond Proceeds Appropriations	18,177,342	6,238,180	-65.7%
Other	268,614	87,713	-67.3%
Total Revenues	80,122,504	74,041,910	-7.6%
Expenses			
Social Services	81,243,337	75,116,009	-7.5%
Change in Net Assets	(1,120,833)	(1,074,099)	-4.2%
Net Assets - Beginning	19,072,377	17,951,544	-5.9%
Net Assets - Ending	\$ 17,951,544	\$ 16,877,445	-6.0%

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 50.6% from \$56,457,711 to \$28,027,540 total liabilities also decreased by approximately 68.8%. The major reason for the significant decrease in current assets, current liabilities, Social Service expenses and the major decrease in the Bond Proceeds appropriations is attributed to the mandated change in capital project accruals. Total net assets decreased by approximately 11.6% from \$17,951,544 to \$16,877,445. Recognition of compensated absences (\$766,188); accumulated depreciation (\$943,565) and depreciation expense (\$209,852) caused total net assets to decrease by approximately 22%. Net assets as reflected in the Statement of Activities reflect a decrease of \$1,074,099 compared to the previous year's level. It should be noted that the major reason for the decrease in total assets of \$28,430,171 is attributed to the change in the presentation of capital project accruals in FY 2008. A significant portion or \$16,877,445 of the Net assets as shown in the Statement of Activities is designated for use in subsequent years.

STATE OF NEW MEXICO
AGING AND LONG-TERM SERVICES DEPARTMENT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2008

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 2007 to 2008.
- Increases or reallocations of appropriations to prevent budget overruns.

Even with these adjustments, actual expenditures were \$3,816,381 below final budget amounts and the total represents less than 5.9% of the operating budget.

A positive variance of \$3,040,874 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 new TBI waiver program. The second factor was attributed to operational saving due to vacant positions.

A positive variance of \$303,453 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 \$472,054 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, 2008 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 bonds were sold. 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 eligibility requirements are met. 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.

Capital Assets

At the end of 2008, the Department had invested \$265,047 in furniture and fixtures, data processing equipment and Automobiles. This amount represents a net decrease of \$67,227 or 20.2 percent less than the previous year.

STATE OF NEW MEXICO
AGING AND LONG-TERM SERVICES DEPARTMENT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2008

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.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Exhibit A

Statement of Net Assets
June 30, 2008

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Petty cash	\$ 800
Interest in State Treasurer Investment Pool (note 3)	22,779,296
Other cash on deposit	8,869
Advances to subrecipients	91,713
Due from state agencies (note 4)	4,169,527
Due from federal government	671,902
Other receivables	40,386
	27,762,493
Noncurrent assets:	
Capital assets, net of depreciation (note 5)	265,047
	28,027,540
<u>LIABILITIES</u>	
Current Liabilities:	
Deficit interest in State Treasurer Investment Pool	685,957
Vouchers payable	8,068,996
Accounts payable	9,629
Accrued payroll payable	495,242
Deferred revenue	473,554
Due to State General Fund (note 9)	361,646
Due to other state agencies	77,782
Other Liabilities	211,101
Compensated absences payable (note 6)	535,946
	10,919,853
Long-Term Liabilities:	
Compensated absences payable (note 6)	230,242
	11,150,095
<u>NET ASSETS</u>	
Investment in capital assets	265,047
Unrestricted	16,612,398
	16,877,445
	\$ 16,877,445

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, 2008

	Governmental Activities
Expenses:	
Social services	\$ 75,116,009
Program Revenue	
Operating grants	16,930,886
Net program expenses	(58,185,123)
General revenues	
State General Fund appropriation (net of reversions)	50,785,131
Bond proceeds appropriations	6,238,180
Miscellaneous revenues	87,713
Total general revenues	57,111,024
Change in net assets	(1,074,099)
Net assets, beginning	17,951,544
Net assets, ending	\$ 16,877,445

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, 2008

	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)	81,949	2,679,903	434,171	115,716	2,983,174	16,484,383	22,779,296
Cash on deposit (note 3)	-	-	-	8,869	-	-	8,869
Advances to subrecipients (note 4)	64,276	1,285,502	684,772	-	91,713	-	91,713
Due from state agencies (note 4)	90,687	12,974	-	172,926	395,315	2,072,272	4,169,527
Due from federal government (note 4)	-	-	-	-	-	-	671,902
Due from other Funds	-	32,994	746	2,836	-	-	36,576
Other receivables (note 4)	-	2,014	306	806	152	-	3,810
Prepaid Expenses	532	-	-	-	-	-	-
Total assets	\$ 237,544	\$ 4,013,387	\$ 1,119,995	\$ 301,153	\$ 3,533,759	\$ 18,556,655	\$ 27,762,493

Liabilities and Fund Balances

Liabilities:							
Deficit interest in State Treasurer Investment Pool	\$ 73,424	\$ 399,491	\$ -	\$ 85,347	\$ 113,299	\$ 14,396	\$ 685,957
Vouchers Payable	45,172	569,991	434,617	104,646	3,054,096	3,860,474	8,068,996
Accounts payable	-	817	1,758	3,502	3,552	-	9,629
Accrued payroll payable	77,992	95,716	229,628	58,021	33,885	-	495,242
Deferred revenue	-	473,554	-	-	-	-	473,554
Due to Federal Government	-	-	-	-	-	-	-
Due to State General Fund (note 9)	7,470	39,750	129,279	17,428	167,719	-	361,646
Due to other state agencies	504	6,002	70,093	-	1,183	-	77,782
Other Liabilities	32,882	34,569	120,310	23,340	-	-	211,101
Total liabilities	237,444	1,619,890	985,685	292,284	3,373,734	3,874,870	10,383,907
Fund Balances:							
Reserved for petty cash	100	-	-	-	700	-	800
Unreserved reported in:							
General - designated	-	2,393,497	134,310	-	-	-	2,527,807
Special Revenue - designated	-	-	-	-	-	14,681,785	14,681,785
Special Revenue - undesignated	-	-	-	8,869	159,325	-	168,194
Total fund balances	100	2,393,497	134,310	8,869	160,025	14,681,785	17,378,586
Total liabilities and fund balances	\$ 237,544	\$ 4,013,387	\$ 1,119,995	\$ 301,153	\$ 3,533,759	\$ 18,556,655	\$ 27,762,493

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, 2008

Total fund balance-Governmental Funds		\$ 17,378,586
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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	\$ 836,663	
Furniture and Fixtures	74,221	
Automobiles	297,728	
Accumulated depreciation	<u>(943,565)</u>	265,047

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>(766,188)</u>
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Net assets of governmental activities		<u><u>\$ 16,877,445</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, 2008

	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	\$ 1,024,480	\$ 1,760,622	\$ 3,034,318	\$ 1,718,704	\$ 7,820,397	\$ -	\$ 15,358,521
Private gifts and grants	-	139,659	-	-	-	-	139,659
Miscellaneous revenue	-	-	504	-	87,209	-	87,713
Total revenues	1,024,480	1,900,281	3,034,822	1,718,704	7,907,606	-	15,585,893
Expenditures:							
General government:							
Current:							
Personal services and employee benefits	2,795,288	3,141,491	9,166,579	1,720,321	346,962	-	17,170,641
Contractual services	147,552	2,128,196	3,896,174	277,966	314	-	6,450,202
Other	339,773	691,589	2,841,334	509,090	34,038,073	12,499,415	50,919,274
Other financing uses	-	160,261	-	-	269,542	-	429,803
Total expenditures	3,282,613	6,121,537	15,904,087	2,507,377	34,654,891	12,499,415	74,969,920
Excess (deficiency) of revenues over expenditures	(2,258,133)	(4,221,256)	(12,869,265)	(788,673)	(26,747,285)	(12,499,415)	(59,384,027)
Other financing sources (uses) (note 10):							
Transfers from other state agencies	-	1,432,706	-	-	-	-	1,432,706
Transfers from other funds	-	-	-	-	-	-	-
Bond Proceeds Appropriations	-	-	-	-	-	6,238,180	6,238,180
State General Fund appropriation	2,102,000	4,155,400	12,522,000	756,100	26,912,350	3,767,000	50,214,850
Compensation package appropriation	162,500	86,400	610,000	50,000	-	-	908,900
Reversion to State General Fund	(6,367)	(39,750)	(128,425)	(17,427)	(146,650)	-	(338,619)
Total other financing sources (uses)	2,258,133	5,634,756	13,003,575	788,673	26,765,700	10,005,180	58,456,017
Net changes in fund balances	-	1,413,500	134,310	-	18,415	(2,494,235)	(928,010)
Fund balances, June 30, 2007	100	979,997	-	8,869	141,610	17,176,020	18,306,596
Fund balances, June 30, 2008	\$ 100	\$ 2,393,497	\$ 134,310	\$ 8,869	\$ 160,025	\$ 14,681,785	\$ 17,378,586

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, 2008

Net change in fund balances-Governmental Funds \$ (928,010)

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	(93,958)	
Furniture and Fixtures	(22,679)	
Automobiles	(93,215)	
Depreciation expense	<u>(209,852)</u>	
Capital Outlay	<u>142,625</u>	
		(67,227)

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>(78,862)</u>
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Change in net assets of governmental activities	<u><u>\$ (1,074,099)</u></u>
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The accompanying notes are an integral part of the financial statements.

Statement of Revenues and Expenditures
Budget (GAAP) Basis and Actual
Year Ended June 30, 2008

	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	\$ 2,102,000	\$ 2,102,000	\$ 2,102,000	\$ -
Federal grants	916,300	1,151,596	1,024,480	(127,116)
Other financing sources	162,500	162,500	162,500	-
Private gifts and grants	-	-	-	-
Miscellaneous revenue	-	-	-	-
Fund balance	-	-	-	-
Total revenues	\$ 3,180,800	\$ 3,416,096	3,288,980	\$ (127,116)
Expenditures:				
General government:				
Current:				
Personal services and employee benefits	\$ 2,702,100	\$ 2,835,043	\$ 2,795,288	\$ 39,755
Contractual services	135,200	165,500	147,552	17,948
Other	343,200	415,553	339,773	75,780
Other financing uses	-	-	-	-
Total expenditures	\$ 3,180,500	\$ 3,416,096	3,282,613	\$ 133,483
Excess (deficiency) of revenues over expenditures			6,367	
Reversion to State General Fund			(6,367)	
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, 2008

	Long Term Services - General Fund			
	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental revenues:				
State General Fund	\$ 4,155,400	\$ 4,155,400	\$ 4,155,400	\$ -
Federal grants	2,016,900	2,356,248	1,760,622	(595,626)
Other financing sources	1,832,935	1,998,635	1,519,106	(479,529)
Private gifts and grants	-	141,332	139,659	(1,673)
Misc. revenue	-	-	-	-
Fund balance	-	-	-	-
Total revenues	<u>\$ 8,005,235</u>	<u>\$ 8,651,615</u>	<u>7,574,787</u>	<u>\$ (1,076,828)</u>
Expenditures:				
General government:				
Current:				
Personal services and employee benefits	\$ 3,085,100	\$ 3,352,083	\$ 3,141,491	\$ 210,592
Contractual services	2,413,300	2,631,178	2,128,196	502,982
Other	629,335	790,854	691,589	99,265
Other financing uses	1,877,500	1,877,500	160,261	1,717,239
Total expenditures	<u>\$ 8,005,235</u>	<u>\$ 8,651,615</u>	<u>6,121,537</u>	<u>\$ 2,530,078</u>
Excess (deficiency) of revenues over expenditures			1,453,250	
Reversion to State General Fund			(39,750)	
Net change in fund balance			<u>\$ 1,413,500</u>	

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

Statement of Revenues and Expenditures
Budget (GAAP) Basis and Actual
Year Ended June 30, 2008

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	\$ 12,522,000	\$ 12,522,000	\$ 12,522,000	\$ -
Federal grants	3,149,400	3,149,400	3,034,318	(115,082)
Other financing sources	210,000	610,000	610,000	-
Private gifts and grants	-	-	-	-
Misc. revenue	-	-	504	504
Fund balance	-	-	-	-
	<u>\$ 15,881,400</u>	<u>\$ 16,281,400</u>	<u>16,166,822</u>	<u>\$ (114,578)</u>
Total revenues				
Expenditures:				
General government:				
Current:				
Personal services and employee benefits	\$ 8,813,000	\$ 9,213,000	\$ 9,166,579	\$ 46,421
Contractual services	3,584,000	4,174,000	3,896,174	277,826
Other	3,484,400	2,894,400	2,841,334	53,066
Other financing uses	-	-	-	-
	<u>\$ 15,881,400</u>	<u>\$ 16,281,400</u>	<u>15,904,087</u>	<u>\$ 377,313</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures			262,735	
Reversion to State General Fund			(128,425)	
Net change in fund balance			<u>\$ 134,310</u>	

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

Statement of Revenues and Expenditures
Budget (GAAP) Basis and Actual
Year Ended June 30, 2008

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	\$ 756,100	\$ 756,100	\$ 756,100	\$ -
Federal grants	1,299,700	2,173,331	1,718,704	(454,627)
Other financing sources	50,000	50,000	50,000	-
Private gifts and grants	-	-	-	-
Misc. revenue	-	-	-	-
Fund balance	-	-	-	-
	<u>\$ 2,105,800</u>	<u>\$ 2,979,431</u>	<u>2,524,804</u>	<u>\$ (454,627)</u>
Expenditures:				
General government:				
Current:				
Personal services and employee benefits	\$ 1,546,875	\$ 1,769,825	\$ 1,720,321	\$ 49,504
Contractual services	72,100	535,908	277,966	257,942
Other	486,825	673,698	509,090	164,608
Other financing uses	-	-	-	-
	<u>\$ 2,105,800</u>	<u>\$ 2,979,431</u>	<u>2,507,377</u>	<u>\$ 472,054</u>
Excess (deficiency) of revenues over expenditures			17,427	
Reversion to State General Fund			(17,427)	
Net change in fund balance			\$ -	

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

Statement of Revenues and Expenditures
Budget (GAAP) Basis and Actual
Year Ended June 30, 2008

Aging Network - Special Revenue Funds				
	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental revenues:				
State General Fund	\$ 26,867,300	\$ 26,912,300	\$ 26,912,350	\$ 50
Federal grants	8,053,500	7,956,044	7,820,397	(135,647)
Other financing sources	-	-	-	-
Private gifts and grants	-	-	-	-
Misc. revenue	90,000	90,000	87,209	(2,791)
Fund balance	-	-	-	-
	<u>\$ 35,010,800</u>	<u>\$ 34,958,344</u>	<u>34,819,956</u>	<u>\$ (138,388)</u>
Total revenues				
Expenditures:				
General government:				
Current:				
Personal services and employee benefits	\$ 241,700	\$ 357,400	\$ 346,962	\$ 10,438
Contractual services	15,000	10,000	314	9,686
Other	34,473,800	34,310,644	34,038,073	272,571
Other financing uses	280,300	280,300	269,542	10,758
	<u>\$ 35,010,800</u>	<u>\$ 34,958,344</u>	<u>34,654,891</u>	<u>\$ 303,453</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures			165,065	
Reversion to State General Fund			(146,650)	
Net change in fund balance			<u>\$ 18,415</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, 2008

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, 2008

2. Summary of Significant Accounting Policies (continued)

A. Financial Reporting Entity (continued)

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, 2008.

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, 2008

2. Summary of Significant Accounting Policies (continued)

B. **Basic Financial Statements – GASB Statement No. 34** (continued)

The government-wide Statement of Activities reflects both the gross and net cost per functional category, which are otherwise being supported by general government revenues. The Statement of Activities 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). 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. 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, 2008

2. Summary of Significant Accounting Policies (continued)

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 five 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, 2008

2. Summary of Significant Accounting Policies (continued)

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, 2008

2. Summary of Significant Accounting Policies (continued)

D. **Basis of 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.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2008

2. Summary of Significant Accounting Policies (continued)

E. Budgets and Budgetary Accounting (continued)

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, 2008, 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.
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 2007, which applies to fiscal year 2008 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.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2008

2. Summary of Significant Accounting Policies (continued)

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.

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, 2008.

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 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
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).

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2008

2. Summary of Significant Accounting Policies (continued)

K. Fund Equity

Reserves 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.

L. Reversions

Unexpended and unencumbered balances are generally reverted to the State General Fund. Chapter 114, Laws of 2007, 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, 2008 the Department had the following in pooled cash:

New Mexico State Treasurer's Investment Pool \$22,093,339.

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, 2008

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2008

3. Interest in State Treasurer Investment Pool (continued)

<u>Fund/Fund Description</u>	<u>Fund</u>	<u>Interest in State Treasurer Investment Pool Balance</u>	<u>Reconciling Differences</u>	<u>Financial Statement Balance</u>
<u>General Fund:</u>				
Agency on Aging - Admin	049	\$ 1,435,762	\$ (24,869)	\$ 1,410,893
ALTSD - Adult Protective Services	270	337,439	96,732	434,171
Traumatic Brain Injury Fund	768	877,629	415	878,044
GENERAL FUND TOTAL		<u>2,650,830</u>	<u>72,278</u>	<u>2,723,108</u>
<u>Special Revenue Funds:</u>				
Conference on Aging	622	72,443	(1,876)	70,567
Special Projects	953	2,847,828	(18,151)	2,829,677
SPECIAL REVENUE FUNDS TOTAL		<u>2,920,271</u>	<u>(20,027)</u>	<u>2,900,244</u>
<u>Capital Project Funds:</u>				
2004 GOB	053	(14,396)	-	(14,396)
2007 STB	386	5	-	5
2004 General Fund	595	4,853,634	-	4,853,634
	648	218	-	218
	700	1	(1)	-
2007 General Fund	883	5,269,040	-	5,269,040
HB-2	954	2,335,557	-	2,335,557
2006 General fund	962	3,989,031	-	3,989,031
	965	36,898	-	36,898
CAPITAL PROJECT FUND TOTAL		<u>16,469,988</u>	<u>(1)</u>	<u>16,469,987</u>
		<u>\$ 22,041,089</u>	<u>\$ 52,250</u>	<u>\$ 22,093,339</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2008

4. Receivables/Payables – Grants

Receivables due from the Federal government at June 30, 2008 of \$103,661 in the general fund and \$568,241 in the Special Revenue Funds represent revenues earned and recognized on various grants because expenditures related to these grants have been incurred. Advances to subrecipients of \$91,713 represent monies advanced to subrecipients at June 30, 2008 for which subrecipients had not incurred expenditures as of June 30, 2008.

Payables due to subrecipients of \$8,955,500 at June 30, 2008 represent monies due at June 30, 2008 to vendors for expenditures incurred during the fiscal year ended June 30, 2008, but not paid as of June 30, 2008. Of this amount \$8,118,594 is in line item vouchers payable and \$836,906 is within line item accounts payable. It is the opinion of management that all amounts due from the Federal government and advances to subrecipients at June 30, 2008 are fully collectible so an allowance for uncollectible accounts is not considered necessary.

Other receivables of the ALTSD at June 30, 2008 are as follows:

From Fund No.		
052	HSD - Gold Program	\$ 64,276
061	TBI Fund	195,683
052	Medicaid Programs	751,861
052	RW Johnson Grant	97,337
052	HSD - Resource Center	220,881
067	CYFD - Adult Protective Services	685,518
635	Statewide Behavioral Health	18,994
	Total General Fund Receivables	\$ 2,034,550
052	HSD - Gold Program	62,705
054	State Capital Outlay Fund 053	374,451
019	State Capital Outlay Fund 089	72,615
563	State Capital Outlay Fund 386	87,738
407	State Capital Outlay Fund 396	380,000
229	State Capital Outlay Fund 534	98,683
403	State Capital Outlay Fund 700	51,143
022	State Capital Outlay Fund 965	1,007,642
	Total Special Revenue Receivables	\$ 2,134,977
	Total Due From State Agencies and Other Receivables	\$ 4,169,527

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2008

4. Receivables/Payables – Grants

Of the total of \$2,134,927 in Special Revenue Funds, \$2,072,272 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, 2008 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 6/30/2007	Additions	Deletions	Transfers	Balance 6/30/2008
<u>Capital Assets</u>					
Data processing equipment	\$ 725,037	\$ 111,626	\$ -	\$ -	\$ 836,663
Furniture and Fixtures	74,221	-	-	-	74,221
Automobiles	266,729	30,999	-	-	297,728
Totals	1,065,987	142,625	-	-	1,208,612
<u>Accumulated Depreciation</u>					
Data processing equipment	(585,851)	(93,958)	-	-	(679,809)
Furniture and Fixtures	(51,542)	(22,679)	-	-	(74,221)
Automobiles	(96,320)	(93,215)	-	-	(189,535)
Subtotal	(733,713)	(209,852)	-	-	(943,565)
Net Capital Assets	\$ 332,274	\$ (67,227)	\$ -	\$ -	\$ 265,047

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. Fund 049 and fund 953 have been used to liquidate long-term liabilities.

	Balance 7/1/2007	Additions	Deletions	Balance 6/30/2008	Amount Due Within One Year
Compensated Absences Payable	\$ 687,326	\$ 241,064	\$ 162,202	\$ 766,188	\$ 535,946

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2008

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, 2008 were \$719,653 and \$126,752, 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, 2008. The current year reversion and amounts due to the State General Fund are computed as follows:

General Fund:

2008 fiscal year reversion	\$ 175,254
Invalid prior-year payables	
Prior-year refunds	1,245
Due to State General Fund	176,499

Special Revenue Funds:

2008 fiscal year reversion	164,078
Invalid prior-year payables(reversion)	
Prior-year refunds	21,069
Due to State General Fund	185,147
	<u>\$ 361,646</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2008

10. Other Financing Sources (Uses)

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

Transfers In

From	To	Amount	Description
853	049	\$ 6,257,400	Appropriation Allotment
620	049	248,900	Special Appropriation- Comp Package
853	270	12,522,000	Appropriation Allotment
620	270	210,000	Special Appropriation- Comp Package
853	270	400,000	Special Appropriation- Comp Package
853	953	27,668,450	Appropriation Allotment
620	953	5,000	Special Appropriation- Comp Package
853	953	45,000	Special Appropriation- Laws of 2007 Ch 21, Section 21
853	595	3,767,000	General Fund - Laws of 2008 Ch 92, Section 33
Total Operating Transfers In		\$ 51,123,750	

054	053	1,095,112	GOB Series 2005
019	089	107,804	Severance Tax Bonds, Series 2006A
563	386	345,243	GOB Series 2007 A
407	396	454,108	Severance Tax Bonds, Series 2004A
229	534	952,741	Severance Tax Bonds, Series 2005A
022	648	112,597	GOB Series 2003
403	700	327,494	Severance Tax Bonds, Series 2003A
027	965	2,850,231	GOB Series 2007
022	962	(7,150)	Correction
Other Transfers in		\$ 6,328,180	

Transfers Out

953	FGP Health Dept. Las Vegas	130,136	Foster Grandparent Program
953	SCP Health Dept. Las Vegas	139,406	Senior Companion Program
Total Transfers Out		\$ 269,542	

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2008

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:

<u>Fund</u>	<u>Fiscal Year</u>	<u>Current Year 2008 Reversions</u>	<u>Prior Year Reversions</u>
General Fund:			
Title III-All State Admin.	2008	\$ 6,366	\$ -
	2007	747	
Title V Admin.	2008	1	-
SW EBD BOLD	2007	356	
TBI	2008	4,735	-
GAP Program	2008	229	-
Resource Center	2008	14,584	-
HIV/AIDS	2008	1,679	-
Statewide Behavioral Health	2008	1	-
Zero Tolerance	2008	18,199	-
Medicaid Programs			
HSD	2008	323	-
Adult Protective Services	2007	854	
	2008	<u>128,425</u>	<u>-</u>
Total General Fund		<u>\$ 176,499</u>	<u>\$ -</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2008

10. Other Financing Sources (Uses) (continued)

<u>Fund</u>	<u>Fiscal Year</u>	<u>Current Year 2008 Reversions</u>	<u>Prior Year Reversions</u>
Special Revenue Funds:			
State Training Grant	2008	\$ 50	\$ -
State Ombudsman	2008	1,321	-
State HIBAC Counseling Grant	2008	3,512	-
State Prescription Drug Assistance	2008	12,545	-
WBD BOLD	2007	12,459	
Title V Senior	2007	4	
John H Chafee Program	2007	55	
State Senior Citizens Employment Program	2008	8,690	-
State Community	2007	(73)	
	2007	16	
	2008	136,513	-
State Foster Grandparent	2007	3,869	
State Senior Companion Program	2007	4,739	
	2008	<u>1,447</u>	<u>-</u>
Total Special Revenue Funds		<u>185,147</u>	<u>-</u>
Total State General Fund Reversions		<u>\$ 361,646</u>	<u>\$ -</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2008

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, 2008, 2007, and 2006 were \$2,028,609, \$1,765,611, and \$1,598,208 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 the 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.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2008

12. Retiree Health Care Act Contributions (continued)

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 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, 2008, the Aging and Long Term Service Department remitted \$152,207 in employer contributions and \$76,103 in employee contributions to the Retiree Health Care Authority, equal to the amount of required contributions.

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.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2008

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 2008 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 SERVICES DEPARTMENT

General Fund Accounts
Combining Balance Sheet
June 30, 2008

	Title III and Other All-State	D.O.L. Title V	Employment Gold Program	DVR Admin	Southwest WBD BOLD Administration	John H Chafee	Total Program Support	Adult Protective Services
Petty cash	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ -
Interest in State General Fund Investment Pool with the State Treasurer	81,089	-	-	-	356	504	81,949	434,171
Due from Other State Agencies	-	-	64,276	-	-	-	64,276	684,772
Other receivables	-	-	-	-	-	-	-	746
Due from federal government	67,672	23,015	-	-	-	-	90,687	-
Prepaid Expenses	532	-	-	-	-	-	532	306
Total assets	\$ 149,393	\$ 23,015	\$ 64,276	\$ -	\$ 356	\$ 504	\$ 237,544	\$ 1,119,995

Liabilities and Fund Equity

Liabilities:								
Deficit interest in State Treasurer General Fund Investment Pool	\$ -	\$ 14,499	\$ 58,925	\$ -	\$ -	\$ -	\$ 73,424	\$ -
Vouchers payable	38,555	1,266	5,351	-	-	-	45,172	434,617
Accounts payable	-	-	-	-	-	-	-	1,758
Accrued payroll payable	75,319	2,673	-	-	-	-	77,992	229,628
Deferred Revenue	-	-	-	-	-	-	-	-
Due to Other State Agencies	-	-	-	-	-	504	504	70,093
Due to State General Fund	7,113	1	-	-	356	-	7,470	129,279
Other Liabilities	28,306	4,576	-	-	-	-	32,882	120,310
Total liabilities	149,293	23,015	64,276	\$ -	356	504	237,444	985,685
Fund Equity:								
Fund balance.	100	-	-	-	-	-	100	-
Reserved for petty cash	-	-	-	-	-	-	-	134,310
Unreserved, designated	-	-	-	-	-	-	-	-
Total fund equity	100	-	-	-	-	-	100	134,310
Total liabilities and fund equity	\$ 149,393	\$ 23,015	\$ 64,276	\$ -	\$ 356	\$ 504	\$ 237,544	\$ 1,119,995

AGING AND LONG TERM SERVICES DEPARTMENT

General Fund Accounts
Combining Balance Sheet
June 30, 2008

	TBI Special	TBI Admin	Medicaid Programs	R.W. Johnson Grant	Resource Center	Zero Tolerance	Real Choice	HIV/AIDS Consumer Advocacy	HRSA Grant	Gap Program	Statewide Behavioral Health	Total Long Term Services	Grand Total General Fund
Assets													
Petty cash													
Interest in State General Fund Investment Pool with the State Treasurer	878,044	1,713,425			28,230	46,895		2,480		10,829		2,679,803	3,196,023
Due from Other State Agencies		195,663	785,601	64,343	220,881						18,984	1,265,502	2,034,560
Other receivables				32,984								33,740	33,740
Federal allotment receivable									12,974			12,974	103,661
Prepaid Expenses			779		107				1,128			2,014	2,852
	\$ 878,044	\$ 1,909,108	\$ 786,380	\$ 97,337	\$ 220,988	\$ 28,230	\$ 46,895	\$ 2,480	\$ 14,102	\$ 10,829	\$ 18,984	\$ 4,013,387	\$ 5,370,920
Liabilities and Fund Equity													
Liabilities:													
Debt interest in State Treasurer General Fund Investment Pool			173,772	37,455	164,714				4,891		18,659	359,491	472,915
Vouchers payable	204,523	184,397	49,339	59,065	41,690	10,031		801	9,211	10,600	334	569,991	1,049,760
Accounts payable				817								817	2,575
Accrued payroll payable			95,716									95,716	403,336
Deferred Revenue			426,659				46,895					473,554	472,564
Due to Other State Agencies			6,002									6,002	16,389
Due to State General Fund		4,735	323		14,584	18,199		1,679		229	1	39,750	176,499
Other Liabilities			34,599									34,599	187,751
	\$ 204,523	\$ 189,132	\$ 786,380	\$ 97,337	\$ 220,988	\$ 28,230	\$ 46,895	\$ 2,480	\$ 14,102	\$ 10,829	\$ 18,984	\$ 1,619,890	\$ 2,843,019
Fund Equity													
Fund balance:													
Reserved for petty cash	673,521	1,719,976										2,393,497	2,527,807
Unreserved, designated	673,521	1,719,976										2,963,497	2,527,907
Total fund equity	\$ 878,044	\$ 1,909,108	\$ 786,380	\$ 97,337	\$ 220,988	\$ 28,230	\$ 46,895	\$ 2,480	\$ 14,102	\$ 10,829	\$ 18,984	\$ 4,013,387	\$ 5,370,926
Total liabilities and fund equity													

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

General Fund Accounts
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Year Ended June 30, 2008

	Title III and Other All-State	D.O.L. Title V	Employment Gold Program	DVR Admin	Southwest WBD BOLD Administration	John H Chafee	Total Program Support	Adult Protective Services	Sub-total
Revenues:									
Intergovernmental revenues:									
Federal grants	\$ 517,127	\$ 158,135	\$ 349,687	\$ (469)	\$ -	\$ -	\$ 1,024,480	\$ 3,034,318	\$ 4,058,798
Other gifts and donations:									
Other revenues								504	504
Total revenues	517,127	158,135	349,687	(469)	-	-	1,024,480	3,034,822	4,059,302
Expenditures:									
General government:									
Current:									
Personal services and employee benefits	2,373,272	155,602	266,414	-	-	-	2,785,288	9,166,579	11,961,867
Contractual services	127,065	19,772	715	-	-	-	147,552	3,896,174	4,043,726
Other costs	236,533	20,682	82,558	-	-	-	339,773	2,841,334	3,181,107
Other financing uses									
Total expenditures	2,736,870	196,056	349,687	-	-	-	3,282,613	15,904,067	19,186,700
Excess (deficiency) of revenues over expenditures	(2,219,743)	(37,921)	-	(469)	-	-	(2,258,133)	(12,869,245)	(15,127,388)
Other financing sources (uses):									
Transfers from (to) other state agencies									
State General Fund appropriation	2,063,609	37,922	-	469	-	-	2,102,000	12,522,000	14,624,000
Compensation package appropriation	162,500	-	-	-	-	-	162,500	610,000	772,500
Reversion to State General Fund	(6,366)	(1)	-	-	-	-	(6,367)	(128,425)	(134,792)
Total other financing sources	2,219,743	37,921	-	469	-	-	2,258,133	13,003,575	15,261,708
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses								134,310	134,310
Fund balance, June 30, 2007	100						100		100
Fund balance at June 30, 2008	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ 134,310	\$ 134,410

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

General Fund Accounts
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Year Ended June 30, 2008

	TBI Special	TBI Admin	Medicaid Programs	R.W. Johnson Grant	Resource Center	Zero Tolerance	Fallth Based Initiative	HIV/AIDS Consumer Advocacy	HRSA Grant	Gap Program	Statewide Behavioral Health	Total Long Term Services	Grand Total
Revenues:													
Intergovernmental revenues:													
Federal grants	\$	\$ 150,181	\$ 854,881	\$ 139,541	\$ 470,716	\$	\$	\$	\$ 86,528	\$	\$ 58,795	\$ 1,760,622	\$ 5,819,420
Other gifts and donations		118		139,541								139,659	140,163
Other revenues		150,299	854,861	279,082	470,716				86,528		58,795	1,900,281	5,959,583
Total revenues													
Expenditures:													
General government:													
Current:													
Personal services and employee benefits		417,303	1,382,626	142,562	799,808	235,522		47,326	57,844		58,500	3,141,491	15,103,358
Contractual services	1,806,017	218,524	126,812	198,010	18,827	29,487		7,519	21,105		13,000	2,128,196	6,171,922
Other costs		26,000	130,600	28,510	122,767	57,047		10,995		291,936	2,539	691,589	3,872,696
Other financing uses		160,261										160,261	160,261
Total expenditures	1,806,017	822,088	1,640,038	279,082	941,432	322,056		58,321	86,528	291,936	74,039	6,121,537	25,308,217
Excess (deficiency) of revenues over expenditures	(1,806,017)	(671,789)	(785,177)		(470,716)	(322,056)		(58,321)		(291,936)	(15,244)	(4,221,255)	(19,348,654)
Other financing sources (uses):													
Transfers from (to) other state agencies							(40,000)	50,000		123,165		1,432,706	1,432,706
State General Fund appropriation	1,299,541	2,372,500	759,800		478,300	310,555	40,000	10,000		169,000	15,245	4,155,400	18,779,400
Compensation package appropriation		24,000	23,700		7,000	29,700						86,400	86,400
Reversion to State General Fund		(4,735)	(323)		(14,564)	(18,199)		(1,679)		(229)	(1)	(39,750)	(174,542)
Total other financing sources	1,299,541	2,391,765	785,177		470,716	322,056		58,321		291,936	15,244	5,634,756	20,896,464
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(306,476)	1,719,976										1,413,500	1,547,810
Fund balance, June 30, 2007	979,897											979,897	980,097
Fund balance at June 30, 2008	673,521	\$ 1,719,976	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 2,380,497	\$ 2,907,607

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.
624-953-2306	The Bill Payer Program, as part of the AARP Foundation Money Management Program, recruits and trains AARP volunteers to provide assistance to low-income people who are able to make responsible decisions about their financial affairs but who may be physically or mentally impaired. They are able to manage money with help, but these individuals need assistance with monthly bill paying and record keeping since they can become confused and forgetful.

SPECIAL REVENUE FUNDS/PROGRAMS

<u>FUND #</u>	<u>FUNDS/PROGRAMS DESCRIPTION</u>
624-953-2605	In partnership with the University of Maryland Center on Aging's Legacy Corps and the Zuni Tribe, the Department sponsors Zuni Care Corps. Zuni Care Corps is a direct service of the Zuni Elderly Services Program, in which Legacy Corps members receive stipends and training to serve as Zuni Care Corps workers. The Care Corps workers provide respite services consisting of socialization, medication assistance, grooming, personal care assistance, light housekeeping, recreational activities and meal preparation to assigned clients. Families of care recipients are supported in their caregiving responsibilities. Client referrals come from throughout the Pueblo. An individualized plan of services is established for each elder and his or her family, based on needs identified.
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.
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.

SPECIAL REVENUE FUNDS/PROGRAMS

<u>FUND #</u>	<u>FUNDS/PROGRAMS DESCRIPTION</u>
624-953-4200 624-953-4300 624-953-4400 624-953-4500 624-953-4600	<p>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).</p> <p>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.</p>
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.
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.

SPECIAL REVENUE FUNDS/PROGRAMS

<u>FUND #</u>	<u>FUNDS/PROGRAMS DESCRIPTION</u>
624-953-6500	DVR GOLD 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.
624-953-2606	<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,• Transform information technology systems within the department and across state departments to support access to long-term care services.
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.

SPECIAL REVENUE FUNDS/PROGRAMS

<u>FUND #</u>	<u>FUNDS/PROGRAMS DESCRIPTION</u>
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.
624-768-7500	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.
624-622-4710	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.
053, 089, 386, 396, 534, 595, 648, 700, 883, 954, 962, 965	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.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds
Combining Balance Sheet
June 30, 2008

	AOA ALZHEIMERS Grant	Title III Training Grant	State Training Grant	Care Ombudsman Program	Foundation Money Management	HIBAC Counseling Grant	STG-Grant (System Transformation)	DHHS CMS Grant	Prescription Drug Assistance	Sub-total Elder Rights and Health Advocacy
Petty cash	\$ -	\$ -	\$ -	\$ 8,869	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,869
Interest in State General Fund Investment Pool with the State Treasurer	81,540	-	5,000	-	-	7,659	-	-	18,846	113,045
Advances to subrecipients	-	-	-	-	-	-	-	-	-	-
Due from federal government	8,164	560	-	57,571	-	-	25,721	30,783	-	122,799
Due from other state agencies	-	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	2,836	-	-	-	-	-	2,836
Prepaid Expenses	-	-	-	-	-	-	-	806	-	806
Total assets	\$ 89,704	\$ 560	\$ 5,000	\$ 69,276	\$ -	\$ 7,659	\$ 25,721	\$ 31,589	\$ 18,846	\$ 248,355

Liabilities and Fund Equity

Liabilities:										
Deficit interest in State Treasurer General Fund Investment Pool	\$ -	\$ 560	\$ -	\$ 47,304	\$ -	\$ -	\$ 18,171	\$ 14,293	\$ -	\$ 80,328
Vouchers payable	8,643	-	2,639	11,757	-	4,067	7,550	16,150	6,301	57,107
Accounts payable	-	-	2,311	25	-	80	-	846	-	3,262
Accrued payroll payable	58,021	-	-	-	-	-	-	-	-	58,021
State dated warrants due to SGF	-	-	-	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-	-	-	-
Due to Federal Government	-	-	-	-	-	-	-	-	-	-
Due to State General Fund	-	-	50	1,321	-	3,512	-	-	12,545	17,428
Due to other state agencies	-	-	-	-	-	-	-	-	-	-
Due to subrecipients	-	-	-	-	-	-	-	-	-	-
Other Liabilities	23,040	-	-	-	-	-	-	300	-	23,340
Total liabilities	89,704	560	5,000	60,407	-	7,659	25,721	31,589	18,846	239,486

Fund Equity:

Fund balance:										
Designated for special projects	-	-	-	8,869	-	-	-	-	-	8,869
Total fund equity	-	-	-	8,869	-	-	-	-	-	8,869
Total liabilities and fund equity	\$ 89,704	\$ 560	\$ 5,000	\$ 69,276	\$ -	\$ 7,659	\$ 25,721	\$ 31,589	\$ 18,846	\$ 248,355

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds
Combining Balance Sheet
June 30, 2008

	Medicare Waste Patrol	Aging Disability Resource Center	Total Elder Rights and Health Advocacy	State Senior Employment Program	Title V Senior Employment Program	WBO (BOLD) Employment Program	Employment (GOLD) Program	DVR Mentors	John H Chafee Independence Program	Federal Alzheimer's	Sub-total Aging Network
Petty cash	\$ -	\$ -	\$ 8,869	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest in State General Fund Investment Pool with the State Treasurer	2,671	-	115,716	172,673	-	14,285	-	1,183	55	25,000	213,196
Advances to subrecipients	-	-	-	3,173	-	-	-	-	-	1,282	4,455
Due from federal government	30,569	19,558	172,926	-	18,644	-	-	-	-	74,807	93,451
Due from other state agencies	-	-	-	-	-	-	62,705	-	-	-	62,705
Other receivables	-	-	2,836	-	-	-	-	-	-	-	-
Prepaid Expenses	-	-	806	-	-	-	-	-	-	-	-
Total assets	\$ 33,240	\$ 19,558	\$ 301,153	\$ 175,846	\$ 18,644	\$ 14,285	\$ 62,705	\$ 1,183	\$ 55	\$ 101,089	\$ 373,807

Liabilities and Fund Equity

Deficit interest in State Treasurer General Fund Investment Pool	\$ -	\$ 5,019	\$ 85,347	\$ -	\$ 18,625	\$ -	\$ 62,356	\$ -	\$ -	\$ -	\$ 80,981
Vouchers payable	33,000	14,539	104,646	163,983	14	-	349	-	-	99,807	264,153
Accounts payable	240	-	3,502	-	-	1,826	-	-	-	-	1,826
Accrued payroll payable	-	-	58,021	-	1	-	-	-	-	-	1
State dated warrants due to SGF	-	-	-	-	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-	-	-	-	-
Due to Federal Government	-	-	-	-	-	-	-	-	-	-	-
Due to State General Fund	-	-	17,428	8,690	4	12,459	-	-	55	-	21,208
Due to other state agencies	-	-	-	-	-	-	-	1,183	-	-	1,183
Due to subrecipients	-	-	-	-	-	-	-	-	-	-	-
Other Liabilities	-	-	23,340	-	-	-	-	-	-	-	-
Total liabilities	33,240	19,558	292,284	172,673	18,644	14,285	62,705	1,183	55	99,807	369,352
Fund Equity:											
Fund balance:	-	-	8,869	3,173	-	-	-	-	-	1,282	4,455
Reserved for petty cash 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	\$ 33,240	\$ 19,558	\$ 301,153	\$ 175,846	\$ 18,644	\$ 14,285	\$ 62,705	\$ 1,183	\$ 55	\$ 101,089	\$ 373,807

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
Special Revenue Funds
Combining Balance Sheet
June 30, 2008

	State Community Programs	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	2,203,832	13,717	2,290	9,787	-	-	-	223,766	171,829	74,190	70,567	2,993,174
Advances to subrecipients	6,663	4,510	1,603	303	-	-	-	31,475	37,793	4,911	-	91,713
Due from federal government	-	81,378	-	27,076	59,740	16,381	117,289	-	-	-	-	395,315
Due from other state agencies	-	-	-	-	-	-	-	-	-	-	-	62,705
Other receivables	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid Expenses	152	-	-	-	-	-	-	-	-	-	-	152
Total assets	\$ 2,210,647	\$ 99,605	\$ 3,893	\$ 37,166	\$ 59,740	\$ 16,381	\$ 117,289	\$ 255,241	\$ 209,622	\$ 79,101	\$ 71,267	\$ 3,533,759
Liabilities and Fund Equity												
Liabilities:												
Deficit interest in State Treasurer General Fund Investment Pool	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,318	\$ -	\$ -	\$ -	\$ -	\$ 113,299
Vouchers payable	2,033,992	95,095	2,290	36,863	59,740	16,381	84,971	219,897	165,643	74,190	881	3,054,096
Accounts payable	-	-	-	-	-	-	-	-	-	-	1,726	3,552
Accrued payroll payable	33,536	-	-	-	-	-	-	-	-	-	348	33,885
State dated warrants due to SGF	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Due to Federal Government	-	-	-	-	-	-	-	-	-	-	-	-
Due to State General Fund	136,456	-	-	-	-	-	-	3,869	6,186	-	-	167,719
Due to other state agencies	-	-	-	-	-	-	-	-	-	-	-	1,183
Due to subrecipients	-	-	-	-	-	-	-	-	-	-	-	-
Other Liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	2,203,984	95,095	2,290	36,863	59,740	16,381	117,289	223,766	171,829	74,190	2,955	3,373,734
Fund Equity												
Fund balance:												
Reserved for petty cash	-	4,510	1,603	303	-	-	-	-	-	4,911	700	700
Unreserved designated	6,663	4,510	1,603	303	-	-	-	31,475	37,793	4,911	68,312	159,325
Total fund equity	6,663	4,510	1,603	303	-	-	-	31,475	37,793	4,911	68,312	160,025
Total liabilities and fund equity	\$ 2,210,647	\$ 99,605	\$ 3,893	\$ 37,166	\$ 59,740	\$ 16,381	\$ 117,289	\$ 255,241	\$ 209,622	\$ 79,101	\$ 71,267	\$ 3,533,759

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
Special Revenue Funds
Combining Balance Sheet
June 30, 2008

	Fund 053		Fund 089		Fund 386		Fund 396		Fund 534		Fund 585		Fund 548		Fund 700		Fund 883		Fund 954		Fund 962		Fund 965		Total State Capital Outlay
	State Capital Outlay	Fund 053	State Capital Outlay	Fund 089	State Capital Outlay	Fund 386	State Capital Outlay	Fund 396	State Capital Outlay	Fund 534	State Capital Outlay	Fund 585	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	
Assets																									
Petty cash																									
Interest in State General Fund Investment Pool with the State Treasurer																									
Advances to subcontractors																									
Due from federal government																									
Other receivables																									
Prepaid Expenses																									
Total assets	\$ 374,451	\$ 374,451	\$ 72,615	\$ 72,615	\$ 87,743	\$ 87,743	\$ 350,000	\$ 350,000	\$ 98,683	\$ 98,683	\$ 4,853,634	\$ 4,853,634	\$ 217	\$ 217	\$ 51,143	\$ 51,143	\$ 5,318,639	\$ 5,318,639	\$ 2,285,959	\$ 2,285,959	\$ 3,985,031	\$ 3,985,031	\$ 35,898	\$ 35,898	\$ 13,484,383
Liabilities and Fund Equity																									
Liabilities:																									
Deficit interest in State Treasurer Central Fund Investment Pool	\$ 14,396	\$ 14,396	\$ 72,615	\$ 72,615	\$ 87,743	\$ 87,743	\$ 55,000	\$ 55,000	\$ 98,683	\$ 98,683	\$ 179,487	\$ 179,487	\$ -	\$ -	\$ 51,143	\$ 51,143	\$ 771,239	\$ 771,239	\$ 314,509	\$ 314,509	\$ 825,460	\$ 825,460	\$ 1,044,540	\$ 1,044,540	\$ 14,396
Vouchers payable	\$ 360,055	\$ 360,055																							
Accounts payable																									
Accrued payroll payable																									
State dated warrants due to SGF																									
Deferred Revenue																									
Due to Federal Government																									
Due to State General Fund																									
Due to other state agencies																									
Due to subrecipients																									
Other Liabilities																									
Total liabilities	\$ 374,451	\$ 374,451	\$ 72,615	\$ 72,615	\$ 87,743	\$ 87,743	\$ 55,000	\$ 55,000	\$ 98,683	\$ 98,683	\$ 179,487	\$ 179,487	\$ -	\$ -	\$ 51,143	\$ 51,143	\$ 771,239	\$ 771,239	\$ 314,509	\$ 314,509	\$ 825,460	\$ 825,460	\$ 1,044,540	\$ 1,044,540	\$ 3,874,870
Fund Equity:																									
Fund balance:																									
Reserved for petty cash																									
Unreserved, designated																									
Total fund equity	\$ 374,451	\$ 374,451	\$ 72,615	\$ 72,615	\$ 87,743	\$ 87,743	\$ 350,000	\$ 350,000	\$ 98,683	\$ 98,683	\$ 4,674,147	\$ 4,674,147	\$ 217	\$ 217	\$ 51,143	\$ 51,143	\$ 4,547,400	\$ 4,547,400	\$ 1,971,450	\$ 1,971,450	\$ 3,163,571	\$ 3,163,571	\$ 1,044,540	\$ 1,044,540	\$ 14,681,785
Total liabilities and fund equity	\$ 374,451	\$ 374,451	\$ 72,615	\$ 72,615	\$ 87,743	\$ 87,743	\$ 350,000	\$ 350,000	\$ 98,683	\$ 98,683	\$ 4,853,634	\$ 4,853,634	\$ 217	\$ 217	\$ 51,143	\$ 51,143	\$ 5,318,639	\$ 5,318,639	\$ 2,285,959	\$ 2,285,959	\$ 3,985,031	\$ 3,985,031	\$ 1,044,540	\$ 1,044,540	\$ 13,556,655

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
Special Revenue Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Year Ended June 30, 2008

	AGA ALZHEIMERS Grant	Title III Training Grant	State Training Grant	Long-Term Care Ombudsman Program	AARP Foundation Money Management	State HIBAC Counseling Grant	STG-Grant (System Transformation)	Legacy Corps Project	DHHS CMS Grant	Prescription Drug Assistance	Sub-total Elder Rights and Health Advocacy
Revenues											
Intergovernmental revenues:											
Federal grants	\$ 37,681	\$ 15,276	\$ -	\$ 483,021	\$ -	\$ -	\$ 528,283	\$ -	\$ 300,643	\$ -	\$ 1,364,904
Private Gifts and Grants	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-	-	-	-	-	-	-
Total revenues	<u>37,681</u>	<u>15,276</u>	<u>-</u>	<u>483,021</u>	<u>-</u>	<u>-</u>	<u>528,283</u>	<u>-</u>	<u>300,643</u>	<u>-</u>	<u>1,364,904</u>
Expenditures:											
General government											
Current											
Personal services and											
employee benefits	-	-	-	710,177	-	186,537	347,550	-	137,200	112,648	1,494,112
Contractual services	27,112	-	4,950	435	-	-	182,716	-	-	21,491	216,704
Other costs	10,569	15,276	5,000	180,289	-	17,251	18,017	-	163,443	32,916	442,761
Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>37,681</u>	<u>15,276</u>	<u>9,950</u>	<u>890,901</u>	<u>-</u>	<u>203,788</u>	<u>528,283</u>	<u>-</u>	<u>300,643</u>	<u>167,055</u>	<u>2,153,577</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(9,950)</u>	<u>-</u>	<u>(407,880)</u>	<u>-</u>	<u>(203,788)</u>	<u>-</u>	<u>-</u>	<u>(167,055)</u>	<u>-</u>	<u>(788,673)</u>
Other financing sources (uses) (note 10):											
Transfers from (to) other state agencies	-	-	-	-	-	-	-	-	-	-	-
Bond Proceeds appropriations	-	-	-	-	-	-	-	-	-	-	-
State General Fund appropriations	-	-	10,000	364,200	-	202,300	-	-	-	179,600	756,100
Compensation package appropriation	-	-	-	45,000	-	5,000	-	-	-	-	90,000
Reversion to State General Fund	-	-	(60)	(1,320)	-	(3,512)	-	-	-	(12,545)	(17,427)
Total other financing sources (uses)	<u>-</u>	<u>9,950</u>	<u>-</u>	<u>407,880</u>	<u>-</u>	<u>203,788</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>167,055</u>	<u>788,673</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2007	-	-	-	8,869	-	-	-	-	-	-	8,869
Fund balance, June 30, 2008	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,869</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,869</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
Special Revenue Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Year Ended June 30, 2008

	Medicine Waste Patrol	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	DVR Mentors	John H Chafee Independence Program	Federal Alzheimer's	Sub-Total Aging Network
Revenues:											
Intrayear/interfund revenues:											
Federal grants	\$ 182,265	\$ 171,535	\$ 1,718,704	\$ -	\$ 341,626	\$ -	\$ 359,142	\$ -	\$ -	\$ 150,426	\$ 851,194
Private Gifts and Grants	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-	-	-	-	-	-	-
Total revenues:	182,265	171,535	1,718,704	-	341,626	-	359,142	-	-	150,426	851,194
Expenditures:											
General government:											
Current:											
Personal services and employee benefits	130,180	96,029	1,720,321	-	-	-	-	-	-	-	-
Contractual services	-	61,262	277,966	-	-	-	-	-	-	-	-
Other costs	52,085	14,244	509,090	1,038,260	382,126	-	359,142	-	-	150,426	1,928,954
Other Financing Uses	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	182,265	171,535	2,507,377	1,038,260	382,126	-	359,142	-	-	150,426	1,928,954
Excess (deficiency) of revenues over expenditures	-	-	(788,673)	(1,038,260)	(40,500)	-	-	-	-	-	(1,078,760)
Other financing sources (uses) (note 10):											
Transfers from (to) other state agencies	-	-	-	-	-	-	-	-	-	-	-
Bond Proceeds appropriations	-	-	-	-	-	-	-	-	-	-	-
State General Fund appropriation	-	-	756,100	1,046,950	40,500	-	-	-	-	-	1,087,450
Compensation package appropriation	-	-	50,000	(8,690)	-	-	-	-	-	-	(8,690)
Revision to State General Fund	-	-	(17,427)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	788,673	1,038,260	40,500	-	-	-	-	-	1,078,760
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-	-	-	-	-	-	-	-	-
Fund balance, June 30, 2007	-	-	8,869	3,173	-	-	-	-	-	1,282	4,455
Fund balance, June 30, 2008	\$ -	\$ -	\$ 8,869	\$ 3,173	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,282	\$ 4,455

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
Special Revenue Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Year Ended June 30, 2008

	Federal Title III-B Social Services	Federal Title III-C1 Congregate Meals	Federal Title III-C2 Home Delivd 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
Revenues:											
Intergovernmental revenues:											
Federal grants	\$ 1,720,739	\$ 1,779,628	\$ 876,013	\$ 842,991	\$ 118,032	\$ 1,631,800	\$ -	\$ -	\$ -	\$ -	\$ 7,820,397
Puerto Gifts and Grants	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-	-	-	-	-	87,209	87,209
Total revenues	1,720,739	1,779,628	876,013	842,991	118,032	1,631,800	-	-	-	87,209	7,907,606
Expenditures:											
General government											
Current:											
Personal services and employee benefits	337,019	-	-	-	-	-	-	-	-	9,943	346,962
Contractual services:	21,309,439	1,779,628	876,013	842,991	118,032	1,631,800	1,740,591	1,545,569	484,790	314	34,038,073
Other costs	-	-	-	-	-	-	130,136	130,439	-	-	269,542
Other financing uses	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	21,646,458	1,779,628	876,013	842,991	118,032	1,631,800	1,870,727	1,684,965	484,790	68,794	34,654,891
Excess (deficiency) of revenues over expenditures	(21,646,458)	-	-	-	-	-	(1,870,727)	(1,684,965)	(484,790)	18,415	(26,747,285)
Other financing sources (uses) (note 10):											
Transfers from (to) other state agencies	-	-	-	-	-	-	-	-	-	-	-
Bond Proceeds appropriations	-	-	-	-	-	-	-	-	-	-	-
State General Fund appropriation	21,782,971	-	-	-	-	-	1,870,727	1,686,412	484,790	-	26,912,350
Competition package appropriation	-	-	-	-	-	-	-	-	-	-	-
Reversion to State General Fund	(136,513)	-	-	-	-	-	-	(1,447)	-	-	(148,650)
Total other financing sources (uses)	21,646,458	-	-	-	-	-	1,870,727	1,684,965	484,790	-	26,765,700
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-	-	-	-	-	-	-	18,415	18,415
Fund balance, June 30, 2007	6,663	1,803	303	-	-	-	31,475	37,793	4,911	49,897	141,610
Fund balance, June 30, 2008	\$ 6,663	\$ 1,803	\$ 303	\$ -	\$ -	\$ -	\$ 31,475	\$ 37,793	\$ 4,911	\$ 68,312	\$ 160,025

STATE OF NEW MEXICO
ACRS AND LONG TERM SERVICES DEPARTMENT
Special Revenues, Funds,
Expenditures
and Charges in Fund Balances
Year Ended June 30, 2008

	State Capital Outlay Fund 653	State Capital Outlay Fund 299	State Capital Outlay Fund 386	State Capital Outlay Fund 396	State Capital Outlay Fund 534	State Capital Outlay Fund 595	State Capital Outlay Fund 648	State Capital Outlay Fund 700	State Capital Outlay Fund 833	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	1,095,112	107,804	345,243	129,108	952,741	824,795	112,380	327,494	1,808,222	1,940,665	2,005,620	2,850,231	12,499,415
Other costs													
Other financing uses													
Total expenditures	1,095,112	107,804	345,243	129,108	952,741	824,795	112,380	327,494	1,808,222	1,940,665	2,005,620	2,850,231	12,499,415
Excess (deficiency) of revenues over expenditure	(1,095,112)	(107,804)	(345,243)	(129,108)	(952,741)	(824,795)	(112,380)	(327,494)	(1,808,222)	(1,940,665)	(2,005,620)	(2,850,231)	(12,499,415)
Other financing sources: (note 19)													
Transfers from (to) other state agencies													
Bond Proceeds appropriations	1,095,112	107,804	345,243	454,108	952,741	824,795	112,380	327,494	1,808,222	1,940,665	2,005,620	2,850,231	6,238,180
State General Fund appropriations						3,767,000							3,767,000
Compensation package appropriation													
Reversion to State General Fund													
Total other financing sources (uses)	1,095,112	107,804	345,243	454,108	952,741	3,767,000	112,380	327,494	1,808,222	1,940,665	(7,150)	2,850,231	10,005,180
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-	325,000	-	2,942,205	217	-	(1,808,222)	(1,940,665)	(2,012,770)	-	(2,494,235)
Fund balance, June 30, 2007	-	-	-	-	-	1,731,942	-	-	6,355,622	3,912,115	5,176,341	-	17,176,020
Fund balance, June 30, 2008	-	-	-	\$ 325,000	\$ -	\$ 4,674,147	\$ 217	\$ -	\$ 4,547,400	\$ 1,971,450	\$ 3,163,571	\$ -	\$ 14,681,785

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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 6,115,801	\$ 3,868,123	\$ 1,095,112	\$ 4,963,235
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>6,115,801</u>	<u>3,868,123</u>	<u>1,095,112</u>	<u>4,963,235</u>
Expenditures:				
General government:				
Other costs	<u>6,115,801</u>	<u>3,868,123</u>	<u>1,095,112</u>	<u>4,963,235</u>
Total expenditures	<u>6,115,801</u>	<u>3,868,123</u>	<u>1,095,112</u>	<u>4,963,235</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, 2007			<u>-</u>	<u>-</u>
Fund balance at June 30, 2008			<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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 120,000	\$ 120,000	\$ -	\$ 120,000
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>120,000</u>	<u>120,000</u>	<u>-</u>	<u>120,000</u>
Expenditures:				
General government:				
Other costs	<u>120,000</u>	<u>120,000</u>	<u>-</u>	<u>120,000</u>
Total expenditures	<u>120,000</u>	<u>120,000</u>	<u>-</u>	<u>120,000</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, 2007			<u>-</u>	<u>-</u>
Fund balance at June 30, 2008			<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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$2,991,900	\$2,118,475	\$ 107,804	\$2,226,279
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>2,991,900</u>	<u>2,118,475</u>	<u>107,804</u>	<u>2,226,279</u>
Expenditures:				
General government:				
Other costs	<u>2,991,900</u>	<u>2,118,475</u>	<u>107,804</u>	<u>2,226,279</u>
Total expenditures	<u>2,991,900</u>	<u>2,118,475</u>	<u>107,804</u>	<u>2,226,279</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, 2007			<u>-</u>	<u>-</u>
Fund balance at June 30, 2008			<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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 4,133,169	\$ 1,297,617	\$ 345,243	\$ 1,642,860
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>4,133,169</u>	<u>1,297,617</u>	<u>345,243</u>	<u>1,642,860</u>
Expenditures:				
General government:				
Other costs	<u>5,592,304</u>	<u>2,721,074</u>	<u>345,243</u>	<u>3,066,317</u>
Total expenditures	<u>5,592,304</u>	<u>2,721,074</u>	<u>345,243</u>	<u>3,066,317</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	<u>-</u>	<u>(27,858)</u>	<u>-</u>	<u>(27,858)</u>
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, 2007			<u>-</u>	<u>-</u>
Fund balance at June 30, 2008			<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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 7,812,808	\$ 7,358,700	\$ 454,108	\$ 7,812,808
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>7,812,808</u>	<u>7,358,700</u>	<u>454,108</u>	<u>7,812,808</u>
Expenditures:				
General government:				
Other costs	<u>7,812,808</u>	<u>7,358,700</u>	<u>129,108</u>	<u>7,487,808</u>
Total expenditures	<u>7,812,808</u>	<u>7,358,700</u>	<u>129,108</u>	<u>7,487,808</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>325,000</u>	<u>325,000</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>325,000</u>	<u>325,000</u>
Fund balance, June 30, 2007			<u>-</u>	<u>-</u>
Fund balance at June 30, 2008			<u>\$ 325,000</u>	<u>\$ 325,000</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, 2008

	<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>4,016,058</u>	<u>824,795</u>	<u>4,840,853</u>
Total expenditures	<u>9,637,101</u>	<u>4,016,058</u>	<u>824,795</u>	<u>4,840,853</u>
Excess (deficiency) of revenues over expenditures	<u>(9,637,101)</u>	<u>(4,016,058)</u>	<u>(824,795)</u>	<u>(4,840,853)</u>
Other financing sources (uses):				
State General Fund appropriation	9,637,101	5,870,101	3,767,000	9,637,101
Reversion to State General Fund	<u>-</u>	<u>(122,101)</u>	<u>-</u>	<u>(122,101)</u>
Total other financing sources (uses)	<u>9,637,101</u>	<u>5,748,000</u>	<u>3,767,000</u>	<u>9,515,000</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 1,731,942</u>	2,942,205	4,674,147
Fund balance, June 30, 2007			<u>1,731,942</u>	<u>-</u>
Fund balance at June 30, 2008			<u>\$ 4,674,147</u>	<u>\$ 4,674,147</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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 12,394,891	\$ 11,269,176	\$ 112,597	\$ 11,381,773
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>12,394,891</u>	<u>11,269,176</u>	<u>112,597</u>	<u>11,381,773</u>
Expenditures:				
General government:				
Other costs	<u>12,831,891</u>	<u>11,700,547</u>	<u>112,380</u>	<u>11,812,927</u>
Total expenditures	<u>12,831,891</u>	<u>11,700,547</u>	<u>112,380</u>	<u>11,812,927</u>
Excess (deficiency) of revenues over expenditures	<u>(437,000)</u>	<u>(431,371)</u>	<u>217</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>\$ -</u>	<u>217</u>	<u>217</u>
Fund balance, June 30, 2007			<u>-</u>	<u>-</u>
Fund balance at June 30, 2008			<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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 3,588,563	\$ 2,605,491	\$ 332,335	\$ 2,937,826
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>3,588,563</u>	<u>2,605,491</u>	<u>332,335</u>	<u>2,937,826</u>
Expenditures:				
General government:				
Other costs	<u>3,588,563</u>	<u>2,605,491</u>	<u>332,335</u>	<u>2,937,826</u>
Total expenditures	<u>3,588,563</u>	<u>2,605,491</u>	<u>332,335</u>	<u>2,937,826</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, 2007			<u>-</u>	<u>-</u>
Fund balance at June 30, 2008			<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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 138,945	\$ 138,945	\$ -	\$ 138,945
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>138,945</u>	<u>138,945</u>	<u>-</u>	<u>138,945</u>
Expenditures:				
General government:				
Other costs	<u>6,518,827</u>	<u>163,205</u>	<u>1,808,222</u>	<u>1,971,427</u>
Total expenditures	<u>6,518,827</u>	<u>163,205</u>	<u>1,808,222</u>	<u>1,971,427</u>
Excess (deficiency) of revenues over expenditures	<u>(6,379,882)</u>	<u>(24,260)</u>	<u>(1,808,222)</u>	<u>(1,832,482)</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>\$ 6,355,622</u>	<u>(1,808,222)</u>	<u>4,547,400</u>
Fund balance, June 30, 2007			<u>6,355,622</u>	
Fund balance at June 30, 2008			<u>\$ 4,547,400</u>	<u>\$ 4,547,400</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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$1,401,620	\$1,401,620	\$ -	\$1,401,620
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>1,401,620</u>	<u>1,401,620</u>	<u>-</u>	<u>1,401,620</u>
Expenditures:				
General government:				
Other costs	1,406,620	1,406,620	-	1,406,620
Total expenditures	<u>1,406,620</u>	<u>1,406,620</u>	<u>-</u>	<u>1,406,620</u>
Excess (deficiency) of revenues over expenditures	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</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>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2007			<u>-</u>	<u>-</u>
Fund balance at June 30, 2008			<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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 4,160,000	\$ 4,160,000	\$ -	\$ 4,160,000
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>4,160,000</u>	<u>4,160,000</u>	<u>-</u>	<u>4,160,000</u>
Expenditures:				
General government:				
Other costs	<u>13,231,144</u>	<u>9,291,289</u>	<u>1,940,665</u>	<u>11,231,954</u>
Total expenditures	<u>13,231,144</u>	<u>9,291,289</u>	<u>1,940,665</u>	<u>11,231,954</u>
Excess (deficiency) of revenues over expenditures	<u>9,071,144</u>	<u>(5,131,289)</u>	<u>(1,940,665)</u>	<u>(7,071,954)</u>
Other financing sources (uses):				
Transfers to other state agencies	-	(25,560)	-	(25,560)
State General Fund appropriation	9,071,144	9,071,144	-	9,071,144
Reversion to State General Fund	-	(2,180)	-	(2,180)
Total other financing sources (uses)	<u>9,071,144</u>	<u>9,043,404</u>	<u>-</u>	<u>9,043,404</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 3,912,115</u>	(1,940,665)	1,971,450
Fund balance, June 30, 2007			<u>3,912,115</u>	<u>-</u>
Fund balance at June 30, 2008			<u>\$ 1,971,450</u>	<u>\$ 1,971,450</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, 2008

	<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	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
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, 2007			<u>-</u>	<u>-</u>
Fund balance at June 30, 2008			<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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 5,068,447	\$ 5,068,447	\$ -	\$ 5,068,447
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>5,068,447</u>	<u>5,068,447</u>	<u>-</u>	<u>5,068,447</u>
Expenditures:				
General government:				
Other costs	<u>11,056,947</u>	<u>5,880,606</u>	<u>2,005,621</u>	<u>7,886,227</u>
Total expenditures	<u>11,056,947</u>	<u>5,880,606</u>	<u>2,005,621</u>	<u>7,886,227</u>
Excess (deficiency) of revenues over expenditures	<u>(5,988,500)</u>	<u>(812,159)</u>	<u>(2,005,621)</u>	<u>(2,817,780)</u>
Other financing sources (uses):				
State General Fund appropriation	5,988,500	5,988,500	(7,150)	5,981,350
Reversion to State General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>5,988,500</u>	<u>5,988,500</u>	<u>(7,150)</u>	<u>5,981,350</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 5,176,341</u>	<u>(2,012,771)</u>	<u>3,163,570</u>
Fund balance, June 30, 2007			<u>5,176,341</u>	<u>-</u>
Fund balance at June 30, 2008			<u>\$ 3,163,570</u>	<u>\$ 3,163,570</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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 26,608,733	\$ 23,758,502	\$ 2,850,231	\$ 26,608,733
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>26,608,733</u>	<u>23,758,502</u>	<u>-</u>	<u>26,608,733</u>
Expenditures:				
General government:				
Other costs	<u>26,608,733</u>	<u>23,758,502</u>	<u>2,850,231</u>	<u>26,608,733</u>
Total expenditures	<u>26,608,733</u>	<u>23,758,502</u>	<u>2,850,231</u>	<u>26,608,733</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, 2007			<u>-</u>	<u>-</u>
Fund balance at June 30, 2008			<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
 AGING AND LONG TERM SERVICES DEPARTMENT
 SCHEDULE OF JOINT POWERS AGREEMENTS
 June 30, 2008

Schedule 16

JPA Number	Parties to JPA	Short Description of Purpose	Start Date	End Date	Amount of Agreement	Audit Agency	Fiscal Agent	Reporting Agency
03-630-0976	HSD/ALTSD	To designate the administrative, fiscal & programmatic responsibility for long-term care ombudsman services provided to Medicaid recipients.	02/19/04	Article VII Termination agreement	ALTSD shall bill HSD monthly for Medicaid matching funds.	HSD	DFA	HSD
03-630-73	HSD/ALTSD	Medicaid: To obtain services from ALTSD in order to match state funds appropriated to ALTSD with federal Medicaid funds approved under the Medical Assistance Division's (MAD) state plan of HSD.	05/01/03	Article IX Termination agreement	ALTSD shall bill HSD monthly for Medicaid matching funds.	HSD	DFA	HSD
04-630-11	HSD/ALTSD	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.	04/01/04	Article IX Termination agreement	ALTSD shall submit to HSD monthly an invoice for costs incurred for intake, referral and assistance services.	HSD	DFA	HSD
05-630-8000-0007	HSD/ALTSD	To designate to ALTSD the administrative and 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).	08/13/04	Sec. 8 Termination 45 days notice	Shall not exceed \$1,500,000 each (12) month period of agreement payable by HSD to ALTSD	HSD	DFA	HSD
05-630-8000-0007-01	HSD/ALTSD	To designate to ALTSD the administrative and 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 (PACE), & certain programs related to HSD's Center for Health Care Strategies grant.	11/16/07	06/30/10	Shall not exceed \$2,050,000 each (12) month period of agreement payable by HSD to ALTSD	HSD	DFA	HSD
06-624-5000-0117	ALTSD/HSD	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.	09/16/05	Sec. 8 Termination 45 days notice	Shall not exceed \$2,000,000 each (12) month period of agreement payable by ALTSD to HSD	ALTSD	DFA	ALTSD
06-624-5000-0173	ALTSD/DOH/HSD/PED/ CYFD	To establish, implement and fund the Governor's Office of Faith-Based & Community Initiatives (OFBCI).	05/19/06	Sec. 6 Termination 45 days notice	Each department shall provide \$20,000 annually.	ALTSD	DFA	ALTSD
06-624-6000-0156	ALTSD/CYFD	To transfer adult protective services operations from CYFD to ALTSD, to identify the administrative, financial & programmatic responsibilities, and to identify support functions that will continue to be performed by CYFD for a period of time after principal adult protective services operations are transferred to ALTSD, in accordance with existing federal & state statutes and regulations, and other federal & state agreements & contracts, including JPA's governing these responsibilities.	07/01/05	07/01/06	CYFD shall pay for visitors & expert witnesses up to \$18,000 till 6/30/05. ALTSD shall authorize CYFD to issue "M Warrants" relating to adult protective services programs. ALTSD will reimburse CYFD quarterly for these payments.	ALTSD	DFA	ALTSD
06-690-6000-6002	CYFD/DOH/HSD/ALTSD/PED/ NMCD	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 Collaborative (IBHPC) which is to develop a statewide system of behavioral health care that is accessible and continuously available.	12/09/05	06/30/10	CYFD shall transfer allocated MHT SIG funds. Total amount is \$1,225,217 ALTSD contribution is \$21,197	CYFD	DFA	CYFD

STATE OF NEW MEXICO
 AGING AND LONG TERM SERVICES DEPARTMENT
 SCHEDULE OF JOINT POWERS AGREEMENTS
 June 30, 2008

Schedule 16

MOU/MQA Number	Parties to MOU	Short Description of Purpose	Start Date	End Date	Amount of Agreement	Audit Agency	Fiscal Agent	Reporting Agency
06-650-6000-6002-01	CYFD, DoH, HSD, ALTSD, PED, NMCD, and amended to include HED.	Amended to include HED as a party to this 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 MHT SIG funds, to transfer duties from CYFD to HSD, to create a mechanism for proposing & executing minor variations, to amend Attachment 1 & replace Attachment 2, to amend responsibilities of the Parties.	06/25/06	06/30/10				
07-624-5000-0004	ALTSD/DoHHSD	To delegate responsibilities and oversight of New Mexico's MI VIA Program, a self-directed waiver program for eligible New Mexico participants.	08/24/06	Termination 45 days notice	Total amount available shall not exceed \$350,000.000 for period of agreement			
08-624-4000-0023	ALTSD/DOH	Foster Grandparent Program	07/01/07	06/30/06	\$112,136.00	ALTSD	DFA	DOH
08-624-4000-0023-01	ALTSD/DOH	Amended to reduce State allocation	05/28/08	06/30/08	(\$10,000)	ALTSD	DFA	DOH
08-624-4000-0046	ALTSD/DOH	Senior Companion Program	07/01/07	06/30/08	\$75,406.00	ALTSD	DFA	DOH
08-630-9000-0004	HSD/ALTSD	To provide for statewide supplemental, non-duplicative mentoring services for individuals being served under the TANF block grant.	07/01/07	06/30/08	Amount payable by HSD to ALTSD shall not exceed \$750,000	HSD	DFA	HSD
08-630-9000-0014	HSD/ALTSD	To develop a statewide enterprise eligibility system (YES-NM) to provide citizens web access to programs and services	07/01/07	06/30/08	ALTSD shall transfer to HSD \$3,000.	HSD	DFA	HSD
Transition Cases From Child Protective Services to Adult Protective Services	CYFD/ALTSD	To provide joint staffings between CYFD & ALTSD to timely provide transition services to youths with incapacitating disabilities who are at risk for self-neglect.	04/13/05	Termination 60 days notice	N/A			
07-624-2000-0005	ALTSD/Corporation For National & Community Services	AmeriCorps Vista Program Sponsor	09/03/06	09/01/07	\$29,124.00	ALTSD	DFA	ALTSD
07-624-4000-0096	ALTSD/Mid-Region Council of Governments	To fund and implement a transportation planning grant for the development of a implementation plan for the coordination of public transit and human service transportation services in the Mid-Region Council of Governments area.	05/23/07	12/31/07	\$10,000.00	ALTSD	DFA	ALTSD
08-624-2000-0007	ALTSD/Corporation For National & Community Services	AmeriCorps Vista Program Sponsor	09/01/07	09/01/08	\$29,124.00	ALTSD	DFA	ALTSD
Participation in the Delivery of Behavioral Health Services to Elderly New Mexicans	ALTSD/Sangre De Cristo Community Health Partnership	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.	12/10/07	09/30/08	ALTSD will compensate for home assessments at the rate of \$600 per assessment	ALTSD	DFA	ALTSD
Addendum Regarding Confidentiality Requirements	ALTSD/Sangre De Cristo Community Health Partnership	Addendum to agreement to clarify the terms and conditions of the parties' Memorandum of Agreement regarding their participation in... the delivery of behavioral health services to elderly New Mexicans.	07/29/08	09/30/08	N/A	ALTSD		
08-624-6000-0027	CYFD/ALTSD	To transfer 20 Client Service Agent positions from ALTSD to CYFD	12/13/07	12/31/07	N/A	ALTSD		
An Interest in Allegations Against & Problems with Providers Contracted with the New Mexico Developmental Disabilities Planning Council's Office of Guardianship	OOG/ALTSD-APS/DOH	To provide a framework for reporting allegations against & problems with guardianship providers under contract with OOG (NM Developmental Disabilities Planning Council's Office of Guardianship) and to provide a method for resolving disputes between the guardianship providers & APS (Aging & Long-Term Services Department Adult Protective Services) or DOH (Department of Health).	05/27/08	Termination 30 days notice	N/A	OOG		

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Schedule 17
Page 1 of 3

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2008

<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			
A. Administration	07	93.044	\$ 63,955
	07	93.045	115,352
	08	93.044	120,494
	08	93.045	217,326
			<u>517,127</u>
B. Training	08	93.044	15,276
			<u>15,276</u>
B. Social Services (note 2)	07	93.044	502,492
	08	93.044	1,218,247
			<u>1,720,739</u>
B. Nursing Home Ombudsman	07	93.044	176,767
	08	93.044	214,954
			<u>391,721</u>
C1. Congregate Meals (note 2)	07	93.045	1,125,299
	08	93.045	654,329
			<u>1,779,628</u>
C2. Home Delivered Meals (note 2)	07	93.045	671,696
	08	93.045	204,317
			<u>876,013</u>
E. Family Caregiver Support (note 2)	07	93.052	805,945
	08	93.052	37,046
			<u>842,991</u>
D. Preventive Health (note 2)	07	93.043	110,595
	08	93.043	7,437
			<u>118,032</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Schedule 17
Page 2 of 3

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2008

<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	07	93.042	\$ 22,807
	08	93.042	<u>45,068</u>
			<u>67,875</u>
Elderly Abuse	07	93.041	7,970
	08	93.041	<u>15,455</u>
			<u>23,425</u>
Total Title III			<u>6,352,827</u>
Center For Medicare and Medicaid Services (note 2)	08	93.779	234,241
	09	93.779	<u>66,402</u>
			<u>300,643</u>
Nutrition Services Incentive Program	07	93.053	1,501,291
	08	93.053	<u>130,509</u>
			<u>1,631,800</u>
Medicare Waste Patrol/Senior Saving Medicare	08	93.048	175,119
	09	93.048	<u>7,146</u>
			<u>182,265</u>
Alzheimer's Disease Program	08	93.051	<u>188,108</u>
System Transformation Grant	08	93.779	<u>528,283</u>
Aging and Disability Resource Center	08	93.048	<u>171,535</u>
Health Resources and Services Administration	07	93.234	66,244
Health Resources and Services Administration	08	93.234	<u>20,284</u>
			<u>86,528</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Schedule 17
Page 3 of 3

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2008

Federal Grantor/Program Title	FY	CFDA Number	Federal Expenditures
U.S. Department of Health and Human Services			
Pass-Through Programs From			
HSD - Medicaid Programs	08	93.778	\$ 854,861
CYFD - Title XIX	08	93.778	47,775
HSD - Title XX	08	93.667	2,986,543
HSD - TBI Waiver	08	93.778	150,181
CYFD - Behavioral Health	08	93.243	58,795
HSD - RW Johnson	07	93.778	32,183
HSD - RW Johnson	08	93.778	107,358
HSD - Reasource Center	08	93.778	470,716
HSD - GOLD	08	93.558	708,828
Subtotal Pass-Through Programs			<u>5,417,240</u>
Total U.S. Department of Health and Human Services			<u>14,859,229</u>
U.S. Department of Labor - Title V			
Senior Employment Program	07	17.235	<u>499,292</u>
			<u>499,292</u>
Total Federal Awards Expended			<u>\$ 15,358,521</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to the Schedule of Expenditures of Federal Awards

June 30, 2008

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, Local 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	\$ 118,032
Social Services	93.044	1,720,739
Nutrition Services	93.045	2,655,641
Alzheimer's Disease Program	93.048	150,426
Family Caregiver Support	93.052	842,991
Nutrition Services Incentive Program	93.053	<u>1,631,800</u>
Total		<u>\$ 7,119,629</u>

SUPPLEMENTAL INFORMATION

**Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of the Financial Statements Performed
In Accordance With Government Auditing Standards**

State of New Mexico
Aging and Long Term Services Department
and
Mr. Hector H. Balderas
New Mexico State Auditor

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 (Department) as of and for the year ended June 30, 2008, which collectively comprise the Department's basic financial statements as listed in the accompanying table of contents, and have issued our report thereon dated December 15, 2008. We have also audited the financial statements of each of Department'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, 2008, as listed in the table of contents. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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 entity'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 entity's financial statements that is more than inconsequential will not be prevented or detected by the Department's internal control.

State of New Mexico
Aging and Long Term Services Department
and
Mr. Hector H. Balderas
New Mexico State Auditor

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 agency'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 or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Department's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted a certain matter that is required to be reported under *Government Auditing Standards January 2007 Revision* paragraphs 5.14 and 5.16, and Section 12-6-5, NMSA 1978, which is described in the accompanying schedule of findings and questioned costs as finding 08-01.

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

This report is intended solely for the information and use of the Department's management, U.S. 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 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.

Moss Adams LLP

Albuquerque, New Mexico
December 15, 2008

**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 Services Department
and
Mr. Hector H. Balderas
New Mexico State Auditor

Compliance

We have audited the compliance of the State of New Mexico Aging and Long Term Services Department (Department) with the types of compliance requirements described in the *US 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, 2008. The Department's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Department's management. Our responsibility is to express an opinion on the Department'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 Department's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Department's compliance with those requirements.

In our opinion, the Department 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, 2008.

Internal Control Over Compliance

The management of the Department 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 Department's internal control over compliance with 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 opinions on compliance, but not for the purpose of

State of New Mexico
Aging and Long Term Services Department
and
Mr. Hector H. Balderas
New Mexico State Auditor

expressing an opinion of the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Department'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 Department'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 Department's internal control.

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 Department, 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.

Moss Adams LLP

Albuquerque, New Mexico
December 15, 2008

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

STATUS OF PRIOR YEAR AUDIT FINDINGS

Year Ended June 30, 2008

FINDINGS - FINANCIAL STATEMENT AUDIT

07-01 – Resolved

07-02 – Resolved

FINDINGS - FEDERAL AWARDS PROGRAM

None.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

SUMMARY OF AUDITORS' RESULTS

June 30, 2008

Financial Statements

Type of auditors' report issued Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes x No
- Significant deficiencies identified that are not considered to be material weakness(es)? _____ Yes x None Reported

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

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ Yes x No
- Significant deficiencies identified that are not considered to be material weakness(es) _____ Yes x None reported

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

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

Identification of Major Program

CFDA Number	Name of Federal Program or Cluster
93.052	National Family Caregiver Support
93.558	Temporary Assistance for Needy Families
93.667	Social Services Block Grant

Dollar threshold used to distinguish between type A and type B programs \$ 460,756

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, 2008

B. FINANCIAL STATEMENT FINDINGS

08-01 Inventory and Disposal of Capital Assets

CONDITION

The capital asset inventory taken at June 30, 2008 was not complete. There were 5 computers listed on the inventory that were not located, and there was no evidence that the computers were disposed of in accordance with the State Audit Rule. In addition, we noted the Department has 5 obsolete computers that have been recycled still listed on their capital asset inventory. These computers were set aside to be disposed.

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, 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. The agency shall certify the correctness of the inventory after the physical inventory.

CAUSE

The Department has not disposed of 10 pieces of equipment, including 5 obsolete computers and 5 missing computers. These were all on the inventory list.

EFFECT

The missing computers may have been stolen and sensitive information on the computers may be stored on the hard drives.

RECOMMENDATION

The Department should verify the accuracy of their capital asset inventory each year prior. The Department should develop and institute procedures to ensure that all computer hard drives are properly cleared and that the required certification has been submitted to the State Auditor office. There are three basic procedures that the department could implement to ensure that all computer hard drives are properly cleared including purchasing and using a commercial degaussing product to erase magnetic disks, overwriting stored data five times, or reformatting the drives.

MANAGEMENT RESPONSE

Management concurs. Controls will be implemented to monitor the activities of the Information Technology Bureau's accounting, placement, and disposition of computer equipment. The Information Technology Bureau's inventory records will be reconciled by the Administrative Services Division to ensure compliance with the State Auditors Rule.

In FY08 the Department purchased "Kill Disk" a hard drive eraser that allows all data on hard and floppy drives to be completely destroyed. The IT bureau removed all hard drives from computers in FY08 that were identified to be obsolete and scheduled for removal from inventory. These hard drives are all in the IT office where they are being used by IT staff or until the drives can be erased and disposed of at a later date. The IT bureau will research the purchase of a commercial degaussing product to use for erasing any hard drive that is scheduled for disposal if still in user internally.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

EXIT CONFERENCE

June 30, 2008

The exit conference for the fiscal year 2008 audit of Aging and Long Term Services Department was held on December 15, 2008. The following individuals were present at the exit conference:

Aging and Long Term Services Department

Cindy Padilla, Cabinet Secretary
Robert Lujan, ASD Director
Mark Gonzales, Accountant/Auditor
Louie Baca, Adult Protective Services Finance Bureau Chief
Ted Starnes, Finance Manager

Moss Adams LLP

James Hartogensis, Senior Manager

The financial statements and footnotes were prepared by the Aging and Long Term Services Department with the assistance of the auditors Moss Adams LLP from information contained in the general ledger and other accounting records maintained by the Department. The Department's employees have the qualifications and training to apply GAAP in recording their financial transactions and preparing their financial statements.