

STATE OF NEW MEXICO

BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2

ANNUAL FINANCIAL REPORT

JUNE 30, 2015



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INTRODUCTORY SECTION

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
FOR THE YEAR ENDED JUNE 30, 2015
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STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
OFFICIAL ROSTER
FOR THE YEAR ENDED JUNE 30, 2015

<u>Name</u>		<u>Title</u>
	<u>School Board</u>	
Larry Lindberg		President
Tom Wisneski		Vice-President
Dolores "Lola" Quintana		Secretary
Larry B. Garley		Member
Max Cordova		Member
	<u>District Officials</u>	
Jennifer Brown		Interim Superintendent
George Perea		Director of Finance & Business

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FINANCIAL SECTION



Manning Accounting and Consulting Services, LLC

INDEPENDENT AUDITOR'S REPORT

Timothy Keller, New Mexico State Auditor
The Office of Management and Budget
And the Board of Education of
Belen Consolidated School District No. 2
Belen, New Mexico

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund of Belen Consolidated School District No. 2, (the District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the District's nonmajor governmental funds, fiduciary funds, and the budgetary comparisons for the major capital project fund, the debt service fund, and all nonmajor funds presented as supplementary information as defined by the Governmental Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2015 as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2015, and the respective changes in financial position and the respective budgetary comparisons for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund and fiduciary fund of the District as of June 30, 2015, and the respective changes in financial position thereof and the respective budgetary comparisons for the major capital project fund, debt service fund, and all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information. Management has provided the required GASB 68 schedules which are presented as Schedules VII through IX.

Other Information

Our audit was conducted for the purpose of forming opinions on the District's financial statements, the combining and individual fund financial statements, and the budgetary comparison. The Schedule of Expenditures of Federal Awards as required by Office of Management and Budget *Circular A-133, Audit of States, Local Governments, and Non-Profit Organization*, the introductory section, and the Other Supplemental Information, Schedules I through V required by 2.2.2 NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards and Supporting Schedules I through V required by 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and Supporting Schedules I through V required by 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and Schedule VI, Schedule of Vendors, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2015 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Manning Accounting and Consulting Services, LLC

Manning Accounting and Consulting Services, LLC
Kirtland, New Mexico
November 13, 2015

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BASIC FINANCIAL STATEMENTS

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF NET POSITION
 JUNE 30, 2015

Exhibit A-1

	Governmental Activities
	<u> </u>
ASSETS	
<i>Current Assets</i>	
Cash and cash equivalents	\$ 18,873,130
Receivables (net of allowance for uncollectibles)	3,025,715
Inventory	204,647
<i>Total current assets</i>	<u>22,103,492</u>
<i>Noncurrent assets</i>	
Bond discounts, net of amortization of \$44,838	9,115
Capital assets (net of accumulated depreciation):	
Land and land improvements	2,634,999
Buildings and building improvements	103,299,656
Furniture, fixtures and equipment	2,175,069
Vehicles	5,053,551
Construction in progress	2,410,795
Less: accumulated depreciation	<u>(48,936,533)</u>
<i>Total noncurrent assets</i>	<u>66,646,652</u>
DEFERRED OUTFLOWS OF RESOURCES	
Change in pension experience and proportion	<u>2,997,372</u>
<i>Total assets and deferred outflows of resources</i>	<u>\$ 91,747,516</u>
LIABILITIES	
<i>Current liabilities</i>	
Accounts payable	\$ 682,795
Accrued payroll liabilities	1,463,047
Accrued interest payable	481,955
Unearned revenues	27,877
Current maturities of:	
Bonds payable	4,175,000
Compensated absences	333,473
<i>Total current liabilities</i>	<u>7,164,147</u>
<i>Noncurrent liabilities:</i>	
Bond premiums, net of amortization of \$309,131	471,244
Bonds payable	30,045,000
Compensated absences	-
Net Pension Liability	44,394,571
<i>Total noncurrent liabilities</i>	<u>74,910,815</u>
DEFERRED INFLOWS OF RESOURCES	
Change in pension experience and proportion	<u>6,066,775</u>
NET POSITION	
Net investment in capital assets	31,955,408
Restricted for:	
Debt service	6,441,753
Capital projects	11,107,854
Other purposes - special revenue	1,716,120
Unrestricted	<u>(47,615,356)</u>
<i>Total net position</i>	<u>3,605,779</u>
<i>Total liabilities, deferred inflows of resources, and net position</i>	<u>\$ 91,747,516</u>

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2015

Exhibit A-2

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenues and Changes in Net Position</u>
		<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Primary Government					
Governmental activities:					
Instruction	\$ 11,309,433	\$ 288,475	\$ 4,293,780	\$ -	\$ (6,727,178)
Support services:					
Students	3,969,437	-	444,676	-	(3,524,761)
Instruction	956,360	-	37,943	-	(918,417)
General administration	1,513,312	-	-	-	(1,513,312)
School administration	1,797,707	-	-	-	(1,797,707)
Other	83,858	-	-	-	(83,858)
Central services	1,398,869	180,554	-	-	(1,218,315)
Operation & maintenance of plant	5,893,769	5,758	-	-	(5,888,011)
Student transportation	1,533,809	-	1,554,201	-	20,392
Food services operation	2,361,360	126,918	2,706,562	-	472,120
Community services	73,728	-	-	-	(73,728)
Interest on long-term debt	1,005,028	-	-	-	(1,005,028)
Facilities materials, supplies, & other services	13,509,013	-	-	462,991	(13,046,022)
Depreciation - unallocated	-	-	-	-	-
Total Primary Government	<u>\$ 45,405,683</u>	<u>\$ 601,705</u>	<u>\$ 9,037,162</u>	<u>\$ 462,991</u>	<u>(35,303,825)</u>

General Revenues:

Property taxes:	
Levied for general purposes	195,538
Levied for debt service	3,774,574
Levied for capital projects	1,110,639
State Equalization Guarantee	29,971,920
Unrestricted investment earnings	5,876
Gain on disposal of fixed assets	4,801
Miscellaneous	419,001
Total general revenues	<u>35,482,349</u>
Change in net position	<u>178,524</u>
Net position - beginning of year	<u>51,290,618</u>
Restatement - change in accounting principle	<u>(47,863,363)</u>
Net position - beginning of year, restated	<u>3,427,255</u>
Net position - ending of year	<u>\$ 3,605,779</u>

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2015

Exhibit B-1

	General Fund			
	Operational 11000	Transportation 13000	Instructional Materials 14000	Bond Building 31100
ASSETS				
<i>Current assets:</i>				
Cash and temporary investments	\$ 3,190,539	\$ -	\$ 110,166	\$ 7,836,061
Accounts receivable				
Taxes	84,360	-	-	-
Due from other governments	-	-	-	-
Interfund receivables	1,753,377	-	-	3,000,000
Inventory	103,321	-	-	-
<i>Total assets</i>	<u>5,131,597</u>	<u>-</u>	<u>110,166</u>	<u>10,836,061</u>
LIABILITIES				
<i>Current liabilities:</i>				
Accounts payable	281,330	13,495	-	329,254
Accrued payroll liabilities	1,184,005	60,367	-	-
Interfund payables	2,955,943	67,541	-	-
Unearned revenue	-	-	-	-
<i>Total liabilities</i>	<u>4,421,278</u>	<u>141,403</u>	<u>-</u>	<u>329,254</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	78,576	-	-	-
Unavailable revenues - other	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>78,576</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	103,321	-	-	-
Restricted for:				
Transportation	-	-	-	-
Instructional materials	-	-	110,166	-
Grant mandates	-	-	-	-
Capital projects	-	-	-	10,506,807
Debt service	-	-	-	-
Assigned	-	-	-	-
Unassigned	528,422	(141,403)	-	-
<i>Total fund balances</i>	<u>631,743</u>	<u>(141,403)</u>	<u>110,166</u>	<u>10,506,807</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 5,131,597</u>	<u>\$ -</u>	<u>\$ 110,166</u>	<u>\$ 10,836,061</u>

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2015

Exhibit B-1

	Debt Service 41000	Other Governmental Funds	Total Primary Government
ASSETS			
<i>Current assets:</i>			
Cash and temporary investments	\$ 5,286,629	\$ 2,449,735	\$ 18,873,130
Accounts receivable			
Taxes	1,155,124	426,458	1,665,942
Due from other governments	-	1,359,773	1,359,773
Interfund receivables	-	-	4,753,377
Inventory	-	101,326	204,647
<i>Total assets</i>	<u>6,441,753</u>	<u>4,337,292</u>	<u>26,856,869</u>
LIABILITIES			
<i>Current liabilities:</i>			
Accounts payable	-	58,716	682,795
Accrued payroll liabilities	-	218,675	1,463,047
Interfund payables	-	1,729,893	4,753,377
Unearned revenue	-	27,877	27,877
<i>Total liabilities</i>	<u>-</u>	<u>2,035,161</u>	<u>6,927,096</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues - property taxes	1,017,293	390,558	1,486,427
Unavailable revenues - other	-	-	-
<i>Total deferred inflows of resources</i>	<u>1,017,293</u>	<u>390,558</u>	<u>1,486,427</u>
FUND BALANCES			
Nonspendable	-	101,326	204,647
Restricted for:			
Transportation	-		-
Instructional materials	-		110,166
Grant mandates	-	1,599,758	1,599,758
Capital projects	-	210,489	10,717,296
Debt service	5,424,460	-	5,424,460
Assigned	-	-	-
Unassigned	-	-	387,019
<i>Total fund balances</i>	<u>5,424,460</u>	<u>1,911,573</u>	<u>18,443,346</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 6,441,753</u>	<u>\$ 4,337,292</u>	<u>\$ 26,856,869</u>

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

STATE OF NEW MEXICO

Exhibit B-2

BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2

GOVERNMENTAL FUNDS

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION

JUNE 30, 2015

	<u>Governmental Funds</u>
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Fund balances - total governmental funds	\$ 18,443,346
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	66,637,537
Contributions to the pension plan are expensed in the governmental funds but are deferred outflows for government-wide statements	2,997,372
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities	1,486,427
Bond issuance costs, including original issue discounts and premiums are not financial resources and therefore are not reported in the funds	
Bond discounts net of related accumulated amortization	9,115
Bond premiums net of accumulated amortization	(471,244)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
Accrued compensated absences	(333,473)
Accrued interest payable	(481,955)
General obligation bonds	(34,220,000)
Net pension liability	(44,394,571)
Changes in pension actuarial experience, investment experience, and change in proportion are not recorded in the governmental funds but are recorded as deferred inflows for the government-wide statements:	
Actuarial experience	(661,323)
Investment experience	(4,035,667)
Change in proportion	(1,369,785)
Net position - total governmental activities	<u>\$ 3,605,779</u>

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

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	General Fund			
	Operational 11000	Transportation 13000	Instructional Materials 14000	Bond Building 31100
<i>Revenues:</i>				
Property taxes	\$ 194,604	\$ -	\$ -	\$ -
State grants	29,971,920	1,487,676	291,983	-
Federal grants	3,438	-	-	-
Miscellaneous	420,364	-	-	-
Charges for services	234,470	-	-	-
Investment Income	285	-	-	3,961
<i>Total revenues</i>	<u>30,825,081</u>	<u>1,487,676</u>	<u>291,983</u>	<u>3,961</u>
<i>Expenditures:</i>				
Current:				
Instruction	17,405,663	-	211,052	-
Support services				
Students	3,044,542	-	-	-
Instruction	670,306	-	-	-
General administration	1,173,103	-	-	-
School administration	1,832,457	-	-	-
Central services	1,406,969	-	-	-
Operation & maintenance of plant	5,968,645	-	-	-
Student transportation	212,342	1,502,667	-	-
Other support services	83,858	-	-	-
Food services operations	-	-	-	-
Community service	74,027	-	-	-
Capital outlay	-	-	-	7,965,901
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>31,871,912</u>	<u>1,502,667</u>	<u>211,052</u>	<u>7,965,901</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,046,831)</u>	<u>(14,991)</u>	<u>80,931</u>	<u>(7,961,940)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	9,500,000
Bond underwriter premium	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,500,000</u>
<i>Net changes in fund balances</i>	<u>(1,046,831)</u>	<u>(14,991)</u>	<u>80,931</u>	<u>1,538,060</u>
<i>Fund balances - beginning of year</i>	1,678,574	(126,412)	29,235	8,968,747
<i>Prior period adjustment</i>	-	-	-	-
<i>Adjusted fund balance - beginning of year</i>	<u>1,678,574</u>	<u>(126,412)</u>	<u>29,235</u>	<u>8,968,747</u>
<i>Fund balances - end of year</i>	<u>\$ 631,743</u>	<u>\$ (141,403)</u>	<u>\$ 110,166</u>	<u>\$ 10,506,807</u>

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

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Debt Service 41000	Other Governmental Funds	Total Primary Government
<i>Revenues:</i>			
Property taxes	\$ 4,226,320	\$ 1,101,048	\$ 5,521,972
State grants	-	1,886,739	33,638,318
Federal grants	-	5,833,755	5,837,193
Miscellaneous	-	-	420,364
Charges for services	-	367,235	601,705
Investment Income	1,144	486	5,876
<i>Total revenues</i>	<u>4,227,464</u>	<u>9,189,263</u>	<u>46,025,428</u>
<i>Expenditures:</i>			
<i>Current:</i>			
Instruction	-	2,770,714	20,387,429
Support services			
Students	-	1,000,206	4,044,748
Instruction	-	316,046	986,352
General administration	42,583	311,522	1,527,208
School administration	-	11,324	1,843,781
Central services	-	8,020	1,414,989
Operation & maintenance of plant	-	11,073	5,979,718
Student transportation	-	395,431	2,110,440
Other support services	-	-	83,858
Food services operations	-	2,710,998	2,710,998
Community service	-	-	74,027
Capital outlay	-	1,642,874	9,608,775
Debt service			
Principal	6,545,000	-	6,545,000
Interest	1,005,028	-	1,005,028
Bond issuance costs	63,076	-	63,076
<i>Total expenditures</i>	<u>7,655,687</u>	<u>9,178,208</u>	<u>58,385,427</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(3,428,223)</u>	<u>11,055</u>	<u>(12,359,999)</u>
<i>Other financing sources (uses):</i>			
Operating transfers	-	-	-
Proceeds from bond issues	-	-	9,500,000
Bond underwriter premium	346,810	-	346,810
<i>Total other financing sources (uses)</i>	<u>346,810</u>	<u>-</u>	<u>9,846,810</u>
<i>Net changes in fund balances</i>	<u>(3,081,413)</u>	<u>11,055</u>	<u>(2,513,189)</u>
<i>Fund balances - beginning of year</i>	8,505,873	1,900,518	20,956,535
<i>Prior period adjustment</i>	-	-	-
<i>Adjusted fund balance - beginning of year</i>	<u>8,505,873</u>	<u>1,900,518</u>	<u>20,956,535</u>
<i>Fund balances - end of year</i>	<u>\$ 5,424,460</u>	<u>\$ 1,911,573</u>	<u>\$ 18,443,346</u>

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

STATE OF NEW MEXICO

Exhibit B-4

BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

	Governmental Funds
Amounts reported for governmental activities in the Statement of Activities are different because:	
Net change in fund balances - total governmental funds	\$ (2,513,189)
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays for the period.	
Depreciation expense	(2,420,759)
Capital Outlays	8,361,485
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	
Change in deferred revenue related to the property taxes receivable	(441,221)
The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:	
Amortization of bond discounts	(4,374)
Amortization of bond premium	51,908
Decrease in accrued compensated absences	78,657
Increase in accrued interest payable	(31,562)
Principal payments on bonds	6,545,000
Proceeds from bond sale	(9,500,000)
Premium on bond sale	(346,810)
Pension contributions - current year	2,997,372
Pension expense	(2,597,983)
Change in net position - total governmental activities	<u>\$ 178,524</u>

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 OPERATIONAL FUND (11000)
 FOR THE YEAR ENDING JUNE 30, 2015

Exhibit C-1

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ 189,931	\$ 189,931	\$ 196,000	\$ 6,069
State grants	29,939,360	29,972,189	29,971,920	(269)
Federal grants	-	-	3,438	3,438
Miscellaneous	143,966	143,966	420,364	276,398
Charges for services	267,104	267,104	234,470	(32,634)
Interest	511	511	285	(226)
<i>Total revenues</i>	<u>30,540,872</u>	<u>30,573,701</u>	<u>30,826,477</u>	<u>252,776</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	17,934,006	17,934,006	17,473,689	460,317
Support services				
Students	3,257,390	3,257,390	3,044,542	212,848
Instruction	660,052	660,052	657,552	2,500
General administration	1,138,892	1,138,892	1,138,874	18
School administration	1,832,562	1,832,562	1,832,245	317
Central services	1,402,338	1,402,338	1,401,859	479
Operation & maintenance of plant	5,806,580	5,806,580	6,076,364	(269,784)
Student transportation	179,927	212,756	212,342	414
Other support services	83,792	83,792	83,792	-
Food services operations	-	-	-	-
Community services	74,130	74,130	74,027	103
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>32,369,669</u>	<u>32,402,498</u>	<u>31,995,286</u>	<u>407,212</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,828,797)</u>	<u>(1,828,797)</u>	<u>(1,168,809)</u>	<u>659,988</u>
<i>Other financing sources (uses):</i>				
Designated cash	1,828,797	1,828,797	-	(1,828,797)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,828,797</u>	<u>1,828,797</u>	<u>-</u>	<u>(1,828,797)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(1,168,809)</u>	<u>(1,168,809)</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>3,156,782</u>	<u>3,156,782</u>
Prior period adjustments	<u>-</u>	<u>-</u>	<u>0</u>	<u>-</u>
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>3,156,782</u>	<u>3,156,782</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,987,973</u>	<u>\$ 1,987,973</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (1,168,809)	
Adjustments to revenues			(1,396)	
Adjustments to expenditures			123,374	
Net change in fund balance (GAAP basis)			<u>\$ (1,046,831)</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 STUDENT TRANSPORTATION FUND (13000)
 FOR THE YEAR ENDING JUNE 30, 2015

Exhibit C-2

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	1,472,736	1,487,676	1,487,676	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,472,736</u>	<u>1,487,676</u>	<u>1,487,676</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	1,472,736	1,487,676	1,494,372	(6,696)
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,472,736</u>	<u>1,487,676</u>	<u>1,494,372</u>	<u>(6,696)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(6,696)</u>	<u>(6,696)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(6,696)</u>	<u>(6,696)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(60,845)	(60,845)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(60,845)</u>	<u>(60,845)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (67,541)</u>	<u>\$ (67,541)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ (6,696)	
Adjustments to revenues			-	
Adjustments to expenditures			(8,295)	
Net change in fund balance (GAAP basis)			<u>\$ (14,991)</u>	

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

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
INSTRUCTIONAL MATERIALS FUND (14000)
FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	211,785	291,983	291,983	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>211,785</u>	<u>291,983</u>	<u>291,983</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	245,818	326,016	231,433	94,583
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>245,818</u>	<u>326,016</u>	<u>231,433</u>	<u>94,583</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(34,033)</u>	<u>(34,033)</u>	<u>60,550</u>	<u>94,583</u>
<i>Other financing sources (uses):</i>				
Designated cash	34,033	34,033	-	(34,033)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>34,033</u>	<u>34,033</u>	<u>-</u>	<u>(34,033)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>60,550</u>	<u>60,550</u>
<i>Cash or fund balances - beginning of year</i>	-	-	49,616	49,616
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>49,616</u>	<u>49,616</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 110,166</u>	<u>\$ 110,166</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ 60,550	
Adjustments to revenues			-	
Adjustments to expenditures			20,381	
Net change in fund balance (GAAP basis)			<u>\$ 80,931</u>	

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

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
AGENCY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2015

Exhibit D-1

	<u>Agency Funds</u>
ASSETS	
<i>Current Assets</i>	
Cash	\$ 362,656
<i>Total assets</i>	<u>362,656</u>
 LIABILITIES	
<i>Current Liabilities</i>	
Current payables	29,973
Deposits held in trust for others	<u>332,683</u>
<i>Total liabilities</i>	<u>\$ 362,656</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 **Summary of Significant Accounting Policies**

The Belen Consolidated School Board was created under the provision of Chapter 22 Article 5, Paragraph 4, New Mexico Statutes 1978 to provide public education for the children within the District. The Board of Education is the basic level of government, which has oversight responsibility and control over all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities.

This summary of significant accounting policies of the District is presented to assist in the understanding of the District's financial statements. The financial statements and notes are the representation of the District's management that is responsible for the financial statements. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting financial reporting principles. 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 the governmental units.

During the year ended June 30, 2015, the District adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. Statements No. 68 and 71 require cost-sharing employers to record a liability and expense equal to their proportionate share of the collective net pension liability and expense for the cost-sharing plan.

A. Financial Reporting Entity

In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 14 and No. 39. GASB Statement No. 61 modifies certain requirements for inclusion of component units in the financial reporting entity. Blended component units, although legally separate entities, are in substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

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 include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criteria used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or 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. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. Based upon the application of these criteria, the District does not have a component unit and is not a component unit of another government agency.

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 **Summary of Significant Accounting Policies - (Continued)**

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities and changes in net position) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. The District does not currently employ indirect cost allocation systems. Depreciation expense is specifically identified by function and is included in the direct expense of each function, except for that portion of depreciation that is identified as unallocated on the Statement of Activities.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as is the fiduciary fund financial statement. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the period for which the taxes are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

GASB No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB No. 65, *Items Previously Reported as Assets and Liabilities*, amend GASB No. 34, *Basic Financial Statements – and Management's Discussion and Analysis for State and Local Governments*, to incorporate deferred outflows of resources and deferred inflows of resources in the financial reporting model.

Deferred outflows of resources – a consumption of net position by the government that is applicable to a future reporting period. It has a positive effect on net position, similar to assets; therefore, it is not recognized as an outflow of resources (expense) until then.

Deferred inflows of resources – an acquisition of net position by the government that is applicable to a future reporting period. It has a negative effect on net position, similar to liabilities; therefore, it is not recognized as an inflow of resources (revenue) until that time.

Net position – the residual of the net effects of assets, deferred outflows of resources, liabilities, and deferred inflows of resources.

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 **Summary of Significant Accounting Policies - (Continued)**

C. *Measurement focus, basis of accounting, and financial statement presentation - (continued)*

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. 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.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Ad valorem taxes (property taxes), and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

The *agency funds* are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the District holds for others in an agency capacity.

Governmental funds are used to account for the District's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds include:

The *General Fund* is the primary operating fund of the District, and accounts for all financial resources of the general government, except those required to be accounted for in other funds. The General Fund includes the Operational, Transportation, and Instructional Materials Funds.

The *Special Revenue Funds* account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

The *Debt Service Funds* account for the services of general long-term debt not being financed by proprietary or nonexpendable trust funds.

The *Capital Projects Funds* account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

Under the requirements of GASB Statement No. 34, the District is required to present certain of its governmental funds as major funds based upon certain criteria. The major funds presented in the fund financial statements include the following:

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 **Summary of Significant Accounting Policies - (Continued)**

C. *Measurement focus, basis of accounting, and financial statement presentation - (continued)*

The *Operational Fund* (11000) accounts for the primary revenues and expenditures of the District, including, but not limited to, student instruction, student support, instructional support, general administration, school administration, central services, and operations and maintenance of plant. Revenues come from district tax levy, state equalization, and other local, state, and federal sources. This fund is considered by PED to be a sub-fund of the General Fund.

The *Student Transportation Fund* (13000) accounts for state equalization funds authorized by Section 22-8-26, NMSA, 1978 designated for the costs of transporting school-age children who are students within the District. This fund is considered by PED to be a sub-fund of the General Fund.

The *Instructional Materials Fund* (14000) accounts for funding designated for instructional materials purchases as authorized by Sections 22-15-1 through 22-15-14, NMSA, 1978 for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students. This is considered by PED to be a sub-fund of the General Fund.

The *Bond Building Fund* (31100) is used to account for bond proceeds and any income earned thereon. The proceeds are restricted for the purpose of making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof, as approved by the voters of the District.

The *Debt Service Fund* (41000) is used to account for the accumulation of resources for the payment of General Long-Term Debt principal and interest.

Additionally, the government reports the following fund types:

The fiduciary funds account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. The fiduciary funds are for student activities.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

D. *Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity*

Cash and Temporary Investments: The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the District to invest in certificates of deposit, obligations of the U.S. Government, and the State Treasurer's Investment Pool.

Investments for the District are reported at fair value. The State Treasurer's Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the District. Deposits may be made to the extent that they are insured by an agency of the United States or by collateral deposited as security or by bond.

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 **Summary of Significant Accounting Policies - (Continued)**

D. *Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (continued)*

The rate of interest in non-demand interest-bearing accounts shall be set by the State Board of Finance, but in no case shall the rate of interest be less than one hundred percent of the asked price on United States treasury bills of the same maturity on the day of deposit.

Excess of funds may be temporarily invested in securities which are issued by the State or by the United States government, or by their departments or agencies, and which are either direct obligations of the State or the United States or are backed by the full faith and credit of those governments.

Restricted Assets: The Debt Service Fund is used to report resources set aside as restricted to make up potential future deficiencies in the revenue bond current debt service account.

Receivables and Payables: Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

The District receives monthly income from a tax levy in Socorro County and Valencia County. The funds are collected by the County Treasurer and are remitted to the School District the following month. Under the modified accrual method of accounting, the amount remitted by the Socorro and Valencia County Treasurer's in July and August 2015 is considered 'measurable and available' and, accordingly, is recorded as revenue during the year ended June 30, 2015.

Certain Special Revenue funds are administered on a reimbursement method of funding, other funds are operated on a cash advance method of funding. The funds incurred the cost and submitted the necessary request for reimbursement or advance, respectively.

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Inventory: The District accounts for its inventories under the consumption method, reporting inventories purchased as an asset. The recognition of the expenditures is deferred until the period in which the inventories are actually consumed. Inventory in the Cafeteria Fund consists of U.S.D.A. commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as an expenditure at the time individual inventory items are consumed.

Capital Assets: Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Information Technology Equipment, including software, is being capitalized and included in furniture and equipment in accordance with NMAC 2.20.1.9 C (5). Capital expenditures made by the NM Public Schools Facilities Authority are appropriately included in the District's capital assets.

**STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 1 Summary of Significant Accounting Policies - (Continued)

D. *Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (continued)*

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. The District expenses the cost of library books when purchased because their estimated useful life is less than one year.

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction during the year ended June 30, 2015.

Property, plant, and equipment of the primary government are depreciated using the straight line method over the following estimated useful lives:

Land Improvements	5-50 years
Buildings/building improvements	5-100 years
Furniture and equipment	5-20 years

Unearned Revenues: The District recognizes grant revenue at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue Funds are shown as unearned revenues.

Deferred Inflows of Resources – Unavailable Revenues: Governmental funds report unavailable revenues in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Revenues not received within sixty (60) days of year-end are not considered available; therefore, a receivable is recorded for the amount due and corresponding deferred revenue is recorded as well.

Compensated Absences: Twelve (12) month employees at the professional level or a classified administrator will be on duty from July 1 through June 30 and will be entitled to sixteen and one quarter (16.25) working days of annual leave which may accumulate to a total of forty (40) days including the current year. An employee who terminates will be paid for all earned leave; however, payment for earned leave may not exceed twenty (20) days. Annual leave will accumulate at a rate of 0.6250 days per pay period.

Classified employees who work full time are entitled to period of annual leave ranging from thirteen (13) to fifteen (15) working days per year depending upon the length of service with the Belen Consolidated Schools. Annual leave may accumulate to a total of forty (40) days of earned vacation. Twelve (12) days paid leave will be allowed for completing each full year of employment up to ten (10) years. Annual leave will accumulate at a rate of 0.50 days per pay period. Sixteen and one quarter (16.25) days of paid vacation will be allowed annually after completing ten (10) full years of employment. Annual leave will accumulate at a rate of 0.6250 days per pay period. If a classified employee terminates, the employee will be paid for all earned annual leave time; however, payments for earned leave may not exceed twenty (20) days' salary. No classified employee will be paid for annual leave upon termination before completing six (6) months of employment.

The Board of Education has determined that there are instances in which employees suffer from catastrophic or unusual illnesses or injuries, or disabilities from performing the usual duties of the employee's job, which may not be sufficiently covered by existing board policies relating to sick leave and leaves of absence. As a result, and so that employees not suffer undue economic hardship as the result of such catastrophic or unusual illness, injury or disability, the Board of Education hereby authorizes the creation of a Sick Leave Bank (SLB). This SLB will be used to establish an available pool of sick leave days upon which eligible employees may draw, and into which participating employees may contribute accrued and unused sick leave to be made available to participating employees in the event of catastrophic or unusual illness, injury, or disability. The Sick Leave Bank shall be available only to employees participating in the Sick Leave Bank program.

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 **Summary of Significant Accounting Policies - (Continued)**

- D. *Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (continued)*

Employees participating in the SLB are entitled to use the days within the SLB when a catastrophic or unusual illness or injury occurs that requires extended hospitalization or home confinement of the employee or members of his or her immediate family, or results in the employee's disability from performing the usual duties of his or her job. Prior to use of the Sick Leave Bank, an eligible and participating employee must use all accrued sick, personal, or vacation leave. The Board of Education hereby delegates to the Administration the authority to adopt reasonable regulations, guidelines, procedures, and forms for implementing the Sick Leave Bank consistent with the provision adopted in this policy, and to define the relevant conditions for eligibility and grant of benefits under the Sick Leave Bank program. Decisions of the Administration with regard to applications for use of Sick Leave Bank shall not be subject to review.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the district-wide statement of net position.

Net Pension Liability: The District records its proportionate share of the difference between the value of total pension liabilities and plan assets for the State of New Mexico's Employee Retirement Board pension plan.

Long-term Obligations: In the government-wide fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. For bonds issued after the fiscal year ended June 30, 2014, bond premiums and discounts, will be deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs will be reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognized bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows of Resources – Subsequent Employer Contributions – Pensions: The government-wide financial statements report pension related expenses and liabilities for the cost-sharing plan one year in arrears, i.e. expenses and liabilities as of June 30, 2015. Contributions made by the District in the current fiscal year are thus applicable to a future reporting period where they will then be expensed. As such, they are presented in the Statement of Net Position as a deferred outflow of resources in the current period.

Deferred Inflows of Resources – Unavailable Revenues: Governmental funds report unavailable revenues in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Revenues not received within sixty (60) days of year-end are not considered available; therefore, a receivable is recorded for the amount due and the corresponding unavailable revenue is recorded as well.

Deferred Inflows of Resources – Change in Pension Experience and Proportion: Changes in actuarial experience, investment experience, and change in proportion for the District are applicable to a future reporting period and will be expensed over a five-year period beginning in the next fiscal year. As such, these amounts are presented in the Statement of Net Position as deferred inflows of resources in the current period.

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 **Summary of Significant Accounting Policies - (Continued)**

- D. *Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (continued)*

Net Position or Fund Equity: Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The detail of the District's fund balances is presented in Note 15.

In the government-wide financial statements, fund equity is classified as net position and is displayed in three components:

Net investment in capital assets: Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position: Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net position is restricted for "debt service or capital projects."

Unrestricted Net Position: All other net position that does not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Fund Balance: In the fund financial statements, governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Some governments may not have policies or procedures that are comparable to those policies that underlie the classifications and therefore would not report amounts in all possible fund balance classifications.

In the governmental financial statements, fund balance is classified and is displayed in five components:

Nonspendable: Consists of amounts that cannot be spent because they are either:
(a) not in spendable form or
(b) Legally or contractually required to be maintained intact.

Restricted: Consists of amounts that are restricted to specific purposes as a result of a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed: Consist of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

Assigned: Consist of amounts that are constrained by the government's *intent* to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

Unassigned: Represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 **Summary of Significant Accounting Policies - (Continued)**

D. *Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (continued)*

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Educational Retirement Board (ERB) and additions to/deductions from ERB's fiduciary net position have been determined on the same basis as they are reported by ERB, on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

E. *Revenues*

Reclassifications: Certain amounts included in the financial statements have been reclassified to conform to the current year presentation.

Interfund Transactions: Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund from expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates affecting the District's financials include management's estimate of the useful lives of capital assets.

State Equalization Guarantee: School districts in the State of New Mexico receive a 'state equalization guarantee distribution' which is defined as "that amount of money distributed to each school district to insure that the school district's operating revenue, including its local and federal revenues as defined (in Chapter 22, Section 825, NMSA 1978) is at least equal to the school district's program cost.

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$29,971,920 in state equalization guarantee distributions during the year ended June 30, 2015.

Tax Revenues: The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Property taxes are assessed on January 1st of each year and are payable in two equal installments, on November 10th of the year in which the tax bill is prepared and April 10th of the following year with the levies becoming delinquent 30 days (one month) thereafter. In the government-wide financial statements, the District recognizes property tax revenues in the period for which they are levied, net of estimated refunds and uncollectible amounts. The District records only the portion of the taxes considered to be 'measurable' and 'available' in the government fund financial statements, which is within 60 days of year-end. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 **Summary of Significant Accounting Policies - (Continued)**

E. Revenues - (continued)

In the financial statements, the mill levy and ad-valorem taxes are broken out into two types: property taxes – residential and commercial and property taxes – oil and gas. Amounts collected from residential and commercial property taxes at June 30, 2015 were \$5,080,751. Amounts collected from oil and gas taxes were \$0.

Transportation Distribution: School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$1,487,676 in transportation distributions during the year ended June 30, 2015.

Instructional Materials: The New Mexico Public Education Department (PED) receives federal material leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the requisition of materials listed in the State Board of Education “State Adopted Instructional Material” list, while fifty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2015 totaled \$291,983.

SB-9 State Match: The Director shall distribute to any school district that has imposed a tax under the Public School Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978) an amount from the public school capital improvements fund that is equal to the amount by which the revenue estimated to be received from the imposed tax as specified in Subsection B of Section 22-25-3 NMSA 1978, assuming a one hundred percent collection rate, is less than an amount calculated by multiplying the product obtained by the rate imposed in the District under the Public School Capital Improvements Act. The distribution shall be made by December 1, of each year that the tax is imposed in accordance with Section 22-25-3 NMSA 1978. Provided, however, in the event that sufficient funds are not available in the public school capital improvement funds to make the state distribution provided for in this section, the dollar per program unit figure shall be reduced as necessary.

The District received - in state SB-9 matching during the year ended June 30, 2015.

Public School Capital Outlay: Under the provisions of Chapter 22, Article 24, NMSA 1978. The money in the fund may be used only for capital expenditures deemed by the public school capital outlay council necessary for an adequate educational program per Section 22-24-4(B); core administrative functions of the public school facilities authority and for project management expenses upon approval of the council per Section 22-24-4(G); and for the purpose of demolishing abandoned school district facilities, upon application by a school district to the council, per Section 22-24-4(L).

Money in the fund shall be disbursed by warrant of the Department of Finance and Administration on vouchers signed by the Secretary of Finance and Administration following certification by the council that the application has been approved.

During the year ended June 30, 2015, the District received - in special capital outlay funds.

Federal Grants: The District receives revenues from various Federal departments (both direct and indirect), which are legally restricted to expenditures for specific purposes. These programs are reported as Special Revenue Funds. Each program operated under its own budget, which has been approved by the Federal Department or the flowthrough agency (usually the New Mexico Public Education Department). The various budgets are approved by the Local School Board and the New Mexico Public Education Department.

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 Summary of Significant Accounting Policies - (Continued)

F. Revenues - (continued)

The District also receives reimbursement under the National School Lunch and Breakfast Programs for its food services operations, and the distributions of commodities through the New Mexico Human Services Department.

NOTE 2 Stewardship, Compliance and Accountability

Budgetary Information

Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are prepared by management and are approved by the local Board of Education and the School Budget and Planning Unit of the Public Education Department. Auxiliary student activity accounts are not budgeted. Public School Capital Outlay Council expenditures in the Public School Capital Outlay fund are not budgeted at the District level, so there is no budgetary comparison presented.

These budgets are prepared on the Non-GAAP cash basis, excluding encumbrances, and secure appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year. The budget process in the State of New Mexico requires that the ending cash balance be appropriated in the budget of the subsequent fiscal year.

Actual expenditures may not exceed the budget at the function level, the level of budgetary control for districts. Budgets may be amended in two ways. If a budget transfer is necessary within a major category called a 'series,' this may be accomplished with only local Board of Education approval. If a transfer between 'series' or a budget increase is required, approval must also be obtained from Public School Finance Division.

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

1. In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department (100%) a proposed operating budget for the ensuing fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the State of New Mexico Public Education Department.
2. In May or June of each year, the proposed "operating" budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.
3. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called.
4. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system.
5. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2 **Stewardship, Compliance and Accountability – (Continued)**

Budgetary Information – (Continued)

6. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Public Education Department.
7. Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the DBPU.
8. Legal budget control for expenditures is by function.
9. Appropriations lapse at fiscal year-end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.
10. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.

The Board of Education may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. New Mexico state law prohibits a Governmental Agency from exceeding an individual line item.

The accompanying Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual present comparisons of the legally adopted budget with actual data on a budgetary basis.

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, perspective, equity, and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2015, is presented on each funds' Statement of Revenue, Expenditures and Changes in Fund Balance – Budget (non-GAAP Budgetary Basis) and Actual.

NOTE 3 **Cash and Cash Equivalents**

State statutes authorize the investment of District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed State investment requirements as of June 30, 2015.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the District. Deposits may be made to the extent that they are insured by an agency of the United States or by collateralized as required by the statute.

The rate of interest in non-demand interest-bearing accounts shall be set by the State Board of Finance, but in no case shall the rate of interest be less than one hundred percent of the asked price on United States treasury bills of the same maturity on the day of deposit.

Excess of funds may be temporarily invested in securities which are issued by the State or by the United States Government, or by their departments or agencies, and which are either direct obligations of the State or the United States or are backed by the full faith and credit of those governments.

**STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 3 Cash and Cash Equivalents (Continued)

The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico.

According to the Federal Deposit Insurance Corporation, public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution.

Deposits

NM State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the District for at least one half of the amount on deposit with the institution in excess of federal deposit insurance. The schedule listed below will meet the State of New Mexico Office of the State Auditor's requirements in reporting the insured portion of the deposits.

	US Bank	Wells Fargo Bank	Wells Fargo Repo Agreement	Total
Total amounts of deposits	\$ 14,914,237	\$ 2,752,864	\$ 2,047,083	\$ 19,714,184
FDIC coverage	250,000	250,000	-	500,000
Total uninsured public funds	<u>14,664,237</u>	<u>2,502,864</u>	<u>2,047,083</u>	<u>19,214,184</u>
Collateral requirement (50% of uninsured public funds)	7,332,119	1,251,432		9,607,092
Collateral requirement (102% of uninsured public funds)			2,088,025	2,088,025
Pledged security	<u>18,305,492</u>	<u>1,672,472</u>	<u>\$ 2,088,025</u>	<u>\$ 22,065,989</u>
Total over (under) collateralized	<u>\$ 10,973,373</u>	<u>\$ 421,040</u>	<u>\$ -</u>	<u>\$ 12,458,897</u>

The funds are maintained in a combination of interest bearing and non-interest bearing checking accounts.

The types of collateral allowed are limited by the section 6-10-16, NMSA 1978.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978).

Deposits – The risk exists when a portion of the District's deposits are not covered by depository insurance and are:

1. Uncollateralized;
2. Collateralized with securities held by the pledging financial institution; or
3. Collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor's (District's) name.

At June 30, 2015, \$19,214,184 of the District's bank balance of \$19,714,184 was exposed to custodial credit risk as it was uninsured and not in the District's name as the collateral for Wells Fargo Bank is held at Bank of New York Mellon, and US.Bank's collateral is held by itself in Cincinnati.

**STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 3 Cash and Cash Equivalents (Continued)

Reconciliation of Cash to the Financial Statements

The carrying amount of deposits and investments shown above are included in the District's statement of net position as follows:

Reconciliation to Statement of Net Position

Governmental Funds - Balance Sheet

Cash and cash equivalents per Exhibit A-1	18,873,130
Statement of Fiduciary Net Position - cash per Exhibit D-1	<u>362,656</u>
Total per financial statements	19,235,786
Less petty cash	(1,875)
Add outstanding checks and other reconciling items	<u>480,273</u>
 Bank balance of deposits	 <u><u>\$ 19,714,184</u></u>

The District utilized pooled accounts for their programs and funds. Negative cash balances in individual funds that were part of the pooled accounts should be reclassified as due to/due from accounts in the combining balance sheets at June 30, 2015. Funds 24000 through 25000 are federal funds and 13000, 22000, and 27000 through 28000 funds are non-federal funds. The following individual funds had negative cash balances as of June 30, 2015:

Fund #	Special Revenue Funds:	
13000	Student Transportation	\$ 67,541
22000	Athletics	31,823
24101	Title I IASA	582,654
24106	IDEA-B Entitlement	516,014
24107	IDEA-B Discretionary	5,040
24109	IDEA-B Preschool	1,291
24113	Education of the Homeless	9,238
24118	Fresh Fruits and Vegetables	19,243
24120	IDEA-B "Risk Pool"	587
24153	English Language Acquisition	32,259
24154	Teacher/Principal Training & Recruiting	67,274
24162	Title I School Improvement	53,148
24174	Carl D. Perkins - Secondary - Current	31,442
24175	Carl D. Perkins - Secondary - PY Unliq. Oblig.	472
24183	Carl D Perkins Secondary - Redistribution 2	8,043
27107	2012 GO Bonds Student Library Fund (SB66)	33,626
27114	New Mexico Reads to Lead K-3 Reading Initiative	27,456
27139	Truancy Prevention/Intervention	612
27149	PreK Initiative	15,641
27166	Kindergarten - Three Plus	3,653
27183	NM Grown Fresh Fruits and Vegetables	6,791
28189	GRADS - Child Care	6,364
28190	GRADS - Plus	<u>16,182</u>
	Total	<u><u>\$ 1,536,394</u></u>

**STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 4 Receivables

Receivables as of June 30, 2015 are as follows:

	Major Funds			Total
	Operational 11000	Debt Service 41000	Other Governmental Funds	
Property taxes	\$ 84,360	\$ 1,155,124	426,458	\$ 1,665,942
Due from other governments	-	-	1,359,773	1,359,773
Total receivables	\$ 84,360	\$ 1,155,124	\$1,786,231	\$ 3,025,715

The above receivables are deemed 100% collectible. In accordance with GASB No. 33, property tax revenues in the amount of \$1,486,427 were not collected within the period of availability and have been reclassified as deferred revenue in the governmental fund financial statements.

**STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 5 Interfund Receivables, Payables, and Transfers

“Interfund balances” have primarily been recorded when funds overdraw their share of pooled cash when the District is waiting for grant reimbursements. The composition of interfund balances at June 30, 2015 is as follows:

Governmental Activities	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major Funds:		
Operational (11000)	\$ 1,753,377	\$ 2,955,943
Student Transportation (13000)	-	67,541
Bond Building (31100)	3,000,000	-
Non-major Funds:		
Athletics (212000)	-	50,000
Title IIASA (24101)	-	582,654
IDEA B Entitlement (24106)	-	516,014
IDEA B Discretionary (24107)	-	5,040
IDEA B Preschool (24109)	-	1,291
Education of the Homeless (24113)	-	9,238
Fresh Fruits and Vegetables (24118)	-	19,243
IDEA B Risk Pool (24120)	-	587
English Language Acquisition (24153)	-	32,259
Teacher/Principal Training & Recruiting (24154)	-	67,274
Title I School Improvement (24162)	-	53,148
Carl D Perkins - Secondary - Current (24174)	-	31,442
Carl D Perkins Secondary - PY Unliq. Obligations (24175)	-	472
Carl D Perkins Secondary - Redistribution 2 (24183)	-	8,043
2012 GO Bonds Student Library Fund (SB66) (27107)	-	33,626
NM Reads to Lead K-3 Initiative (27114)	-	27,456
Truancy Prevention/Inervention (27139)	-	612
PreK Initiative (27149)	-	15,641
Kindergarten - Three Plus (27166)	-	3,653
NM Grown Fresh Fruits and Vegetables (27183)	-	6,791
GRADS - Child Care (28189)	-	6,364
GRADS - Instruction (28190)	-	16,182
Capital Improvements SB-9 (31700)	-	242,863
Totals	<u><u>\$ 4,753,377</u></u>	<u><u>\$ 4,753,377</u></u>

All interfund balances are expected to be repaid within one year.

**STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 6 Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2015 follows. Land and construction in progress is not subject to depreciation.

	Balance June 30, 2014	Additions	Deletions	Adjustments	Balance June 30, 2015
Capital assets used in governmental activities:					
Capital assets not being depreciated:					
Land	\$ 2,375,944	\$ 259,055	\$ -	\$ -	\$ 2,634,999
Construction in progress	4,254,699	7,400,734	(9,244,638)	-	2,410,795
Total capital assets not being depreciated	<u>6,630,643</u>	<u>7,659,789</u>	<u>(9,244,638)</u>	<u>-</u>	<u>5,045,794</u>
Capital assets being depreciated:					
Land improvements	-	-	-	-	-
Buildings and building improvements	94,055,018	9,244,638	-	-	103,299,656
Furniture, fixtures, and equipment	2,115,912	140,919	(81,762)	-	2,175,069
Vehicles	4,694,407	560,777	(201,633)	-	5,053,551
Total capital assets being depreciated	<u>100,865,337</u>	<u>9,946,334</u>	<u>(283,395)</u>	<u>-</u>	<u>110,528,276</u>
Less accumulated depreciation:					
Land improvements	-	-	-	-	-
Buildings and building improvements	41,492,816	1,990,435	-	-	43,483,251
Furniture, fixtures, and equipment	1,400,083	124,416	(81,762)	-	1,442,737
Vehicles	3,906,270	305,908	(201,633)	-	4,010,545
Total accumulated depreciation	<u>46,799,169</u>	<u>2,420,759</u>	<u>(283,395)</u>	<u>-</u>	<u>48,936,533</u>
Total capital assets, net of depreciation	<u>\$ 60,696,811</u>	<u>\$ 15,185,364</u>	<u>\$ (9,244,638)</u>	<u>\$ -</u>	<u>\$ 66,637,537</u>

Depreciation expense for the year ended June 30, 2015 was charged to governmental activities as follows:

Governmental activities:	
Instruction	\$ 1,985,022
Support services - students	24,208
Support services - instruction	24,208
School administration	48,415
Operation and maintenance of plant	48,415
Student transportation	266,283
Food services	24,208
Total depreciation	<u>\$ 2,420,759</u>

Construction commitments:

The current construction in progress had a remaining commitment of approximately \$477,000 for completion at June 30, 2015.

**STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 7 Long-Term Debt

During the year ended June 30, 2015 the following changes occurred in the liabilities reported in the government-wide statement of net position:

	Balance at 06/30/14	Additions	Deletions	Balance at 06/30/15	Due Within One Year
General Obligation Bonds	\$ 31,265,000	\$9,500,000	\$ 6,545,000	\$ 34,220,000	\$ 3,095,000
Compensated Absences	412,130	283,689	362,346	333,473	333,473
Total	\$ 31,677,130	\$9,783,689	\$ 6,907,346	\$ 34,553,473	\$ 3,428,473

Compensated Absences – Administrative employees of the District are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2015, compensated absences decreased \$60,485 over the prior year accrual. See Note 1 for more details.

General Obligations Bonds

General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are issued with varying terms and varying amounts of principal maturing each year. As of June 30, 2015, all general obligation bonds are for governmental activities.

Bonds outstanding at June 30, 2015 are comprised of the following:

The annual requirements to amortize the General Obligation Bonds as of June 30, 2015, including interest payments are as follows:

	Series 2005 GO Bonds 3/29/2005	Series 2007 GO Bonds 11/27/2007	Series 2008 GO Bonds 12/2/2008
Original Issue	\$9,620,000	\$8,000,000	\$5,000,000
Maturity Date	8/1/2017	8/1/2022	8/1/2022
Principal	1-Aug	1-Aug	1-Aug
Interest Rate	3.25% - 5.00%	3.65% - 5.00%	4.00% - 5.00%
Principal/Interest	1-Aug	1-Aug	1-Aug
Interest	1-Feb	1-Feb	1-Feb
	Series 2009 GO Bonds 11/24/2009	Series 2013 GO Bonds 9/17/2013	Series 2014 GO Bonds 12/30/2014
Original Issue	\$4,605,000	\$13,250,000	\$9,500,000
Maturity Date	8/1/2019	8/1/2027	8/1/2026
Principal	1-Aug	1-Aug	1-Aug
Interest Rate	2.00% - 4.00%	2.00%-4.00%	2.00%-3.00%
Principal/Interest	1-Aug	1-Aug	1-Aug
Interest	1-Feb	1-Feb	1-Feb

**STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 7 Long-Term Debt – (Continued)

GO Bonds Series 2005			
Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2016	\$ 400,000	\$ 42,500	\$ 442,499.50
2017	400,000	25,500	425,500
2018	400,000	8,500	408,500
Totals	<u>\$ 1,200,000</u>	<u>\$ 76,500</u>	<u>\$ 1,276,500</u>

GO Bonds Series 2007			
Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2016	\$ 350,000	\$ 244,900	\$ 594,900.00
2017	200,000	232,150	432,150
2018	250,000	223,150	473,150
2019	800,000	203,550	1,003,550
2020	1,300,000	164,900	1,464,900
2021-2025	3,700,000	231,525	3,931,525
Totals	<u>\$ 6,600,000</u>	<u>\$ 1,300,175</u>	<u>\$ 7,900,175</u>

GO Bonds Series 2009			
Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2016	\$ 395,000	\$ 53,425	\$ 448,425.00
2017	390,000	41,650	431,650
2018	460,000	28,900	488,900
2019	400,000	14,000	414,000
2020	150,000	3,000	153,000
Totals	<u>\$ 1,795,000</u>	<u>\$ 140,975</u>	<u>\$ 1,935,975</u>

GO Bonds Series 2013			
Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2016	\$ 500,000	\$ 343,938	\$ 843,938
2017	500,000	\$ 333,937	833,937
2018	500,000	\$ 323,938	823,938
2019	500,000	\$ 313,937	813,937
2020	600,000	\$ 299,938	899,938
2021-2025	4,600,000	\$ 1,180,218	5,780,218
2026-2029	3,875,000	\$ 230,750	4,105,750
Totals	<u>\$ 11,075,000</u>	<u>\$ 3,026,656</u>	<u>\$ 14,101,655</u>

**STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 7 Long-Term Debt - (Continued)

Fiscal Year Ending June 30,	GO Bonds Series 2014		Total Debt Service
	Principal	Interest	
0	\$ 1,092,990	\$ 237,527	\$ 1,330,517.43
0	992,062	196,625	1,188,687
0	915,938	181,125	1,097,063
0	831,437	169,125	1,000,562
0	735,038	160,625	895,663
0	2,216,443	661,188	2,877,631
0	302,750	72,000	374,750
Totals	<u>\$ 7,086,658</u>	<u>\$ 1,678,215</u>	<u>\$ 8,764,873</u>

In prior years, the general fund was typically used to liquidate long-term liabilities other than debt.

Operating Leases – The District leases office equipment, including copy machines and postage meter machines, under short-term cancelable operating leases.

NOTE 8 Unearned Revenue

In accordance with the terms of the various grant agreements within the Special Revenue Funds, revenues received in excess of expenditures carry over to the subsequent years, unless such excess revenues are requested to be returned to the grantor. The following funds had unearned revenues at June 30, 2015:

Fund #	Fund Description	Amount
24113	Education of the Homeless	\$ 912
24118	Fresh Fruits and Vegetables	438
24157	Safe & Drug Free Schools & Community	205
24167	Reading First	12,138
24176	Carl D Perkins Secondary - Redistribution - Instruction	2,218
25149	GRADS Child Care CYFD	3,000
25162	TANF/GRADS HSD	8,966
	Total	<u>\$ 27,877</u>

NOTE 9 Risk Management

The District is a member of the New Mexico Public Schools Insurance Authority (NMPSIA). The Authority was created to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The District pays an annual premium to the NMPSIA based on claim experience and the status of the pool. The Risk Management Program includes workers compensation, general and automobile liability, automobile physical damage, and property and crime coverage. Also included under the risk management program are boiler, machinery and student accident insurance.

The NMPSIA provides coverage for up to a maximum of \$500,000,000 for each property damage claim with a \$750 deductible to each building. General liability coverage is afforded to all employees, volunteers and school board members and the limit is subject to the NMSA Tort Claims Act on a per occurrence basis. The automobile and property liability limit is subject to the provisions of the Tort Claims Act. The crime limit is \$250,000 per occurrence for faithful performance. A limit of \$250,000 applies to depositor's forgery, credit card forgery and money orders. A limit of \$100,000 applies to Money and Security, which includes a \$750 deductible.

**STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 9 Risk Management (Continued)

In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2015, there have been no claims that have exceeded insurance coverage.

NOTE 10. Other Required Individual Fund Disclosures

Generally accepted accounting principles require disclosures as part of the Combined Statements of certain information concerning individual funds including:

A. Deficit fund balance of individual funds. The following funds reported a deficit fund balance at June 30, 2015:

Fund #	Major Funds	Amount
13000	Student Transportation	141,403
	Non-Major Funds	
22000	Athletics	31,849
24101	Title I IASA	68,616
24106	IDEA-B Entitlement	11,998
24107	IDEA-B Discretionary	5,040
24109	IDEA-B Preschool	1,291
24113	Education of the Homeless	29
24118	Fresh Fruits and Vegetables	12,055
24153	English Language Acquisition	31,265
24154	Teacher/Principal Training & Recruiting	32,015
24162	Title I School Improvement	53,148
24174	Carl D Perkins Secondary - Current	548
24175	Carl D Perkins Secondary - PY Unliq. Oblig.	472
25162	TANF/GRADS HSD	3,300
27107	2012 GO Bonds Student Library Fund (SB66)	33,626
27114	New Mexico Reads to Lead K-3 Reading	34,834
27139	Truancy Prevention/Inervention	612
27166	Kindergarten - Three Plus	3,653
27183	NM Grown Fresh Fruits and Vegetables	581
28189	GRADS - Child Care	6,364
28190	GRADS - Instruction	16,182
	Total	<u>\$ 466,335</u>

B. Excess of expenditures over appropriations: The District had one fund which reported expenditures over appropriations.

Fund #	Fund Name and Function	Amount
11000	Operational - Operations & Maintenance of Plant	\$ 269,784
13000	Student Transportion - Student Transportation	6,696
22000	Athletics - Instruction	11,435
24109	IDEA-B Preschool - Student Transportation	201
24176	Carl D Perkins Secondary - Redistribution - Instruction	413
25157	Child Care Block Grant - Instruction	13,485
	Total	<u>\$ 302,014</u>

C. One fund had designated cash appropriations in excess of available balances for the year ended June 30, 2015. The Bond Building Fund had designated cash of \$12,142,769 and available cash of \$10,260,971.

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 11. General Information on the Pension Plan – Educational Retirement Board

Plan Description. ERB was created by the state's Educational Retirement Act, Section 22-11-1 through 22-11-52, NMSA 1978, as amended, to administer the New Mexico Educational Employees' Retirement Plan (Plan). The Plan is a cost-sharing, multiple employer plan established to provide retirement and disability benefits for certified teachers and other employees of the state's public schools, institutions of higher learning, and agencies providing educational programs. The Plan is a pension trust fund of the State of New Mexico. The New Mexico legislature has the authority to set or amend contribution rates. ERB issues a publicly available financial report and a comprehensive annual financial report that can be obtained at www.nmerb.org.

Benefits provided. A member's retirement benefit is determined by a formula which includes three component parts: the member's final average salary (FAS), the number of years of service credit, and a 0.0235 multiplier. The FAS is the average of the member's salaries for the last five years of service or any other consecutive five-year period, whichever is greater. A brief summary of Plan coverage provisions follows:

For members employed before July 1, 2010, a member is eligible to retire when one of the following events occurs: the member's age and earned service credit add up to the sum of 75 or more; the member is at least sixty-five years of age and has five or more years of earned service credit; or the member has service credit totaling 25 years or more.

Chapter 288, Laws of 2009 changed the eligibility requirements for new members first employed on or after July 1, 2010. The eligibility for a member who either becomes a new member on or after July 1, 2010, or at any time prior to that date refunded all member contributions and then became, or becomes, reemployed after that date is as follows: the member's age and earned service credit add up to the sum of 80 or more; the member is at least sixty-seven years of age and has five or more years of earned service credit; or the member has service credit totaling 30 years or more.

The benefit is paid as a monthly life annuity with a guarantee that, if the payments made do not exceed the member's accumulated contributions plus accumulated interest, determined as of the date of retirement, the balance will be paid in a lump sum to the member's surviving beneficiary. There are three benefit options available: single life annuity; single life annuity monthly benefit reduced to provide for a 100% survivor's benefit; or single life annuity monthly benefit is reduced to provide for a 50% survivor's benefit.

Retired members and surviving beneficiaries receiving benefits receive an automatic cost of living adjustment (COLA) to their benefit each July 1, beginning in the year the member attains or would have attained age 65 or on July 1 of the year following the member's retirement date, whichever is later. Prior to June 30, 2013 the COLA adjustment was equal to one-half the change in the Consumer Price Index (CPI), except that the COLA shall not exceed 4% nor be less than 2%, unless the change in CPI is less than 2%, in which case, the COLA would equal the change in the CPI, but never less than zero. As of July 1, 2013, for current and future retirees the COLA was immediately reduced until the plan is 100% funded. The COLA reduction was based on the median retirement benefit of all retirees excluding disability retirements. Retirees with benefits at or below the median and with 25 or more years of service credit will have a 10% COLA reduction; their average COLA will be 1.8%. All other retirees will have a 20% COLA reduction; their average COLA will be 1.6%. Once the funding is greater than 90%, the COLA reductions will decrease. The retirees with benefits at or below the median and with 25 or more years of service credit will have a 5% COLA reduction; their average COLA will be 1.9%. All other retirees will have a 10% COLA reduction; their average will be 1.8%. Members on disability retirement are entitled to a COLA commencing on July 1 of the third full year following disability retirement. A member on regular retirement who can prove retirement because of a disability may qualify for a COLA beginning July 1 in the third full year of retirement.

A member is eligible for a disability benefit provided (a) he or she has credit for at least 10 years of service, and (b) the disability is approved by ERB. The monthly benefit is equal to 2% of FAS times years of service, but not less than the smaller of (a) one-third of FAS or (b) 2% of FAS times year of service projected to age 60. The disability benefit commences immediately upon the member's retirement. Disability benefits are payable as a monthly life annuity, with a guarantee that, if the payments made do not exceed the member's accumulated contributions, determined as of the date of retirement, the balance will be paid in a lump sum to the member's surviving beneficiary. If the disabled member survives to age 60, the regular optional forms of payment are then applied.

**STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 11 General Information on the Pension Plan – Educational Retirement Board (Continued)

A member with five or more years of earned service credit on deferred status may retire on disability retirement when eligible under the Rule of 75 or when the member attains age 65.

Contributions. The contribution requirements of defined benefit plan members and the Belen Consolidated School District No. 2 are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from the Belen Consolidated School District No. 2 were \$2,997,046 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, the Belen Consolidated School District No. 2's reported a liability of \$44,394,571 for its proportionate share of the net pension liability. The Belen Consolidated School District No. 2's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, the Belen Consolidated School District No. 2's proportion was 0.77807%, which was a decrease of 0.02940% from its proportion measured as June 30, 2013.

For the year ended June 30, 2015, the Belen Consolidated School District No. 2 recognized pension expense of \$2,599,706. At June 30, 2015, the Belen Consolidated School District No. 2 reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net (Inflows) Outflows</u>
Differences between expected and actuarial experience	\$ -	\$ (661,323)	\$ (661,323)
Changes of assumptions	-	-	-
Net difference between projected and actual earnings on pension plan investments	-	(4,035,667)	(4,035,667)
Changes in proportion and differences between Belen Consolidated Schools' contributions and proportionate share of contributions	-	(1,369,785)	(1,369,785)
Belen Consolidated Schools' contributions subsequent to the measurement date	<u>2,997,046</u>	<u>-</u>	<u>2,997,046</u>
Total	<u>\$ 2,997,046</u>	<u>\$ (6,066,775)</u>	<u>\$ (3,069,729)</u>

**STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 11 General Information on the Pension Plan – Educational Retirement Board (Continued)

Deferred outflows of resources of related to pensions resulting from Belen Consolidated School District No. 2’s contributions subsequent to the measurement date of June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	
2016	\$ 1,714,164
2017	1,714,164
2018	1,629,535
2019	1,008,912
2020	-
Thereafter	-
Total	<u><u>\$ 6,066,775</u></u>

Actuarial assumptions. As described above, the total ERB pension liability and net pension liability are based on an actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014 using generally accepted actuarial principles. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2014. Specifically, the liabilities measured as of June 30, 2014 incorporate the following assumptions:

1. All members with an annual salary of more than \$20,000 will contribute 10.10% during the fiscal year ending June 30, 2014 and 10.7% thereafter.
2. Members hired after June 30, 2013 will have an actuarially reduced retirement benefit if they retire before age 55 and their COLA will be deferred until age 67.
3. COLAs for most retirees are reduced until ERB attains a 100% funded status.
4. These assumptions were adopted by ERB on April 26, 2013 in conjunction with the six-year experience study period ending June 30, 2012.

For the purposes of projecting future benefits, it is assumed that the full COLA is paid in all future years. The actuarial methods and assumptions used to determine contribution rates included in the measurement are as follows:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll
Remaining Period	Amortized – closed 30 years from June 30, 2012 to June 30, 2042
Asset Valuation Method	5 year smoothed market for funding valuation (fair value for financial valuation)
Inflation	3.00%
Salary Increases	Composition: 3% inflation, plus 1.25% productivity increase rate, plus step rate promotional increases for members with less than 10 years of service
Investment Rate of Return	7.75%
Retirement Age	Experience based table of age and service rates

**STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 11 General Information on the Pension Plan – Educational Retirement Board (Continued)

Mortality 90% of RP-2000 Combined Mortality Table with White Collar Adjustment projected to 2014 using Scale AA (one year setback for females)

The long-term expected rate of return on pension plan investments is determined annually using a building-block approach that includes the following: 1) rate of return projections are the sum of current yield plus projected changes in price (valuation, defaults, etc.), 2) application of key economic projections (inflation, real growth, dividends, etc.), and 3) structural themes (supply and demand imbalances, capital flows, etc.). These items are developed for each major asset class. Best estimates of geometric real rates of return for each major asset class included in the Plan's target asset allocation for 2014 and 2013 for 30-year return assumptions are summarized in the following table:

Asset Class	2014 Long-Term Expected Real Rate of Return	2013 Long-Term Expected Real Rate of Return
Cash	1.50%	0.75%
Treasuries	2.00%	1.00%
IG Corp Credit	3.50%	3.00%
MBS	2.25%	2.50%
Core Bonds	2.53%	2.04%
TIPS	2.50%	1.50%
High Yield Bonds	4.50%	5.00%
Bank Loans	5.00%	5.00%
Global Bonds (Unhedged)	1.25%	0.75%
Global Bonds (Hedged)	1.38%	0.93%
EMD External	5.00%	4.00%
EMD Local Currency	5.75%	5.00%
Large Cap Equities	6.25%	6.75%
Small/Mid Cap	6.25%	7.00%
International Equities (Unhedged)	7.25%	7.75%
International Equities (Hedged)	7.50%	8.00%
Emerging International Equities	9.50%	9.75%
Private Equity	8.75%	9.00%
Private Debt	8.00%	8.50%
Private Real Assets	7.75%	8.00%
Real Estate	6.25%	6.00%
Commodities	5.00%	5.00%
Hedge Funds Low Vol	5.50%	4.75%
Hedge Funds Mod Vol	5.50%	6.50%

Discount rate: A single discount rate of 7.75% was used to measure the total ERB pension liability as of June 30, 2014 and June 30, 2013. This single discount rate was based on the expected rate of return on pension plan investments of 7.75%. Based on the stated assumptions and the projection of cash flows, the Plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current pension plan members. Therefore the long term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The projection of cash flows used to determine this single discount rate assumed that Plan contributions will be made at the current statutory levels. Additionally, contributions received through the Alternative Retirement Plan (ARP), ERB's defined contribution plan, are included in the projection of cash flows. ARP contributions are assumed to remain at a level percentage of ERB payroll, where the percentage of payroll is based on the most recent five year contribution history.

**STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 11 General Information on the Pension Plan – Educational Retirement Board (Continued)

Sensitivity of the Belen Consolidated School District No. 2's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2014. In particular, the table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Belen Consolidated School District No. 2's proportionate share of the net pension liability	<u>\$ 60,403,936</u>	<u>\$ 44,394,573</u>	<u>\$ 31,022,378</u>

Pension plan fiduciary net position. Detailed information about the ERB's fiduciary net position is available in the separately issued audited financial statements as of and for June 30, 2014 and 2013 which are publicly available at www.nmerb.org.

Payables to the pension plan. Belen Consolidated School District No. 2 had an outstanding liability to the pension plan at June 30, 2015 of \$952,584 which it paid on July 15, 2015.

NOTE 12 Post-Employment Benefits – State Retiree Health Care Plan

Plan Description. Belen Consolidated School District No. 2 contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and / or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

Eligible retirees are: (1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; (2) retirees defined by the Act who retired prior to July 1, 1990; (3) former legislators who served at least two years; and (4) former governing authority members who served at least four years.

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

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

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 12 **Post-Employment Benefits – State Retiree Health Care Plan (Continued)**

The employer, employee, and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the employer and employee contributions can be changed by the New Mexico State Legislature. Employers that choose to become participating employers after January 1, 1998, are required to make contributions to the RHCA fund in the amount determined to be appropriate by the board.

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2015, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2015, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The District's contributions to the RHCA for the years ended June 30, 2015, June 30, 2014, and June 30, 2013 are \$433,673, \$430,473, and \$435,571, respectively, which equal the required contributions for each year.

NOTE 13 **Contingent Liabilities**

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

The District is involved in various claims and lawsuits arising in the normal course of business. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the District's legal counsel that resolution of these matters will not have a material adverse effect on the financial condition of the District.

NOTE 14 **Subsequent Accounting Standard Pronouncements**

In January 2013, GASB Statement No. 69, *Government Combinations and Disposals of Government Operation*, was issued. Effective Date: The provisions of this Statement are effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013. Earlier application is encouraged. The provisions of this Statement generally are required to be applied prospectively. The District is still evaluating how this standard will affect the District.

In February 2015, GASB Statement No. 71, *Fair Value Measurement and Application*, was issued. Effective Date: The provisions of this Statement provide guidance for determining a fair value measurement for financial reporting purposes to enhance comparability of financial statements among governments in financial reporting periods beginning after June 15, 2015. Earlier application is encouraged. The District is still evaluating how this standard will affect the District.

In June 2015, GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, was issued. Effective Date: The provisions of this Statement established requirements for defined benefit pensions that are not within the scope of Statement No. 68 in financial reporting periods beginning after June 15, 2016, and the requirements of this Statement that address financial reporting for assets accumulated for purposes of providing those pensions are effective for fiscal years beginning after June 15, 2015. Earlier application is encouraged. The District is still evaluating how this standard will affect the District.

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 14 **Subsequent Accounting Standard Pronouncements**

In June 2015, GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, was issued. Effective Date: The provisions of this Statement are effective for postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for fiscal years beginning after June 15, 2016. Earlier application is encouraged. The District is still evaluating how this standard will affect the District.

In June 2015, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, was issued. Effective Date: The provisions of this Statement are effective for addressing accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers for fiscal years beginning after June 15, 2017. Earlier application is encouraged. The District is still evaluating how this standard will affect the District.

In June 2015, GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, was issued. Effective Date: The provisions of this Statement identify – in the context of the current governmental financial reporting environment – the hierarchy of generally accepted accounting principles (GAAP) which supersedes Statement No. 55 and is effective for fiscal years beginning after June 15, 2015 and should be applied retroactively. Early application is permitted. The District is still evaluating how this standard will affect the District.

In August 2015, GASB Statement No. 77, *Tax Abatement Disclosures*, was issued. Effective Date: The provisions of this Statement require governments that enter into tax abatement agreements to disclose relevant information about those agreements and is effective for fiscal years beginning after December 15, 2015. Earlier application is encouraged. The District is still evaluating how this standard will affect the District.

NOTE 15 **Restatement/Prior Period Adjustments**

During the year ended June 30, 2015, there was a restatement in the District's financial statements due to the implementation of GASB 68 and GASB 71 resulting in a reduction in net position in the amount of \$47,863,363. This amount was derived from the District's proportionate share of the beginning net pension liability of \$50,683,699 less the 2014 contributions to the pension plan in the amount of \$2,820,336.

NOTE 16 **Subsequent Events**

A review of subsequent events through November 13, 2015 is the date the financial statements were available to be issued, indicated nothing of audit significance other than those disclosed below:

The Board of Education has approved the refunding of \$6,250,000 of existing bonds.

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SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2015

Statement A-1

	SPECIAL REVENUE	CAPITAL PROJECTS	TOTAL
ASSETS			
<i>Current assets:</i>			
Cash and temporary investments	\$ 2,032,283	\$ 417,452	\$ 2,449,735
Accounts receivable			
Taxes	-	426,458	426,458
Due from other governments	1,359,773	-	1,359,773
Interfund receivables	-	-	-
Other	-	-	-
Inventory	101,326	-	101,326
<i>Total assets</i>	<u>3,493,382</u>	<u>843,910</u>	<u>4,337,292</u>
LIABILITIES			
<i>Current liabilities:</i>			
Accounts payable	58,716	-	58,716
Accrued payroll liabilities	218,675	-	218,675
Interfund payables	1,487,030	242,863	1,729,893
Unearned revenue	27,877	-	27,877
<i>Total liabilities</i>	<u>1,792,298</u>	<u>242,863</u>	<u>2,035,161</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues - property taxes	-	390,558	390,558
Unavailable revenues - other	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>390,558</u>	<u>390,558</u>
FUND BALANCES			
Nonspendable	101,326	-	101,326
Restricted for:			
Grant mandates	1,599,758	-	1,599,758
Capital projects	-	210,489	210,489
Debt service	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<i>Total fund balances</i>	<u>1,701,084</u>	<u>210,489</u>	<u>1,911,573</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 3,493,382</u>	<u>\$ 843,910</u>	<u>\$ 4,337,292</u>

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

Statement A-2

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL
<i>Revenues:</i>				
Property taxes	\$ -	\$ 1,101,048	\$ -	\$ 1,101,048
State grants	1,423,748	462,991	-	1,886,739
Federal grants	5,833,755	-	-	5,833,755
Miscellaneous	-	-	-	-
Charges for services	367,235	-	-	367,235
Investment Income	352	134	-	486
<i>Total revenues</i>	<u>7,625,090</u>	<u>1,564,173</u>	<u>-</u>	<u>9,189,263</u>
<i>Expenditures:</i>				
Current:				
Instruction	2,770,714	-	-	2,770,714
Support services				
Students	1,000,206	-	-	1,000,206
Instruction	316,046	-	-	316,046
General administration	300,429	11,093	-	311,522
School administration	11,324	-	-	11,324
Central services	8,020	-	-	8,020
Operation & maintenance of plant	11,073	-	-	11,073
Student transportation	395,431	-	-	395,431
Other support services	-	-	-	-
Food services operations	2,710,998	-	-	2,710,998
Community service	-	-	-	-
Capital outlay	-	1,642,874	-	1,642,874
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>7,524,241</u>	<u>1,653,967</u>	<u>-</u>	<u>9,178,208</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>100,849</u>	<u>(89,794)</u>	<u>-</u>	<u>11,055</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>100,849</u>	<u>(89,794)</u>	<u>-</u>	<u>11,055</u>
<i>Fund balances - beginning of year</i>	1,600,235	300,283	-	1,900,518
<i>Prior period adjustment</i>	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>1,600,235</u>	<u>300,283</u>	<u>-</u>	<u>1,900,518</u>
<i>Fund balances - end of year</i>	<u>\$ 1,701,084</u>	<u>\$ 210,489</u>	<u>\$ -</u>	<u>\$ 1,911,573</u>

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

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SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for Federal, State and Local funded grants. These grants are awarded to the District with the purpose of accomplishing specific educational tasks. Special Revenue Funds include:

Food Services (21000) - This fund is utilized to account for Federal and Local sources of income relating to the food service programs. The Food Service Fund is segregated into two categories, one being the Federal funds and the other being Non-Federal funds. Federal funds consist of National School Lunch Program, which is administered by the State of New Mexico for the purpose of making breakfast and lunch available to all school children and to encourage the domestic consumption of agricultural commodities and other food components. Authority for the creation of this fund is NMSA 22-13-13.

Athletics (22000) – This fund is used to account for fees generated at athletic activities throughout the School District. The gate receipts are obtained from the general public and are expended in this fund. The authority for creation of this fund is 6.20.2 NMAC.

Title I-IASA (24101) – The major objectives of the Title I programs are to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with a free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identify a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Education. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

IDEA-B Entitlement (24106) – To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by Individuals with Disabilities Education Act, Part B, Section 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100,639, and 101-476, 20 U.S.C. 1411-1420.

IDEA-B Discretionary (24107) – To provide grants to states that flow-through to schools to assist them in providing a free appropriate public education to all children with disabilities. The program is funded by the United States government under the Individuals with Disabilities Education Act, Part B, Section 611-617, and part D, Section 674 as amended, 20 U.S.C. 1711-1417 and 1420.

IDEA-B Preschool (24109) – The objective of the Assistance to States for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all handicapped children from ages three to five. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Children, Youth and Families. Authority for creation of this fund is Public Law 105-17.

Education of the Homeless (24113) – To provide tutoring and remedial academic services to homeless children and youth within the District. Funding and authorization are by the McKinney-Vento Homeless Assistance Act, Title VII, Subtitle B.

Fresh Fruits and Vegetables (24118) – To assist States, through cash grants, in providing free fresh fruits and vegetables to school children in designated participating schools beginning in school year 2004/2005. Authorized by National School Lunch Act, as amended, 42 U.S.C. 1769.

IDEA-B “Risk Pool” (24120) – Funding for students with disabilities who are parentally placed in private elementary and secondary schools (“equitable participation services”) located in the school district.

English Language Acquisition (24153) – To provide funds to improve the educational performance of limited English proficient students by assisting the children to learn English and meet State academic content standards.

Teacher/Principal Training & Recruiting (24154) – To improve the skills of teachers and the quality of instruction in mathematics and science, and also to increase the accessibility of such instruction to all students.

Safe & Drug Free Schools & Community (24157) – To establish a local program of alcohol and drug abuse education and prevention coordinated with related community efforts and resources. Authorized by the Elementary and Secondary Education Act, Title IV, Part A Subpart 1, as amended. 20 U.S.C. 7111-7118.

Title I School Improvement (24162) – To account for funds used to provide financial assistance to districts to purchase and install educational materials and systems to help improve the quality of teaching and learning in their schools. (Authority: PL 100-297)

Reading First (24167) – To account for federal resources administered by the New Mexico Public Education Department for a comprehensive reading approach which will incorporate research-based materials, intensive and systematic on-site professional development and an assessment-teaching-learning cycle that feeds assessment data into dynamic instructional decision-making (Authority: P.L. 100-297)

Carl Perkins Secondary – Current (24174) – To account for federal funds to provide vocational and technical education for secondary education. (Authority: P.L. 105-332).

Carl Perkins Secondary – PY Unliquidated Obligations (24175) To provide funds which were encumbered in the prior year for the program as described above. (24174) (Authority: P.L. 105-332).

Carl Perkins Secondary – Redistribution (24176) – Redistribution for the program as described above in (24174). (Authority: P.L. 105-332).

Carl Perkins Secondary – Redistribution 2 (24183) – Redistribution for the program as described above in (24174 and 24176). (Authority: P.L. 105-332).

GRADS Child Care CYFD (25149) – To account for a Public Education Department grant through Children, Youth, and Families Department to provide for the maintenance and expansion of the teen parent programs. Authorized by the School Board and the New Mexico Public Education Department.

Title XIX Medicaid 0/2 Years (25152) – To account for a program providing school-based screening, diagnostic services and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children. (Authorization: P.L. 105-33)

Child Care Block Grant (25157) – To account for funds received for the transition assistance program funding through the Children, Youth and Families Department and the State of New Mexico. Authorized by the School Board and the New Mexico Public Education Department.

TANF/GRADS (25162) – To assist needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. Social Security Act, Title IV, Part A, as amended; Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193.

New Mexico Community Foundation (26176) – The purpose of this grant is to assist the community with opportunities for all children and youth, by expanding equitable access to quality healthcare, and addressing basic human needs. Authorized by the School Board and the New Mexico Public Education Department.

Dual Credit Instructional Materials (27103) – To purchase college textbooks for students who dual enroll in college credited courses while still attending high school.

2010 GO Bonds Student Library Fund (SB1) (27106) – Funds used to purchase library books and library supplies for all school sites. Program is authorized by state statute.

2012 GO Bonds Student Library Fund (SB66) (27107) – Funds used to purchase library books and library supplies for all school sites. Program is authorized by state statute.

New Mexico Reads to Lead K-3 Reading Initiative (27114) – The purpose of this grant is to provide funding for reading initiative activities for grades K-3. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is the School Board and the New Mexico Public Education Department.

Technology for Education PED (27117) – The purpose of this grant is to assist the District to develop and implement a strategic, long-term plan for utilizing educational technology in the school system. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is NMSA 22-15A-1 to 22-15A-10.

Truancy Prevention/Intervention (27139) – Continue implementation of programs and strategies for the purpose of identifying best practices for truancy prevention that are unique to New Mexico populations and cultures that will assist students to stay in school and succeed. Authority: NMSA 22-2-8-10.

PreK Initiative (27149) – The Pre-K Initiative program provides high-quality early childhood services (in accordance with the NM Pre-K standards) to four year old children in need. Authorized through 32A-23-1 NMSA 1978.

Beginning Teacher Mentoring Program (27154) – The objective of this program is to provide beginning teachers an effective transition into the teaching profession, retain capable teachers, improve the achievement of students and improve the overall success of the school. Funding is provided by the New Mexico Board of Education. Authority from creation of this fund is NMSA 22-2-8-10.

Breakfast for Elementary Students (27155) - The 2005 Legislative General Appropriations Act allocated \$475,000 to implement Breakfast in the Classroom for elementary schools in need of improvement based on 2004-2005 AYP designation.

Kindergarten – Three Plus (27166) - In 2007, Representative Mimi Stewart sponsored House Bill 198 to establish a fund to allow New Mexico public schools and districts to develop a six year pilot project that extends to the school year for kindergarten through third grade by up to two months for participating students to measure the effect of additional time on literacy, numeric and social skills development.

After School and Summer Enrichment Program (27168) The purpose of this award is to create learning centers that will provide students with a broad range of exceptional, school-linked learning and developmental opportunities, designed to complement the students' regular academic program. Funding for this program is provided through the New Mexico Public Education Department, Special Appropriation Fund.

2013 School Bus (27178) – To account for funds provided by New Mexico Public Education Department to purchase school buses.

NM Grown Fresh Fruits and Vegetables (27183) – To account for funds provided by New Mexico Public Education Department to purchase New Mexico locally grown fresh fruits and vegetables for school meal programs.

Next Generation Assessments (27185) – To account for funds provided by the New Mexico Public Education Department to remediate deficiencies in computer devices compliant with the Partnership for Assessment of Readiness for College and Career assessment requirements.

School Library Material Fund FY 08 (27549) – Funds awarded to the District by the Instructional Materials Bureau in accordance with 2008 Senate Bill 471 for purchases of library books. Authorized by the School Board and the New Mexico Public Education Department.

GEAR UP CHE (28178) – (Gaining Early Awareness and Readiness for Undergraduate Programs.) The purpose of this grant is to increase the number of low-income students who, upon graduation from high school, have the skills and knowledge to succeed in college.

GRADS – Child Care (28189) – Partially fund the salary and benefits for a teacher participating in the GRADS program. Authority for the creation of this fund is the New Mexico Public Education Department.

GRADS – Instruction (28190) – To assist in the cost for caps and gowns for students who are graduating. Authority for the creation of this fund is the New Mexico Public Education Department.

GRADS Plus (28203) – To account for funds provided through the New Mexico Public Education Department to assist with support for high school mothers and mothers-to-be.

School Based Health Center (29130) – To account for contract services with New Mexico Department of Health to provide quality direct care through integrated primary care and behavioral health services, as well as coordination for these services, through a Level Three School Based Health Center.

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2015

Statement B-1

	Food Services 21000	Athletics 22000	Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Discretionary 24107
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ 1,284,820	\$ 18,177	\$ -	\$ -	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	591,310	566,199	-
Interfund receivables	-	-	-	-	-
Inventory	101,326	-	-	-	-
<i>Total assets</i>	<u>1,386,146</u>	<u>18,177</u>	<u>591,310</u>	<u>566,199</u>	<u>-</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	11,678	-	33,578	13,460	-
Accrued payroll liabilities	63,958	26	43,694	48,723	-
Interfund payables	-	50,000	582,654	516,014	5,040
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>75,636</u>	<u>50,026</u>	<u>659,926</u>	<u>578,197</u>	<u>5,040</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	101,326	-	-	-	-
Restricted for:					
Grant mandates	1,209,184	-	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	(31,849)	(68,616)	(11,998)	(5,040)
<i>Total fund balances</i>	<u>1,310,510</u>	<u>(31,849)</u>	<u>(68,616)</u>	<u>(11,998)</u>	<u>(5,040)</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 1,386,146</u>	<u>\$ 18,177</u>	<u>\$ 591,310</u>	<u>\$ 566,199</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2015

Statement B-1

	IDEA-B Preschool 24109	Education of the Homeless 24113	Fresh Fruits and Vegetables 24118	IDEA-B "Risk Pool" 24120	English Language Acquisition 24153
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	10,121	7,626	587	994
Interfund receivables	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>10,121</u>	<u>7,626</u>	<u>587</u>	<u>994</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Interfund payables	1,291	9,238	19,243	587	32,259
Unearned revenue	-	912	438	-	-
<i>Total liabilities</i>	<u>1,291</u>	<u>10,150</u>	<u>19,681</u>	<u>587</u>	<u>32,259</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	-	-	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(1,291)	(29)	(12,055)	-	(31,265)
<i>Total fund balances</i>	<u>(1,291)</u>	<u>(29)</u>	<u>(12,055)</u>	<u>-</u>	<u>(31,265)</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ -</u>	<u>\$ 10,121</u>	<u>\$ 7,626</u>	<u>\$ 587</u>	<u>\$ 994</u>

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2015

Statement B-1

	Teacher/Principal Training & Recruiting 24154	Safe & Drug Free Schools & Community 24157	Title I School Improvement 24162	Reading First 24167	Carl D Perkins Secondary-Current 24174
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ 205	\$ -	\$ 12,138	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	66,831	-	-	-	30,894
Interfund receivables	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>66,831</u>	<u>205</u>	<u>-</u>	<u>12,138</u>	<u>30,894</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	31,572	-	-	-	-
Interfund payables	67,274	-	53,148	-	31,442
Unearned revenue	-	205	-	12,138	-
<i>Total liabilities</i>	<u>98,846</u>	<u>205</u>	<u>53,148</u>	<u>12,138</u>	<u>31,442</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	-	-	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(32,015)	-	(53,148)	-	(548)
<i>Total fund balances</i>	<u>(32,015)</u>	<u>-</u>	<u>(53,148)</u>	<u>-</u>	<u>(548)</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 66,831</u>	<u>\$ 205</u>	<u>\$ -</u>	<u>\$ 12,138</u>	<u>\$ 30,894</u>

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2015

Statement B-1

	Carl D Perkins Secondary - PY Unliq. Obligations 24175	Carl D Perkins Secondary - Redistribution 24176	Carl D Perkins Secondary - Redistribution 2 24183	GRADS Child Care CYFD 25149	Title XIX Medicaid 0/2 Years 25152
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ 2,218	\$ -	\$ 3,000	\$ 316,152
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	8,043	-	46,237
Interfund receivables	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>2,218</u>	<u>8,043</u>	<u>3,000</u>	<u>362,389</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	19,074
Interfund payables	472	-	8,043	-	-
Unearned revenue	-	2,218	-	3,000	-
<i>Total liabilities</i>	<u>472</u>	<u>2,218</u>	<u>8,043</u>	<u>3,000</u>	<u>19,074</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	-	-	-	-	343,315
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(472)	-	-	-	-
<i>Total fund balances</i>	<u>(472)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>343,315</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ -</u>	<u>\$ 2,218</u>	<u>\$ 8,043</u>	<u>\$ 3,000</u>	<u>\$ 362,389</u>

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2015

Statement B-1

	Child Care Block Grant 25157	TANF/GRADS HSD 25162	New Mexico Community Foundation 26176	Dual Credit Instructional Materials 27103	2010 GO Bonds Student Library Fund (SB1) 27106
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ 136,570	\$ 5,666	\$ 2,465	\$ 3,518	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	-	-	-
Interfund receivables	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>136,570</u>	<u>5,666</u>	<u>2,465</u>	<u>3,518</u>	<u>-</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Interfund payables	-	-	-	-	-
Unearned revenue	-	8,966	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>8,966</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	136,570	-	2,465	3,518	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	(3,300)	-	-	-
<i>Total fund balances</i>	<u>136,570</u>	<u>(3,300)</u>	<u>2,465</u>	<u>3,518</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 136,570</u>	<u>\$ 5,666</u>	<u>\$ 2,465</u>	<u>\$ 3,518</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2015

Statement B-1

	2012 GO Bonds Student Library Fund (SB66) 27107	New Mexico Reads to Lead K-3 Reading Initiative 27114	Technology for Education PED 27117	Truancy Prevention/ Intervention 27139	PreK Initiative 27149
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ -	\$ 1,314	\$ -	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	-	-	19,891
Interfund receivables	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>-</u>	<u>1,314</u>	<u>-</u>	<u>19,891</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	7,378	-	-	4,250
Interfund payables	33,626	27,456	-	612	15,641
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>33,626</u>	<u>34,834</u>	<u>-</u>	<u>612</u>	<u>19,891</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	-	-	1,314	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(33,626)	(34,834)	-	(612)	-
<i>Total fund balances</i>	<u>(33,626)</u>	<u>(34,834)</u>	<u>1,314</u>	<u>(612)</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,314</u>	<u>\$ -</u>	<u>\$ 19,891</u>

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2015

Statement B-1

	Beginning Teacher Mentoring Program 27154	Breakfast for Elementary Students 27155	Kindergarten - Three Plus 27166	After School and Summer Enrichment Program 27168	2013 School Bus 27178
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ 6,629	\$ 59,772	\$ -	\$ -	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	4,830	-	-	-
Interfund receivables	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>6,629</u>	<u>64,602</u>	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Interfund payables	-	-	3,653	-	-
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>3,653</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	6,629	64,602	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	(3,653)	-	-
<i>Total fund balances</i>	<u>6,629</u>	<u>64,602</u>	<u>(3,653)</u>	<u>-</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 6,629</u>	<u>\$ 64,602</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2015

Statement B-1

	NM Grown Fresh Fruits and Vegetables 27183	Next Generation Assessments 27185	School Library Material Fund FY 08 27549	GEAR-UP CHE 28178	GRADS - Child Care 28189
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ -	\$ 6,452	\$ 5,367	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	6,210	-	-	-	-
Interfund receivables	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>6,210</u>	<u>-</u>	<u>6,452</u>	<u>5,367</u>	<u>-</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Interfund payables	6,791	-	-	-	6,364
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>6,791</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,364</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	-	-	6,452	5,367	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(581)	-	-	-	(6,364)
<i>Total fund balances</i>	<u>(581)</u>	<u>-</u>	<u>6,452</u>	<u>5,367</u>	<u>(6,364)</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 6,210</u>	<u>\$ -</u>	<u>\$ 6,452</u>	<u>\$ 5,367</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2015

Statement B-1

	GRADS - Instruction 28190	GRADS - Plus 28203	School Based Health Center 29130	Total
ASSETS				
<i>Current assets:</i>				
Cash and temporary investments	\$ -	\$ 5,544	\$ 162,276	\$ 2,032,283
Accounts receivable				-
Taxes	-	-	-	-
Due from other governments	-	-	-	1,359,773
Interfund receivables	-	-	-	-
Inventory	-	-	-	101,326
<i>Total assets</i>	<u>-</u>	<u>5,544</u>	<u>162,276</u>	<u>3,493,382</u>
LIABILITIES				
<i>Current liabilities:</i>				
Accounts payable	-	-	-	58,716
Accrued payroll liabilities	-	-	-	218,675
Interfund payables	16,182	-	-	1,487,030
Unearned revenue	-	-	-	27,877
<i>Total liabilities</i>	<u>16,182</u>	<u>-</u>	<u>-</u>	<u>1,792,298</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	-	-	-	-
Unavailable revenues - other	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	-	101,326
Restricted for:				
Grant mandates	-	5,544	162,276	1,947,236
Capital projects	-	-	-	-
Debt service	-	-	-	-
Assigned	-	-	-	-
Unassigned	(16,182)	-	-	(347,478)
<i>Total fund balances</i>	<u>(16,182)</u>	<u>5,544</u>	<u>162,276</u>	<u>1,701,084</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ -</u>	<u>\$ 5,544</u>	<u>\$ 162,276</u>	<u>\$ 3,493,382</u>

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

STATE OF NEW MEXICO

Statement B-2

BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	Food Services 21000	Athletics 22000	Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Discretionary 24107
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	224,635	-	-	-	-
Federal grants	2,354,186	-	1,473,952	1,057,688	-
Miscellaneous	-	-	-	-	-
Charges for services	126,918	240,317	-	-	-
Investment Income	352	-	-	-	-
<i>Total revenues</i>	<u>2,706,091</u>	<u>240,317</u>	<u>1,473,952</u>	<u>1,057,688</u>	<u>-</u>
<i>Expenditures:</i>					
Current:					
Instruction	-	227,181	779,967	813,897	-
Support services					
Students	-	-	477,336	99,664	-
Instruction	-	-	73,561	28,254	-
General administration	-	-	170,623	95,301	-
School administration	-	-	-	-	-
Central services	-	-	-	8,020	-
Operation & maintenance of plant	-	-	-	9,870	-
Student transportation	-	-	-	11,935	-
Other support services	-	-	-	-	-
Food services operations	2,515,668	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>2,515,668</u>	<u>227,181</u>	<u>1,501,487</u>	<u>1,066,941</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>190,423</u>	<u>13,136</u>	<u>(27,535)</u>	<u>(9,253)</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>190,423</u>	<u>13,136</u>	<u>(27,535)</u>	<u>(9,253)</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	1,120,087	(44,985)	(41,081)	(2,745)	(5,040)
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>1,120,087</u>	<u>(44,985)</u>	<u>(41,081)</u>	<u>(2,745)</u>	<u>(5,040)</u>
<i>Fund balances - end of year</i>	<u>\$ 1,310,510</u>	<u>\$ (31,849)</u>	<u>\$ (68,616)</u>	<u>\$ (11,998)</u>	<u>\$ (5,040)</u>

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

STATE OF NEW MEXICO

BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	IDEA-B Preschool 24109	Education of the Homeless 24113	Fresh Fruits and Vegetables 24118	IDEA-B "Risk Pool" 24120	English Language Acquisition 24153
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-
Federal grants	8,553	24,853	107,958	587	4,504
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>8,553</u>	<u>24,853</u>	<u>107,958</u>	<u>587</u>	<u>4,504</u>
<i>Expenditures:</i>					
Current:					
Instruction	9,376	22,382	-	587	10,033
Support services					
Students	-	2,500	-	-	-
Instruction	-	-	-	-	-
General administration	404	-	-	-	-
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	108,469	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>9,780</u>	<u>24,882</u>	<u>108,469</u>	<u>587</u>	<u>10,033</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,227)</u>	<u>(29)</u>	<u>(511)</u>	<u>-</u>	<u>(5,529)</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>(1,227)</u>	<u>(29)</u>	<u>(511)</u>	<u>-</u>	<u>(5,529)</u>
<i>Fund balances - beginning of year</i>	(64)	-	(11,544)	-	(25,736)
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>(64)</u>	<u>-</u>	<u>(11,544)</u>	<u>-</u>	<u>(25,736)</u>
<i>Fund balances - end of year</i>	<u>\$ (1,291)</u>	<u>\$ (29)</u>	<u>\$ (12,055)</u>	<u>\$ -</u>	<u>\$ (31,265)</u>

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

STATE OF NEW MEXICO

BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	Teacher/Principal Training & Recruiting 24154	Safe & Drug Free Schools & Community 24157	Title I School Improvement 24162	Reading First 24167	Carl Perkins Secondary - Current 24174
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-
Federal grants	267,715	-	-	-	57,202
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>267,715</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,202</u>
<i>Expenditures:</i>					
Current:					
Instruction	210,303	-	-	-	55,258
Support services					
Students	-	-	-	-	-
Instruction	63,861	-	-	-	-
General administration	-	-	-	-	1,943
School administration	10,399	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>284,563</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,201</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(16,848)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>(16,848)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
<i>Fund balances - beginning of year</i>	(15,167)	-	(53,148)	-	(549)
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>(15,167)</u>	<u>-</u>	<u>(53,148)</u>	<u>-</u>	<u>(549)</u>
<i>Fund balances - end of year</i>	<u>\$ (32,015)</u>	<u>\$ -</u>	<u>\$ (53,148)</u>	<u>\$ -</u>	<u>\$ (548)</u>

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

STATE OF NEW MEXICO

BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	Carl D Perkins Secondary - PY Unliq. Obligations 24175	Carl D Perkins Secondary - Redistribution 24176	Carl D Perkins Secondary - Redistribution 2 24183	GRADS Child Care CYFD 25149	Title XIX Medicaid 0/2 Years 25152
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-
Federal grants	-	-	13,573	-	438,176
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>13,573</u>	<u>-</u>	<u>438,176</u>
<i>Expenditures:</i>					
Current:					
Instruction	-	-	-	-	9,527
Support services					
Students	-	-	-	-	401,282
Instruction	-	-	-	-	-
General administration	-	-	-	-	20,082
School administration	-	-	-	-	925
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	1,203
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	13,573	-	553
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>13,573</u>	<u>-</u>	<u>433,572</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,604</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,604</u>
<i>Fund balances - beginning of year</i>	(472)	-	-	-	338,711
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>(472)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>338,711</u>
<i>Fund balances - end of year</i>	<u>\$ (472)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 343,315</u>

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

STATE OF NEW MEXICO

BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	Child Care Block Grant 25157	TANF/GRADS HSD 25162	New Mexico Community Foundation 26176	Dual Credit Instructional Materials 27103	2010 GO Bonds Student Library Fund (SB1) 27106
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	6,703	-
Federal grants	28,108	(3,300)	-	-	-
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>28,108</u>	<u>(3,300)</u>	<u>-</u>	<u>6,703</u>	<u>-</u>
<i>Expenditures:</i>					
Current:					
Instruction	13,485	-	-	6,703	-
Support services					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General administration	-	-	-	-	-
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>13,485</u>	<u>-</u>	<u>-</u>	<u>6,703</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>14,623</u>	<u>(3,300)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>14,623</u>	<u>(3,300)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	121,947	-	2,465	3,518	-
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>121,947</u>	<u>-</u>	<u>2,465</u>	<u>3,518</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 136,570</u>	<u>\$ (3,300)</u>	<u>\$ 2,465</u>	<u>\$ 3,518</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO

BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	2012 GO Bonds Student Library Fund (SB66) 27107	New Mexico Reads to Lead K-3 Reading Initiative 27114	Technology for Education PED 27117	Truancy Prevention/ Intervention 27139	PreK Initiative 27149
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	9,835	94,246	-	-	97,136
Federal grants	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>9,835</u>	<u>94,246</u>	<u>-</u>	<u>-</u>	<u>97,136</u>
<i>Expenditures:</i>					
Current:					
Instruction	-	-	-	-	96,040
Support services					
Students	-	-	-	-	-
Instruction	13,235	129,507	-	-	-
General administration	-	-	-	-	1,096
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>13,235</u>	<u>129,507</u>	<u>-</u>	<u>-</u>	<u>97,136</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(3,400)</u>	<u>(35,261)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>(3,400)</u>	<u>(35,261)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	(30,226)	427	1,314	(612)	-
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>(30,226)</u>	<u>427</u>	<u>1,314</u>	<u>(612)</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ (33,626)</u>	<u>\$ (34,834)</u>	<u>\$ 1,314</u>	<u>\$ (612)</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO

BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	Beginning Teacher Mentoring Program 27154	Breakfast for Elementary Students 27155	Kindergarten - Three Plus 27166	After School and Summer Enrichment Program 27168	2013 School Bus 27178
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	66,525	532,298	-	364,346
Federal grants	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>66,525</u>	<u>532,298</u>	<u>-</u>	<u>364,346</u>
<i>Expenditures:</i>					
Current:					
Instruction	-	-	479,661	-	-
Support services					
Students	-	-	18,532	-	-
Instruction	-	-	7,628	-	-
General administration	-	-	10,980	-	-
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	19,150	-	364,346
Other support services	-	-	-	-	-
Food services operations	-	66,525	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>66,525</u>	<u>535,951</u>	<u>-</u>	<u>364,346</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,653)</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(3,653)</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	6,629	64,602	-	-	-
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>6,629</u>	<u>64,602</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 6,629</u>	<u>\$ 64,602</u>	<u>\$ (3,653)</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO

BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	NM Grown Fresh Fruits and Vegetables 27183	Next Generation Assessments 27185	School Library Material Fund FY 08 27549	GEAR-UP CHE 28178	GRADS - Child Care 28189
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	6,210	-	-	-	1,484
Federal grants	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	-	-
<i>Total revenues</i>	<u>6,210</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,484</u>
<i>Expenditures:</i>					
Current:					
Instruction	-	-	-	-	1,484
Support services					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General administration	-	-	-	-	-
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	6,210	-	-	-	-
Community service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>6,210</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,484</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
Proceeds from bond issues	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	(581)	-	6,452	5,367	(6,364)
<i>Prior period adjustment</i>	-	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>(581)</u>	<u>-</u>	<u>6,452</u>	<u>5,367</u>	<u>(6,364)</u>
<i>Fund balances - end of year</i>	<u>\$ (581)</u>	<u>\$ -</u>	<u>\$ 6,452</u>	<u>\$ 5,367</u>	<u>\$ (6,364)</u>

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

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	GRADS - Instruction 28190	GRADS - Plus 28203	School Based Health Center 29130	Total
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	6,500	13,830	-	1,423,748
Federal grants	-	-	-	5,833,755
Miscellaneous	-	-	-	-
Charges for services	-	-	-	367,235
Investment Income	-	-	-	352
<i>Total revenues</i>	<u>6,500</u>	<u>13,830</u>	<u>-</u>	<u>7,625,090</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	23,692	11,138	-	2,770,714
Support services				
Students	-	892	-	1,000,206
Instruction	-	-	-	316,046
General administration	-	-	-	300,429
School administration	-	-	-	11,324
Central services	-	-	-	8,020
Operation & maintenance of plant	-	-	-	11,073
Student transportation	-	-	-	395,431
Other support services	-	-	-	-
Food services operations	-	-	-	2,710,998
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>23,692</u>	<u>12,030</u>	<u>-</u>	<u>7,524,241</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(17,192)</u>	<u>1,800</u>	<u>-</u>	<u>100,849</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>(17,192)</u>	<u>1,800</u>	<u>-</u>	<u>100,849</u>
<i>Fund balances - beginning of year</i>	1,010	3,744	162,276	1,600,235
<i>Prior period adjustment</i>	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	<u>1,010</u>	<u>3,744</u>	<u>162,276</u>	<u>1,600,235</u>
<i>Fund balances - end of year</i>	<u>\$ (16,182)</u>	<u>\$ 5,544</u>	<u>\$ 162,276</u>	<u>\$ 1,701,084</u>

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOOD SERVICES SPECIAL REVENUE FUND (21000)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-3

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	231,195	231,195
Federal grants	2,365,000	2,365,000	2,185,306	(179,694)
Miscellaneous	-	-	-	-
Charges for services	194,900	194,900	126,918	(67,982)
Interest	-	-	352	352
<i>Total revenues</i>	<u>2,559,900</u>	<u>2,559,900</u>	<u>2,543,771</u>	<u>(16,129)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	3,311,271	3,311,271	2,438,837	872,434
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,311,271</u>	<u>3,311,271</u>	<u>2,438,837</u>	<u>872,434</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(751,371)</u>	<u>(751,371)</u>	<u>104,934</u>	<u>856,305</u>
<i>Other financing sources (uses):</i>				
Designated cash	751,371	751,371	-	(751,371)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>751,371</u>	<u>751,371</u>	<u>-</u>	<u>(751,371)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>104,934</u>	<u>104,934</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,179,886</u>	<u>1,179,886</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,179,886</u>	<u>1,179,886</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,284,820</u>	<u>\$ 1,284,820</u>
<i>Reconciliation to GAAP basis:</i>				
Net changes in fund balance (cash basis)			\$ 104,934	
Adjustments to revenues			162,320	
Adjustments to expenditures			(76,831)	
Net change in fund balance (GAAP basis)			<u>\$ 190,423</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 ATHLETICS SPECIAL REVENUE FUND (22000)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-4

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	190,000	216,647	240,317	23,670
Interest	-	-	-	-
<i>Total revenues</i>	<u>190,000</u>	<u>216,647</u>	<u>240,317</u>	<u>23,670</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	190,000	216,647	228,082	(11,435)
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>190,000</u>	<u>216,647</u>	<u>228,082</u>	<u>(11,435)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>12,235</u>	<u>12,235</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>12,235</u>	<u>12,235</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(44,058)	(44,058)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(44,058)</u>	<u>(44,058)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (31,823)</u>	<u>\$ (31,823)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ 12,235	
Adjustments to revenues			-	
Adjustments to expenditures			901	
Net change in fund balance (GAAP basis)			<u>\$ 13,136</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TITLE I IASA SPECIAL REVENUE FUND (24101)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-5

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	1,607,160	1,841,653	1,364,559	(477,094)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,607,160</u>	<u>1,841,653</u>	<u>1,364,559</u>	<u>(477,094)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	701,472	934,965	766,965	168,000
Support services				
Students	550,580	551,080	477,336	73,744
Instruction	112,689	112,689	73,561	39,128
General administration	242,419	242,419	170,623	71,796
School administration	-	500	-	500
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,607,160</u>	<u>1,841,653</u>	<u>1,488,485</u>	<u>353,168</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(123,926)</u>	<u>(123,926)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(123,926)</u>	<u>(123,926)</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(458,728)</u>	<u>(458,728)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(458,728)</u>	<u>(458,728)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (582,654)</u>	<u>\$ (582,654)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ (123,926)	
Adjustments to revenues			109,393	
Adjustments to expenditures			(13,002)	
Net change in fund balance (GAAP basis)			<u>\$ (27,535)</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 IDEA-B ENTITLEMENT SPECIAL REVENUE FUND (24106)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-6

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	1,049,787	1,901,919	777,527	(1,124,392)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,049,787</u>	<u>1,901,919</u>	<u>777,527</u>	<u>(1,124,392)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	748,928	1,431,180	801,738	629,442
Support services				
Students	105,940	197,940	91,688	106,252
Instruction	38,263	38,263	28,254	10,009
General administration	95,670	95,670	95,301	369
School administration	-	-	-	-
Central services	41,215	31,215	8,020	23,195
Operation & maintenance of plant	19,771	20,471	9,870	10,601
Student transportation	-	87,180	11,935	75,245
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,049,787</u>	<u>1,901,919</u>	<u>1,046,806</u>	<u>855,113</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(269,279)</u>	<u>(269,279)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(269,279)</u>	<u>(269,279)</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(246,735)</u>	<u>(246,735)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(246,735)</u>	<u>(246,735)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (516,014)</u>	<u>\$ (516,014)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ (269,279)	
Adjustments to revenues			280,161	
Adjustments to expenditures			(20,135)	
Net change in fund balance (GAAP basis)			<u>\$ (9,253)</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 IDEA-B DISCRETIONARY SPECIAL REVENUE FUND (24107)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-7

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(5,040)	(5,040)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(5,040)</u>	<u>(5,040)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,040)</u>	<u>\$ (5,040)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 IDEA-B PRESCHOOL SPECIAL REVENUE FUND (24109)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-8

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	17,205	38,234	12,420	(25,814)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>17,205</u>	<u>38,234</u>	<u>12,420</u>	<u>(25,814)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	16,396	37,425	9,376	28,049
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	809	809	404	405
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	201	(201)
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>17,205</u>	<u>38,234</u>	<u>9,981</u>	<u>28,253</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>2,439</u>	<u>2,439</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>2,439</u>	<u>2,439</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(3,730)</u>	<u>(3,730)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(3,730)</u>	<u>(3,730)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,291)</u>	<u>\$ (1,291)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ 2,439	
Adjustments to revenues			(3,867)	
Adjustments to expenditures			201	
Net change in fund balance (GAAP basis)			<u>\$ (1,227)</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 EDUCATION OF THE HOMELESS SPECIAL REVENUE FUND (24113)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-9

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	22,500	25,127	17,760	(7,367)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>22,500</u>	<u>25,127</u>	<u>17,760</u>	<u>(7,367)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	22,500	22,500	22,382	118
Support services				
Students	-	2,627	2,500	127
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>22,500</u>	<u>25,127</u>	<u>24,882</u>	<u>245</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(7,122)</u>	<u>(7,122)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(7,122)</u>	<u>(7,122)</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,116)</u>	<u>(2,116)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,116)</u>	<u>(2,116)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,238)</u>	<u>\$ (9,238)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ (7,122)	
Adjustments to revenues			7,093	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (29)</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FRESH FRUITS AND VEGETABLES SPECIAL REVENUE FUND (24118)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-10

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	117,469	100,770	(16,699)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>117,469</u>	<u>100,770</u>	<u>(16,699)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	117,469	108,469	9,000
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>117,469</u>	<u>108,469</u>	<u>9,000</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(7,699)</u>	<u>(7,699)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(7,699)</u>	<u>(7,699)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(11,544)	(11,544)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(11,544)</u>	<u>(11,544)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (19,243)</u>	<u>\$ (19,243)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ (7,699)	
Adjustments to revenues			7,188	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (511)</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 IDEA B "RISK POOL" SPECIAL REVENUE FUND (24120)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-11

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	995	-	(995)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>995</u>	<u>-</u>	<u>(995)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	995	587	408
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>995</u>	<u>587</u>	<u>408</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(587)</u>	<u>(587)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(587)</u>	<u>(587)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (587)</u>	<u>\$ (587)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ (587)	
Adjustments to revenues			587	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 ENGLISH LANGUAGE ACQUISITION SPECIAL REVENUE FUND (24153)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-12

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	16,753	24,000	9,389	(14,611)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>16,753</u>	<u>24,000</u>	<u>9,389</u>	<u>(14,611)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	16,753	24,000	10,033	13,967
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>16,753</u>	<u>24,000</u>	<u>10,033</u>	<u>13,967</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(644)</u>	<u>(644)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(644)</u>	<u>(644)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(31,615)	(31,615)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(31,615)</u>	<u>(31,615)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (32,259)</u>	<u>\$ (32,259)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ (644)	
Adjustments to revenues			(4,885)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (5,529)</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TEACHER/PRINCIPAL TRAINING & RECRUITING SPECIAL REVENUE FUND (24154)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-13

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	264,111	586,602	311,142	(275,460)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>264,111</u>	<u>586,602</u>	<u>311,142</u>	<u>(275,460)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	264,111	445,902	193,655	252,247
Support services				
Students	-	60,000	-	60,000
Instruction	-	65,700	63,861	1,839
General administration	-	-	-	-
School administration	-	15,000	10,399	4,601
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>264,111</u>	<u>586,602</u>	<u>267,915</u>	<u>318,687</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>43,227</u>	<u>43,227</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>43,227</u>	<u>43,227</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(110,501)</u>	<u>(110,501)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(110,501)</u>	<u>(110,501)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (67,274)</u>	<u>\$ (67,274)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ 43,227	
Adjustments to revenues			(43,427)	
Adjustments to expenditures			(16,648)	
Net change in fund balance (GAAP basis)			<u>\$ (16,848)</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 SAFE & DRUG FREE SCHOOLS & COMMUNITY SPECIAL REVENUE FUND (24157)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-14

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	205	205
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>205</u>	<u>205</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 205</u>	<u>\$ 205</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TITLE I SCHOOL IMPROVEMENT SPECIAL REVENUE FUND (24162)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-15

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	4,000	11,096	7,096
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>4,000</u>	<u>11,096</u>	<u>7,096</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	4,000	-	4,000
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>4,000</u>	<u>-</u>	<u>4,000</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>11,096</u>	<u>11,096</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>11,096</u>	<u>11,096</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(64,244)	(64,244)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(64,244)</u>	<u>(64,244)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (53,148)</u>	<u>\$ (53,148)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ 11,096	
Adjustments to revenues			(11,096)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 READING FIRST SPECIAL REVENUE FUND (24167)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-16

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	12,138	12,138
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>12,138</u>	<u>12,138</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,138</u>	<u>\$ 12,138</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 CARL D PERKINS SECONDARY-CURRENT SPECIAL REVENUE FUND (24174)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-17

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	42,535	60,820	39,032	(21,788)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>42,535</u>	<u>60,820</u>	<u>39,032</u>	<u>(21,788)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	39,994	58,279	55,258	3,021
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	2,541	2,541	1,943	598
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>42,535</u>	<u>60,820</u>	<u>57,201</u>	<u>3,619</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(18,169)</u>	<u>(18,169)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(18,169)</u>	<u>(18,169)</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(13,273)</u>	<u>(13,273)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(13,273)</u>	<u>(13,273)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (31,442)</u>	<u>\$ (31,442)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ (18,169)	
Adjustments to revenues			18,170	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ 1</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 CARL D PERKINS PY UNLIQUIDATED OBLIGATIONS SPECIAL REVENUE FUND (24175)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-18

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(472)	(472)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(472)</u>	<u>(472)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (472)</u>	<u>\$ (472)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO

Statement B-19

BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

CARL D PERKINS SECONDARY-REDISTRIBUTION SPECIAL REVENUE FUND (24176)

FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	10,096	10,096
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>10,096</u>	<u>10,096</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	413	(413)
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>413</u>	<u>(413)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>9,683</u>	<u>9,683</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>9,683</u>	<u>9,683</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(7,465)	(7,465)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(7,465)</u>	<u>(7,465)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,218</u>	<u>\$ 2,218</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ 9,683	
Adjustments to revenues			(10,096)	
Adjustments to expenditures			413	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 CARL D PERKINS SECONDARY-REDISTRIBUTION 2 SPECIAL REVENUE FUND (24183)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-20

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	13,573	5,530	(8,043)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>13,573</u>	<u>5,530</u>	<u>(8,043)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	13,573	13,573	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>13,573</u>	<u>13,573</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(8,043)</u>	<u>(8,043)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(8,043)</u>	<u>(8,043)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,043)</u>	<u>\$ (8,043)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ (8,043)	
Adjustments to revenues			8,043	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 GRADS CHILD CARE CYFD SPECIAL REVENUE FUND (25149)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-21

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	3,000	3,000
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>3,000</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TITLE XIX MEDICAID 0/2 YEARS SPECIAL REVENUE FUND (25152)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-22

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	252,000	520,309	442,791	(77,518)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>252,000</u>	<u>520,309</u>	<u>442,791</u>	<u>(77,518)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	35,000	(9,250)	44,250
Support services				
Students	511,465	689,464	415,539	273,925
Instruction	-	-	-	-
General administration	17,872	68,182	20,082	48,100
School administration	-	2,000	925	1,075
Central services	-	-	-	-
Operation & maintenance of plant	-	2,000	1,203	797
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	1,000	553	447
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>529,337</u>	<u>797,646</u>	<u>429,052</u>	<u>368,594</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(277,337)</u>	<u>(277,337)</u>	<u>13,739</u>	<u>291,076</u>
<i>Other financing sources (uses):</i>				
Designated cash	277,337	277,337	-	(277,337)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>277,337</u>	<u>277,337</u>	<u>-</u>	<u>(277,337)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>13,739</u>	<u>13,739</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>302,413</u>	<u>302,413</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>302,413</u>	<u>302,413</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 316,152</u>	<u>\$ 316,152</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ 13,739	
Adjustments to revenues			(4,615)	
Adjustments to expenditures			(4,520)	
Net change in fund balance (GAAP basis)			<u>\$ 4,604</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 CHILD CARE BLOCK GRANT SPECIAL REVENUE FUND (25157)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-23

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	28,108	28,108
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>28,108</u>	<u>28,108</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	13,485	(13,485)
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>13,485</u>	<u>(13,485)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>14,623</u>	<u>14,623</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>14,623</u>	<u>14,623</u>
<i>Cash or fund balances - beginning of year</i>	-	-	121,947	121,947
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>121,947</u>	<u>121,947</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 136,570</u>	<u>\$ 136,570</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ 14,623	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ 14,623</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TANF/GRADS HSD SPECIAL REVENUE FUND (25162)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-24

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	5,666	5,666
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>5,666</u>	<u>5,666</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,666</u>	<u>\$ 5,666</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ -	
Adjustments to revenues			(3,300)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (3,300)</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 NEW MEXICO COMMUNITY FOUNDATION SPECIAL REVENUE FUND (26176)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-25

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	2,465	2,465
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,465</u>	<u>2,465</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,465</u>	<u>\$ 2,465</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 DUAL CREDIT INSTRUCTIONAL MATERIALS SPECIAL REVENUE FUND (27103)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-26

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	7,886	14,624	6,738
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>7,886</u>	<u>14,624</u>	<u>6,738</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	7,886	6,703	1,183
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>7,886</u>	<u>6,703</u>	<u>1,183</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>7,921</u>	<u>7,921</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>7,921</u>	<u>7,921</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(4,403)	(4,403)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(4,403)</u>	<u>(4,403)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,518</u>	<u>\$ 3,518</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ 7,921	
Adjustments to revenues			(7,921)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 2010 GO BONDS STUDENT LIBRARY FUND (SB1) SPECIAL REVENUE FUND (27106)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-27

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	8,309	8,309
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>8,309</u>	<u>8,309</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>8,309</u>	<u>8,309</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>8,309</u>	<u>8,309</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(8,309)	(8,309)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(8,309)</u>	<u>(8,309)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ 8,309	
Adjustments to revenues			(8,309)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 2012 GO BONDS STUDENT LIBRARY FUND (SB66) SPECIAL REVENUE FUND (27107)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-28

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	13,235	28,608	9,835	(18,773)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>13,235</u>	<u>28,608</u>	<u>9,835</u>	<u>(18,773)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	13,235	28,608	13,235	15,373
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>13,235</u>	<u>28,608</u>	<u>13,235</u>	<u>15,373</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,400)</u>	<u>(3,400)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(3,400)</u>	<u>(3,400)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(30,226)	(30,226)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(30,226)</u>	<u>(30,226)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (33,626)</u>	<u>\$ (33,626)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ (3,400)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (3,400)</u>	

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

STATE OF NEW MEXICO

BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

NEW MEXICO READS TO LEAD K-3 READING INITIATIVE SPECIAL REVENUE FUND (27114)

FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	130,000	130,000	106,633	(23,367)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>130,000</u>	<u>130,000</u>	<u>106,633</u>	<u>(23,367)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	130,000	130,000	127,076	2,924
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>130,000</u>	<u>130,000</u>	<u>127,076</u>	<u>2,924</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(20,443)</u>	<u>(20,443)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(20,443)</u>	<u>(20,443)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(7,013)	(7,013)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(7,013)</u>	<u>(7,013)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (27,456)</u>	<u>\$ (27,456)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ (20,443)	
Adjustments to revenues			(12,387)	
Adjustments to expenditures			(2,431)	
Net change in fund balance (GAAP basis)			<u>\$ (35,261)</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TECHNOLOGY FOR EDUCATION PED SPECIAL REVENUE FUND (27117)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-30

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	1,314	1,314
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,314</u>	<u>1,314</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,314</u>	<u>\$ 1,314</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TRUANCY PREVENTION/INTERVENTION SPECIAL REVENUE FUND (27139)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-31

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(612)	(612)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(612)</u>	<u>(612)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (612)</u>	<u>\$ (612)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 PRE-K INITIATIVE SPECIAL REVENUE FUND (27149)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-32

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	109,632	109,632	99,147	(10,485)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>109,632</u>	<u>109,632</u>	<u>99,147</u>	<u>(10,485)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	108,536	108,536	95,255	13,281
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	1,096	1,096	1,096	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>109,632</u>	<u>109,632</u>	<u>96,351</u>	<u>13,281</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>2,796</u>	<u>2,796</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>2,796</u>	<u>2,796</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(18,437)</u>	<u>(18,437)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(18,437)</u>	<u>(18,437)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (15,641)</u>	<u>\$ (15,641)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ 2,796	
Adjustments to revenues			(2,011)	
Adjustments to expenditures			(785)	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO

Statement B-33

BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

BEGINNING TEACHER MENTORING PROGRAM SPECIAL REVENUE FUND (27154)

FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	6,629	6,629
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>6,629</u>	<u>6,629</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,629</u>	<u>\$ 6,629</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 BREAKFAST FOR ELEMENTARY STUDENTS SPECIAL REVENUE FUND (27155)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-34

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	92,274	80,131	(12,143)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>92,274</u>	<u>80,131</u>	<u>(12,143)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	92,274	66,525	25,749
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>92,274</u>	<u>66,525</u>	<u>25,749</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>13,606</u>	<u>13,606</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>13,606</u>	<u>13,606</u>
<i>Cash or fund balances - beginning of year</i>	-	-	46,166	46,166
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>46,166</u>	<u>46,166</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,772</u>	<u>\$ 59,772</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ 13,606	
Adjustments to revenues			(13,606)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
KINDERGARTEN THREE PLUS SPECIAL REVENUE FUND (27166)
FOR THE YEAR ENDING JUNE 30, 2015

Statement B-35

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	579,590	550,965	556,474	5,509
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>579,590</u>	<u>550,965</u>	<u>556,474</u>	<u>5,509</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	522,278	493,653	479,661	13,992
Support services				
Students	18,533	18,533	18,532	1
Instruction	7,628	7,628	7,628	-
General administration	12,000	12,000	10,980	1,020
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	19,151	19,151	19,150	1
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>579,590</u>	<u>550,965</u>	<u>535,951</u>	<u>15,014</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>20,523</u>	<u>20,523</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>20,523</u>	<u>20,523</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(24,176)	(24,176)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(24,176)</u>	<u>(24,176)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,653)</u>	<u>\$ (3,653)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ 20,523	
Adjustments to revenues			(24,176)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (3,653)</u>	

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

STATE OF NEW MEXICO

BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

AFTER SCHOOL AND SUMMER ENRICHMENT PROGRAM SPECIAL REVENUE FUND (27168)

FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 2013 SCHOOL BUS SPECIAL REVENUE FUND (27178)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-37

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	364,346	364,346	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>364,346</u>	<u>364,346</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	364,346	364,346	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>364,346</u>	<u>364,346</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO

Statement B-38

BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

NM GROWN FRESH FRUITS AND VEGETABLES SPECIAL REVENUE FUND (27183)

FOR THE YEAR ENDING JUNE 30, 2015

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	6,220	-	(6,220)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>6,220</u>	<u>-</u>	<u>(6,220)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	6,220	6,210	10
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>6,220</u>	<u>6,210</u>	<u>10</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(6,210)</u>	<u>(6,210)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(6,210)</u>	<u>(6,210)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(581)	(581)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(581)</u>	<u>(581)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,791)</u>	<u>\$ (6,791)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ (6,210)	
Adjustments to revenues			6,210	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 NEXT GENERATION ASSESSEMENTS SPECIAL REVENUE FUND (27185)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-39

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	35,034	35,034
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>35,034</u>	<u>35,034</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>35,034</u>	<u>35,034</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>35,034</u>	<u>35,034</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(35,034)	(35,034)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(35,034)</u>	<u>(35,034)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ 35,034	
Adjustments to revenues			(35,034)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 SCHOOL LIBRARY MATERIAL FUND FY 08 SPECIAL REVENUE FUND (27549)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-40

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	6,452	6,452
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>6,452</u>	<u>6,452</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,452</u>	<u>\$ 6,452</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 GEAR-UP CHE SPECIAL REVENUE FUND (28178)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-41

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	5,367	5,367
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>5,367</u>	<u>5,367</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,367</u>	<u>\$ 5,367</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 GRADS - CHILD CARE SPECIAL REVENUE FUND (28189)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-42

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	3,000	1,484	(1,516)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>3,000</u>	<u>1,484</u>	<u>(1,516)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	3,000	1,484	1,516
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>3,000</u>	<u>1,484</u>	<u>1,516</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	(6,364)	(6,364)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(6,364)</u>	<u>(6,364)</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,364)</u>	<u>\$ (6,364)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 GRADS INSTRUCTION SPECIAL REVENUE FUND (28190)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-43

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	29,898	6,500	(23,398)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>29,898</u>	<u>6,500</u>	<u>(23,398)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	23,693	23,692	1
Support services				
Students	-	-	-	-
Instruction	-	6,205	-	6,205
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>29,898</u>	<u>23,692</u>	<u>6,206</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(17,192)</u>	<u>(17,192)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(17,192)</u>	<u>(17,192)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	1,010	1,010
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,010</u>	<u>1,010</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (16,182)</u>	<u>\$ (16,182)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ (17,192)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (17,192)</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 GRADS PLUS SPECIAL REVENUE FUND (28203)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-44

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	19,744	13,830	(5,914)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>19,744</u>	<u>13,830</u>	<u>(5,914)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	14,814	11,138	3,676
Support services				
Students	-	4,619	892	3,727
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	311	-	311
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>19,744</u>	<u>12,030</u>	<u>7,714</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>1,800</u>	<u>1,800</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,800</u>	<u>1,800</u>
<i>Cash or fund balances - beginning of year</i>	-	-	3,744	3,744
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>3,744</u>	<u>3,744</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,544</u>	<u>\$ 5,544</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ 1,800	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ 1,800</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 SCHOOL BASED HEALTH CENTER SPECIAL REVENUE FUND (29130)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement B-45

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	162,276	162,276
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>162,276</u>	<u>162,276</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 162,276</u>	<u>\$ 162,276</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

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CAPITAL PROJECTS FUNDS

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Bond Building (31100) – this fund is used to account for bond proceeds and any income earned thereon. The proceeds are restricted for the purpose of making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof, as approved by the voters of the District.

Public School Capital Outlay (31200) – The purpose of this fund is to account for funds received from the local ad valorem tax levy for use in remodeling and equipping classroom facilities. Funding authority is the New Mexico Public Education Department.

Capital Improvements SB-9 (31700) – to account for erecting, remodeling, making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof as identified by the local school board. Financing is provided by the State of New Mexico's State Equalization Matching and a special tax levy as authorized by the Public School District Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978).

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECT FUNDS
 JUNE 30, 2015

	Public School Capital Outlay 31200	Special Capital Outlay - Local 31300	Capital Improvements SB-9 31700	Total
ASSETS				
<i>Current assets:</i>				
Cash and temporary investments	\$ -	\$ 2,675	\$ 414,777	\$ 417,452
Accounts receivable				
Taxes	-	-	426,458	426,458
Due from other governments	-	-	-	-
Interfund receivables	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>2,675</u>	<u>841,235</u>	<u>843,910</u>
LIABILITIES				
<i>Current liabilities:</i>				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Interfund payables	-	-	242,863	242,863
Unearned revenue	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>242,863</u>	<u>242,863</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	-	-	390,558	390,558
Unavailable revenues - other	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>390,558</u>	<u>390,558</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted for:				
Grant mandates	-	-	-	-
Capital projects	-	2,675	207,814	210,489
Debt service	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>2,675</u>	<u>207,814</u>	<u>210,489</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ -</u>	<u>\$ 2,675</u>	<u>\$ 841,235</u>	<u>\$ 843,910</u>

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

STATE OF NEW MEXICO

Statement C-2

BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECT FUNDS
 FOR THE YEAR ENDING JUNE 30, 2014

	Public School Capital Outaly 31200	Special Capital Outlay - Local 31300	Capital Improvements SB-9 31700	Total
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ 1,101,048	\$ 1,101,048
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment Income	-	-	134	134
<i>Total revenues</i>	-	-	1,101,182	1,101,182
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	11,093	11,093
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	1,179,883	1,179,883
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	1,190,976	1,190,976
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	(89,794)	(89,794)
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net changes in fund balances</i>	-	-	(89,794)	(89,794)
<i>Fund balances - beginning of year</i>	-	2,675	297,608	300,283
<i>Prior period adjustment</i>	-	-	-	-
<i>Adjusted fund balances - beginning of year</i>	-	2,675	297,608	300,283
<i>Fund balances - end of year</i>	\$ -	\$ 2,675	\$ 207,814	\$ 210,489

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 BOND BUILDING CAPITAL PROJECT FUND (31100)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement C-3

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	3,150	3,150	3,961	811
<i>Total revenues</i>	<u>3,150</u>	<u>3,150</u>	<u>3,961</u>	<u>811</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	12,145,919	21,739,653	8,928,871	12,810,782
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>12,145,919</u>	<u>21,739,653</u>	<u>8,928,871</u>	<u>12,810,782</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(12,142,769)</u>	<u>(21,736,503)</u>	<u>(8,924,910)</u>	<u>12,811,593</u>
<i>Other financing sources (uses):</i>				
Designated cash	12,142,769	12,142,769	-	(12,142,769)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	9,593,734	9,500,000	(93,734)
<i>Total other financing sources (uses)</i>	<u>12,142,769</u>	<u>21,736,503</u>	<u>9,500,000</u>	<u>(12,236,503)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>575,090</u>	<u>575,090</u>
<i>Cash or fund balances - beginning of year</i>	-	-	10,260,971	10,260,971
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>10,260,971</u>	<u>10,260,971</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,836,061</u>	<u>\$ 10,836,061</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ 575,090	
Adjustments to revenues			-	
Adjustments to expenditures			962,970	
Net change in fund balance (GAAP basis)			<u>\$ 1,538,060</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 PUBLIC SCHOOL CAPITAL OUTLAY CAPITAL PROJECT FUND (31200)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement C-4

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECT FUND (31700)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement C-5

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ 1,135,214	\$ 1,135,214	\$ 1,109,342	\$ (25,872)
State grants	-	91,742	-	(91,742)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	134	134
<i>Total revenues</i>	<u>1,135,214</u>	<u>1,226,956</u>	<u>1,109,476</u>	<u>(117,480)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	11,500	11,500	11,093	407
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	1,125,188	1,512,864	1,223,877	288,987
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,136,688</u>	<u>1,524,364</u>	<u>1,234,970</u>	<u>289,394</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,474)</u>	<u>(297,408)</u>	<u>(125,494)</u>	<u>171,914</u>
<i>Other financing sources (uses):</i>				
Designated cash	1,474	297,408	-	(297,408)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,474</u>	<u>297,408</u>	<u>-</u>	<u>(297,408)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(125,494)</u>	<u>(125,494)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	297,408	297,408
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>297,408</u>	<u>297,408</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 171,914</u>	<u>\$ 171,914</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ (125,494)	
Adjustments to revenues			(8,294)	
Adjustments to expenditures			43,994	
Net change in fund balance (GAAP basis)			<u>\$ (89,794)</u>	

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

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DEBT SERVICE FUNDS

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 DEBT SERVICE FUND (41000)
 FOR THE YEAR ENDING JUNE 30, 2015

Statement D-3

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ 5,319,446	\$ 5,319,446	\$ 4,258,372	\$ (1,061,074)
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	1,144	1,144
<i>Total revenues</i>	<u>5,319,446</u>	<u>5,319,446</u>	<u>4,259,516</u>	<u>(1,059,930)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	53,195	53,195	42,583	10,612
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Reserve	5,602,474	5,602,474	63,076	5,539,398
Principal	4,295,000	4,295,000	6,545,000	(2,250,000)
Interest	1,024,446	1,024,446	1,005,028	19,418
<i>Total expenditures</i>	<u>10,975,115</u>	<u>10,975,115</u>	<u>7,655,687</u>	<u>3,319,428</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(5,655,669)</u>	<u>(5,655,669)</u>	<u>(3,396,171)</u>	<u>2,259,498</u>
<i>Other financing sources (uses):</i>				
Designated cash	5,655,669	5,655,669	-	(5,655,669)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	346,810	346,810
<i>Total other financing sources (uses)</i>	<u>5,655,669</u>	<u>5,655,669</u>	<u>346,810</u>	<u>(5,308,859)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(3,049,361)</u>	<u>(3,049,361)</u>
<i>Cash or fund balances - beginning of year</i>	-	-	8,335,990	8,335,990
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>8,335,990</u>	<u>8,335,990</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,286,629</u>	<u>\$ 5,286,629</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (3,049,361)	
Adjustments to revenues			(32,052)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (3,081,413)</u>	

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

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OTHER SUPPLEMENTAL INFORMATION

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2015

Schedule I

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
Belen High School	\$ 221,373	159,942	\$ 160,988	220,327
Belen Middle School	36,772	53,922	48,680	42,014
Central Elementary	7,656	11,363	11,435	7,584
Dennis Chavez Elementary	9,098	29,850	34,647	4,301
Gil Sanchez Elementary	3,383	24,999	27,241	1,141
Jaramillo Elementary	24,614	41,201	38,609	27,206
La Merced Elementary	21,622	53,228	50,587	24,263
La Promesa Elementary	5,332	15,517	14,836	6,013
Rio Grande Elementary	15,067	14,422	25,787	3,702
Infinity High School	1,864	1,206	1,260	1,810
Logsdan Middle School	7,578	9,429	11,617	5,390
Family School	2,618	1,606	1,373	2,851
Administration	14,807	65,661	62,527	17,941
Total	<u>\$ 371,784</u>	<u>\$ 482,346</u>	<u>\$ 489,587</u>	<u>\$ 364,543</u>
Less: Uncollected Checks	<u>(1,887)</u>			<u>(1,887)</u>
Total Fiduciary Fund Cash	<u>\$ 369,897</u>			<u>\$ 362,656</u>

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

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
SCHEDULE OF PLEDGED COLLATERAL
FOR THE YEAR ENDED JUNE 30, 2015

Schedule II

<u>Name of Depository</u>	<u>Description of Pledged Collateral</u>	<u>Maturity Date</u>	<u>CUSIP Number</u>	<u>Fair Market Value June 30, 2015</u>
Wells Fargo Bank				
	FMAC FGPC	3/1/2043	3132J7Q70	\$ 125,413
	FMAC FGPC	4/1/2043	3132J8P20	45,096
	FNMA FNMS	12/1/2040	3138A2AX7	42,452
	FNMA FNMS	11/1/2041	3138AXSR3	223,528
	FNMA FNMS	2/1/2042	3138E75F7	331,224
	FNMA FNMS	12/1/2042	3138NXV61	678,733
	FNMA FNMS	9/1/2043	3138WUUSO	153,221
	FNMA FNMS	8/1/2040	31419AG27	72,805
Total Wells Fargo Bank				<u>\$ 1,672,472</u>
The securities are held, not in the District's name, at:				
BNY Mellon				
Broker/Dealer Services				
One Wall Street, Fourth Floor				
New York, NY 10286				
US Bank				
	FNMA Pool 890193	8/1/2025	31410K7E8	\$ 14,343,468
	FNMA Pool MA3892 25DD	9/1/2021	31418DKE1	3,962,024
Total US Bank				<u>\$ 18,305,492</u>
The securities are held, not in the District's name, at:				
US Bank of Cincinnati				
221 East 4th Street				
Suite 1000				
Cincinnati OH 45202				
Wells Fargo Bank				
	FHG-3 Q30667	1/1/2045	3132QLW58	\$ 1,873,520
	FN-30 AV2205	12/1/2043	3138XDNX4	214,504
Total Bank of Albuquerque				<u>\$ 2,088,024</u>

The securities are held, not in the District's name, at:

BNY Mellon
 Broker/Dealer Services
 One Wall Street, Fourth Floor
 New York, NY 10286

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

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS
JUNE 30, 2015

Schedule III

Bank Name/Account Type	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Other Adjustments	Book Balance
US Bank						
Federal Programs	Checking	\$ 473,024	\$ 27,930	\$ -	\$ -	\$ 500,954
Student Nutrition	Checking	1,210,055	23,422	(56)	-	1,233,421
Capital Projects	Checking	7,843,576	991	-	-	7,844,567
Capital Improvement	Checking	424,528	521	-	-	425,049
Athletics	Checking	69,382	1,552	-	-	70,934
Debt Service	Checking	4,635,202	-	-	-	4,635,202
Activity Fund	Checking	258,470	522	(41)	-	258,951
Operational	Repo	2,047,083	-	-	-	2,047,083
Total US Bank		<u>\$ 16,961,320</u>	<u>\$ 54,938</u>	<u>\$ (97)</u>	<u>\$ -</u>	<u>\$ 17,016,161</u>
Bank Name/Account Type	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Other Adjustments	Book Balance
Wells Fargo Bank N.A.						
Operational	Checking	\$ 800,000	\$ -	\$ -	\$ -	\$ 800,000
Accounts Payable Clearing	Checking	36,538	-	(35,641)	-	897
Payroll Clearing	Checking	1,916,327	-	(1,902,480)	1,403,008	1,416,855
Total Wells Fargo Bank		<u>\$ 2,752,865</u>	<u>\$ -</u>	<u>\$ (1,938,121)</u>	<u>\$ 1,403,008</u>	<u>\$ 2,217,752</u>
Total		<u>\$ 19,714,185</u>	<u>\$ 54,938</u>	<u>\$ (1,938,218)</u>	<u>\$ 1,403,008</u>	<u>19,233,913</u>
Cash per financial statements						
Cash and cash equivalents - Government Activities Exhibit A-1						18,873,130
Fiduciary funds - Exhibit D-1						362,656
						<u>\$ 19,235,786</u>

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

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
CASH RECONCILIATION
JUNE 30, 2015

Schedule IV
(Page 1 of 4)

Primary Government

	Operational Account 11000	Transportation Account 13000	Instructional Materials 14000	Food Services Account 21000
Cash, June 30, 2014	\$ 3,156,782	\$ (60,845)	\$ 49,616	\$ 1,179,886
Add:				
Current year revenues	30,826,477	1,487,676	291,983	2,543,771
Permanent cash transfers	-	-	-	-
Prior period adjustment	-	-	-	-
Loans from other funds	2,955,943	67,541	-	-
Total cash available	36,939,202	1,494,372	341,599	3,723,657
Less:				
Current year expenditures	(31,995,286)	(1,494,372)	(231,433)	(2,438,837)
Permanent cash transfers	-	-	-	-
Prior period adjustment	-	-	-	-
Loans to other funds	(1,753,377)	-	-	-
Cash, June 30, 2015	<u>\$ 3,190,539</u>	<u>\$ -</u>	<u>\$ 110,166</u>	<u>\$ 1,284,820</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 CASH RECONCILIATION
 JUNE 30, 2015

Schedule IV
 (Page 2 of 4)

Primary Government

	Athletics Account 22000	Federal Flowthrough 24000	Federal Direct 25000	Local Grants 26000	State Flowthrough 27000
Cash, June 30, 2014	\$ (44,058)	\$ (943,120)	\$ 433,026	\$ 2,465	\$ (68,230)
Add:					
Current year revenues	240,317	2,659,321	470,899	-	1,274,533
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans from other funds	50,000	1,326,705	-	-	87,779
Total cash available	246,259	3,042,906	903,925	2,465	1,294,082
Less:					
Current year expenditures	(228,082)	(3,028,345)	(442,537)	-	(1,216,397)
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans to other funds	-	-	-	-	-
Cash, June 30, 2015	<u>\$ 18,177</u>	<u>\$ 14,561</u>	<u>\$ 461,388</u>	<u>\$ 2,465</u>	<u>\$ 77,685</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 CASH RECONCILIATION
 JUNE 30, 2015

Schedule IV
 (Page 3 of 4)

Primary Government

	State Direct 28000	Local / State 29000	Bond Building Account 31100	Public School Capital Outlay 31200	Spec. Capital Outlay 31300
Cash, June 30, 2014	\$ 3,757	\$ 162,276	\$ 10,260,971	\$ -	\$ 2,675
Add:					
Current year revenues	21,814	-	9,500,000	-	-
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans from other funds	22,546	-	-	-	-
Total cash available	48,117	162,276	19,760,971	-	2,675
Less:					
Current year expenditures	(37,206)	-	(8,924,910)	-	-
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans to other funds	-	-	(3,000,000)	-	-
Cash, June 30, 2015	<u>\$ 10,911</u>	<u>\$ 162,276</u>	<u>\$ 7,836,061</u>	<u>\$ -</u>	<u>\$ 2,675</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 CASH RECONCILIATION
 JUNE 30, 2015

Schedule IV
 (Page 4 of 4)

Primary Government

	Spec. Capital Outlay-State 31400	Cap. Improv. SB 9 31700	Debt Service Fund 41000	Total
Cash, June 30, 2014	\$ -	\$ 297,408	\$ 8,335,990	\$ 22,768,599
Add:				
Current year revenues	-	1,109,476	4,606,326	55,032,593
Permanent cash transfers	-	-	-	-
Prior period adjustment	-	-	-	-
Loans from other funds	-	242,863	-	4,753,377
Total cash available	-	1,649,747	12,942,316	82,554,569
Less:				
Current year expenditures	-	(1,234,970)	(7,655,687)	(58,928,062)
Permanent cash transfers	-	-	-	-
Prior period adjustment	-	-	-	-
Loans to other funds	-	-	-	(4,753,377)
Cash, June 30, 2015	<u>\$ -</u>	<u>\$ 414,777</u>	<u>\$ 5,286,629</u>	<u>\$ 18,873,130</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
SCHEDULE OF JOINT POWERS AGREEMENTS
JUNE 30, 2015

Schedule V

Title:	School Resource Officer (SRO)
Participants:	City of Belen and Belen Consolidated School District
Responsible Party:	City of Belen and Belen Consolidated School District
Description:	To assist the Belen Consolidated School District in providing a safe learning environment and improve relationships between law enforcement officers and today's youth.
Dates of Operation:	Fiscal year 2014-2015
Projected Cost:	Not to exceed \$50,000
Audit Responsibility:	City of Belen and Belen Consolidated School District
Fiscal Agent:	All actual costs to the Belen Police Department associated with the SRO were paid by Belen Consolidated School District

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

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
SCHEDULE OF VENDOR INFORMATION
FOR THE YEAR ENDED JUNE 30, 2015

Schedule VI

Bid/RFP #	Names of Respondents	Physical Address of Vendor	Winning Vendor	Vendor Location		Vendor Selected	
				In-State	Out-of-State	In-State	Veteran
02172015WELLS	MAEZ Water Sources	3552 Highway 47 Peralta 87042	X	X			
	HGS	PO Box 94716 ABQ 87199		X		X	
Value of Contract:	\$90,963.54						
Scope of Work:	Drilling & Construction of 2 Irrigation Wells at BHS						
09302014COPIERS	SOUTHWEST COPY SYSTEMS	4545 McLeod NE ABQ 87109	X	X		X	
	RICOH	1500 Renaissance NE ABQ 87107		X			
	KONICA	3800 Rutledge NE Ste B ABQ 87109		X			
	DSI	4121 Prospect ABQ 87110		X			
	LEWAN TECHNOLOGY/XEROX	1551 Mercantile NE SteD ABQ 87107		X			
	SHARP	3901 Singer Blvd SteC ABQ 87109		X			
Value of Contract:	59,170.00 + copies						
Scope of Work:	Copier Lease						
09082014FAMILYSCHOOL	ESA CONSTRUCTION	3435 Girard Blvd. NE ABQ, 87107	X	X		X	
	ANCHORBUILT INC.	304 Indiana SE ABQ 87125		X		X	
	GENTRY CONSTRUCTION	710 Aero Loop Alamagordo 88310		X		X	
	GERALD MARTIN LTD	7820 Pan American Frwy ABQ 87109		X			X
	WHITE SANDS CONSTRUCTION	1700 10th St. Alamagordo 88310		X		X	
Value of Contract:	\$2,428,200.00						
Scope of Work:	Family School Construction						
	SHAMROCK	2 Shamrock Way ABQ 87120	X	X			
	SYSCO	601 Comanche NE ABQ 87107	X	X			
	LABATT	221 Airport Dr NW ABQ 87121	X	X			
	BEN E. KEITH	PO Box 26656 ABQ 87125	X	X			
	CREAMLAND	10 Indian School Rd NW ABQ 87125	X	X			
	DEES	3300 Menaul NE ABQ 87107	X	X			
Value of Contract:	\$993,082.00						
Scope of Work:	Food for School Lunch/Breakfast Program						

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

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
EDUCATIONAL RETIREMENT BOARD (ERB) PLAN
LAST 10 FISCAL YEARS*
JUNE 30, 2015

Schedule VII

	2015
Belen Consolidated School District No. 2's proportion of the net pension liability	0.77807%
Belen Consolidated School District No. 2's proportionate share of the net pension liability	\$44,394,571
Belen Consolidated School District No. 2's covered-employee payroll	\$21,446,446
Belen Consolidated School District No. 2's proportionate share of the net pension liability as a percentage of covered-employee payroll	207.00%
Plan fiduciary net position as a percentage of total pension liability	66.54%

* The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Belen Consolidated Schools will present information for those years for which information is available.

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

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
SCHEDULE OF PENSION CONTRIBUTIONS
EDUCATIONAL RETIREMENT BOARD (ERB) PLAN
LAST 10 FISCAL YEARS*
JUNE 30, 2015

Schedule VIII

	2015
Contractually required contribution	2,997,372
Contributions in relation to the contractually required contribution	2,997,372
Contribution deficiency (excess)	\$ -
Belen Consolidated School District No. 2's covered-employee payroll	\$ 21,446,446
Contributions as a percentage of covered-employee payroll	13.98%

* This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, the Belen Consolidated Schools will present information for those years for which information is available.

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

Changes of benefit terms . The COLA and retirement eligibility benefits changes in recent years are described in the **Benefits Provided** section of the financial statement note disclosure **General Information on the Pension Plan - Educational Retirement Board .**

Changes of assumptions.

ERB conducts an actuarial experience study for the Plan on a biennial basis. Based on the six-year actuarial experience study presented to the Board of Trustees on April 26, 2013, ERB implemented the following changes in assumptions for fiscal years 2014 and 2013:

1. Fiscal year 2014 and 2013 valuation assumptions that changed based on this study:
 - a. Lower wage inflation from 4.75% to 4.25%
 - b. Lower payroll growth from 3.75% to 3.50%
 - c. Minor changes to demographic assumptions
 - d. Population growth per year from 0.75% to 0.50%

2. Assumptions that were not changed:
 - a. Investment return will remain at 7.75%
 - b. Inflation will remain at 3.00%

See also the **Actuarial Assumptions** subsection of the financial statement not disclosure **General Information on the Pension Plan - Educational Retirement Board .**

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COMPLIANCE SECTION



**Manning Accounting and Consulting
Services, LLC**

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

Independent Auditor's Report

Timothy Keller
New Mexico State Auditor
The Office of Management and Budget
And the Board of Education of
Belen Consolidated School District No. 2
Belen, New Mexico

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the General Fund and major special revenue funds of the Belen Consolidated School District No. 2 (the District), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and combining and individual funds and related budgetary comparisons of the District presented as supplementary information, and have issued our report thereon dated November 13, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Questioned Costs we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be a material weakness. (FS 2010-001)

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies. (FS 2007-005, FS 2010-004, FS 2010-009, FS 2014-001, FS 2014-002, FS 2014-003, FS 2014-008, and FS 2015-002)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items (FS 2014-007, FS 2014-010 and FS 2015-001)

Belen Consolidated School District No. 2's Response to Findings

The District's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Manning Accounting and Consulting Services, LLC

Manning Accounting and Consulting Services, LLC
Kirtland, New Mexico
November 13, 2015

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FEDERAL FINANCIAL ASSISTANCE



**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM; REPORT ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH CIRCULAR A-133**

Independent Auditor's Report

Timothy J. Keller
New Mexico State Auditor
The Office of Management and Budget
And the Board of Education of
Belen Consolidated School District No. 2
Belen, New Mexico

Report on Compliance for Each Major Federal Program

We have audited the Belen Consolidated School District's (the District) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2015. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulation, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on the compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. 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 District's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as items FA 2014-001 FA 2015-001, FA 2015-002. Our opinion on each major federal program is not modified with respect to this matter.

The District's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items FA 2014-004, that we consider to be significant deficiencies.

The District's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The District's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Manning Accounting and Consulting Services, LLC

Manning Accounting and Consulting Services, LLC
Kirtland, New Mexico
November 13, 2015

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule X
(Page 1 of 2)

Federal Grantor or Pass-Through Grantor / Program Title	Passthrough Number	Federal CFDA Number	Federal Expenditures
U.S. Department of Education			
<i>Passthrough State of New Mexico Public Education Department</i>			
Special Education Cluster (IDEA)			
IDEA B - Entitlement (1)	24106	84.027	\$ 1,066,941
IDEA-B "Risk Pool" (1)	24120	84.027	\$ 587
IDEA-B Preschool (1)	24109	84.173	9,780
Total Special Education Cluster (IDEA)			<u>1,077,308</u>
Other Programs (Treated individually for major program determination)			
Carl D. Perkins Secondary - Current	24174	84.048	57,201
Carl D. Perkins Secondary - Redistribution 2	24183	84.048	13,573
Subtotal CFDA # 84.048			<u>70,774</u>
Title I IASA	24101	84.010	1,501,487
Education of the Homeless	24113	84.196	10,033
English Language Acquisition	24153	84.365	24,882
Teacher / Principal Training & Recruiting	24154	84.367	284,563
Total Other Programs			<u>1,891,739</u>
<i>Subtotal - Passthrough State of New Mexico Public Education Department</i>			<u>2,969,047</u>
Total U.S. Department of Education			<u>2,969,047</u>
U.S. Health and Human Services			
<i>Direct U. S. Health and Human Services</i>			
Child Care Block Grant	25157	93.575	13,485
Total U.S. Health and Human Services			<u>13,485</u>
U.S. Department of Agriculture			
<i>Direct U.S. Department of Agriculture</i>			
Other Programs (Treated individually for major program determination)			
Forest Reserve	11000	10.672	3,438
<i>Subtotal - Direct U.S. Department of Agriculture</i>			<u>3,438</u>
<i>Passthrough State of New Mexico Public Education Department</i>			
Other Programs (Treated individually for major program determination)			
Fresh Fruit and Vegetables	24118	10.582	108,469
Child Nutrition Cluster			
USDA School Breakfast Program	21000	10.553	776,423
National School Lunch Program	21000	10.555	1,570,365
<i>Passthrough State of New Mexico Department of Health and Human Services</i>			
Food Distribution (Commodities)	21000	10.553/10.555	168,880
Total Child Nutrition Cluster			<u>2,515,668</u>
<i>Subtotal - Passthrough State of New Mexico Public Education Department</i>			<u>2,455,257</u>
<i>Subtotal - Passthrough State of Department of Health and Human Services</i>			<u>168,880</u>
Total U.S. Department of Agriculture			<u>2,627,575</u>
Total Federal Financial Assistance			<u>\$ 5,610,107</u>

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

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule X
(Page 2 of 2)

Notes to Schedule of Expenditures of Federal Awards

1. Basis of Presentation

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

2. Subrecipients

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

3. Non Cash Federal Assistance

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2015 was \$168,880 and is reported in the Schedule of Expenditures of Federal Awards under the Department of Agriculture Commodities program, CFDA numbers 10.553 and 10.555. Commodities are recorded as revenues and expenditures in the food service fund.

Reconciliation of Schedule of Expenditures of Federal Awards to Financial Statements:

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 5,610,107
Total expenditures funded by other sources	<u>52,775,320</u>
Total expenditures	<u><u>\$ 58,385,427</u></u>

(1) Denotes Major Federal Financial Assistance Program

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Section I – Summary of Audit Results

Financial Statements:

- | | |
|--|------------|
| 1. Type of auditors' report issued | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weakness in internal control identified? | Yes |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| c. Noncompliance material to financial statements noted? | Yes |

Federal Awards:

- | | |
|---|------------|
| 1. Internal control over major programs: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| 2. Type of auditors' report issued on compliance for major programs | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? | Yes |
| 4. Identification of major programs: | |

CFDA Number	Federal Program
84.010	Title I IASA
84.367	Teacher/Principal Training & Recruiting
84.027 and 84.173	Special Education Cluster (IDEA)
10.582	Fresh Fruits & Vegetables

- | | |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$300,000 |
| 6. Auditee qualified as low-risk auditee? | No |

STATE OF NEW MEXICO
 BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED JUNE 30, 2015

Section II – Financial Statement Findings

FS 2007-005 [07-05] – Cash Appropriations in Excess of Available Cash Balances (Significant Deficiency) Repeated and Revised

Criteria: All District funds, with the exception of agency funds, are to be budgeted by the local governing body and submitted to the Public Education Department for approval. Cash balances re-budgeted to make up for deficit budgeted revenues that do not cover the budgeted expenditures cannot exceed the actual cash balance available at the end of the prior year.

Condition: The District re-budgeted “cash balance” in excess of available cash balances in the following funds:

	Designated Cash	Available Cash	Cash Appropriation In Excess of Cash
Bond Building	\$ 12,142,769	\$ 10,260,971	\$ 1,881,798

In the prior year the District had two funds – Bond Building and Capital Improvements SB-9 – in which cash balances in excess of available cash was included in the final budget.

Effect: The District has budgeted cash balance that does not exist. If the District expends all budgeted expenditures it could incur debt if the budgeted designated cash does not exist.

Cause: Inadequate monitoring of ending cash balances and budgeting are the cause of this problem.

Auditor’s Recommendation: Budget for future years should be reviewed to insure all funds have adequate budget authority for budgeted expenditures. Greater attention should be given to the budget monitoring process end-of-the-year cash balance estimates. Adjustments should be made to cash balances after actual amounts are determined.

Responsible Official’s Plan:

- Specific corrective action plan for finding: **Budgets are reviewed monthly by finance staff for any variances or maintenance needed. Budget Adjustments are brought to the Board of Education Finance Committee each month to resolve budget adjustments needed. The Board of Education after review from the Finance Committee will review and approve any and all budget adjustments. This adjustment was not done since the district made sure that the budget was NOT over spent. So the control was on not spending regarding this fund.**
- Timeline for completion of corrective action plan: **Budget adjustments are ongoing all year long as mentioned above. This finding has already happened and the district is not able to go back and correct it. The district will make sure that for 15-16 this cash and others are adjusted appropriately, and timely.**
- Employee position(s) responsible for meeting the timeline: **Executive Director for Finance, Superintendent, School Board**

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2010-001 – Entity-Wide Control Deficiency (Material Weakness) Repeated and Revised

Criteria: The Committee of Sponsoring Organizations (COSO) internal control integrated framework consists of five critical elements that must be present in carrying out the achievement objectives of an organization. These elements are known as the control environment, risk assessment, control activities, information and communication and monitoring.

Condition: During our process of understanding the entity and its environment, we noted instances where elements of the framework of Committee of Sponsoring Organizations COSO were nonexistent or deficient. We noted that the risk assessment element and monitoring element were not documented or sufficiently designed. We also noted the following deficiencies:

- During our audit procedures, we noted that the District has insufficient internal controls to properly identify and assess fraud risks.
- During our audit procedures, we noted that the District has insufficient internal controls to properly identify and assess risks related to employee turnover and employee retirements.
- During our payroll and disbursements test work, we noted that the District does not review master files for inaccurate or unauthorized changes.
- During our review of the general ledger and trial balance, we noted that the District did not capture several transactions related to revenues and expenditures when given the initial trial balance.
- During our review of the bank reconciliation, we noted that the District does not have proper internal controls over bank reconciliations.
- During our review of cash, we noted that the PED report submitted to the New Mexico Public Education Department was not reconciled properly to the general ledger report as the general ledger report did not include all adjustments.
- During our review of Federal programs we noted several instances in which internal controls to identify inaccurate or unauthorized charges were not identified in a timely manner.

During the previous year, a similar situation existed; however, in the previous year three additional bullet points existed which have been cleared up during the current year and additional progress have been made on several of the items noted above.

Cause: While the District is making progress in modifying and implementing control procedures those procedures and controls have not encompassed the entire control area. Control issues noted in previous years have been identified in the current year while other issues have been corrected.

However, several issues in the District during the year have had a contributing effect on the anticipated progress. The District removed its Superintendent mid-year and many of the responsibilities of the Superintendent were placed on the Finance Director which impeded the anticipated rate of change. Additionally, late in the year the Finance Director suffered serious health issues which required him to be out for several weeks. Both of these issues slowed the implementation plans related to correcting the remaining deficiencies. Additional progress has been implemented since year-end.

Effect: Without all of the five elements of the COSO framework present, the District is exposing itself to the risk of misappropriation of assets and does not have set processes in place to maximize the resources of the District.

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2010-001 – Entity-Wide Control Deficiency (Material Weakness) Repeated and Revised (continued)

Auditors' Recommendation: We recommend that the District incorporate the five elements of the COSO internal control integrated framework in their organization as planned. We recommend that the scheduled changes be implemented in the current year to continue its progress towards a better overall control environment in the District.

Responsible Official's Plan:

- Specific corrective action plan for finding: **The district will train appropriate staff in the area of COSO in the 15-16 FY, and implement COSO Frame work in areas mentioned in this finding. With staff turnover we will ensure new staff are trained and systems implemented**
- Timeline for completion of corrective action plan: **This will be accomplished through out the 15-16 FY, and have completion by 6/30/16.**
- Employee position(s) responsible for meeting the timeline: **Executive Director of Finance, Superintendent, Board of Education**

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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2010-004 [FS10-04]— Internal Controls over Bank Reconciliations (Significant Deficiency) Repeated and Revised

Criteria: The New Mexico Public Education Department issued regulation 6.20.2 NMAC governing budgeting and accounting for New Mexico public schools. This regulation applies to public school districts, charter schools and regional education cooperatives in the State of New Mexico. Per Section 6.20.2.14.K. NMAC, “all bank accounts shall be reconciled on a monthly basis. Reconciled bank statements are to be reviewed by the business manager and/or assistant superintendent for business administration”. Also, per Section 6.20.14.L NMAC “the school district shall submit cash reports to the department by the last working day of the month following the end of the reporting period, unless extended to a later date by the secretary of education”.

Condition: During our walkthrough of cash reconciliation procedures, we noted the following:

- The District did not correctly reconcile their bank accounts consistently throughout the year within 30 days of month-end.
- Variances in cash reconciliations were not quickly identified and corrected through appropriate journal entries.
- Items that were misposted between accounts were not readily identified and posted to the correct accounts.
- During our review of cash, we noted that the PED report submitted to the New Mexico Public Education Department was not reconciled properly to the general ledger report as the general ledger report did not include all adjustments.

Cause: Due to the errors in prior years related to the financial data of the District, the District was catching up with the operating transactions from the prior year and throughout the current year in order to reconcile their bank accounts. The District has improved in reconciling their monthly statements, but full and complete reconciliations are not completed in 30 days. Additionally, discrepancies are not always corrected when identified and are added to a list to be completed at a later date.

Effect: Bank accounts were misstated at year-end as initially provided to the auditors and the true results of financial data were initially incorrect. Also, inaccurate bank reconciliations may lead to poor management decisions based on incomplete information and possible errors or fraudulent activity within the account may occur without detection.

Auditors’ Recommendation: We recommend that the District’s bank reconciliations be completed in a timely and accurate manner, and are also reviewed by a member of management. This review should be documented in the form of initialing and dating each reconciliation. Items which are identified as errors should be corrected in the month identified.

Responsible Official’s Plan:

- Specific corrective action plan for finding: **Bank Reconciliations were done monthly, with the exception of audit journal entries that were done later in the 14-15 fiscal year. We reconcile and monitor all activity in and out of all bank accounts monthly. We were not able finalize bank to G/L until all audit J/E’s were provided and posted. As a result we did provide proof to the auditor that as of 6/30/15 we only had variances that were caused by the audit J/E’s “due to due froms”.**
- Timeline for completion of corrective action plan: **This will be in place immediately and complete by 6/30/16.**
- Employee position(s) responsible for meeting the timeline: **Executive Director of Finance, Superintendent, Accounting Manager, Board Finance Committee**

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Section II – Financial Statement Findings (Continued)

FS 2010-009 [10-09] – Budgetary Controls (Significant Deficiency) Repeated and Revised

Criteria: According to 22-8-11 B. NMSA 1978:

B. No School district or state-chartered school or officer or employee of a school district or state-chartered school shall make any expenditure or incur any obligation for the expenditure of public funds unless that expenditure or obligation is made in accordance with an operating budget approved by the department. This prohibition does not prohibit the transfer of funds pursuant to the department’s rules and procedures.

Condition: The District incurred expenditures in excess of budgetary authority in the following funds and functions:

Fund #	Fund Name and Function	Amount
11000	Operational - Operations & Maintenance of Plant	\$ 269,784
13000	Student Transportation - Student Transportation	6,696
22000	Athletics - Instruction	11,435
24109	IDEA-B Preschool - Student Transportation	201
24176	Carl D Perkins Secondary - Redistribution - Instruction	413
25157	Child Care Block Grant - Instruction	13,485
	Total	<u>\$ 302,014</u>

During the prior year’s audit, we identified four funds which had over expended budgets in one function each.

Cause: These items were missed while reviewing for budget adjustments and not included in a maintenance BAR prior to year end.

The remaining items were simply errors in budgeting or not identifying an overage prior to year end.

Effect: The internal controls established by adherence to budgets have been compromised, and excess spending could, and did, result. In addition, New Mexico statutes have been violated.

Auditor’s Recommendation: We recommend that the District adhere to their policy of obtaining budgets and maintaining those budgets during the year as prescribed by State statutes.

Responsible Official’s Plan:

- Specific corrective action plan for finding: **Budget functions over expenditures were identified throughout the year and corrected. We did identify that the corrections were not recorded in our final trial balance due to staff turnover. We maintain that most of these were corrected with reclassifications of expenditures into other appropriate allowable line items or funds. These J/E’s would have been reviewed by the auditor as well.**

- Timeline for completion of corrective action plan: **This has been accomplished currently, and will remain resolved throughout the 15-16 FY**

- Employee position(s) responsible for meeting the timeline: **Executive Director of Finance, Superintendent, Board Finance Committee, and Board of Education**

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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014-001 – Payroll - Federal Form (Significant Deficiency) Repeated and Revised

Criteria: NMAC 6.20.2.18 1978 states the local board shall establish written payroll policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP. School districts shall maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (federal form I-9 for citizenship certification), federal and state withholding allowance certificates, pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations.

Condition: During our review of payroll we noted the following deficiencies:

- 15 out of 40 I-9's tested were not filled out properly. Fourteen either had missing signatures or missing dates by the employee or employer and one had a draft for the birth certificate but not the original birth certificate.

In the previous year's audit we identified 12 I-9's which were not filled out properly. Three of them lacked employee signatures or dates, eight were missing the employer signature and/or date, and in one instance the I-9 was absent.

Cause: District, State, and Federal policies are not being followed or reviewed to ensure proper execution.

Effect: The District is in a violation of NMAC 6.20.2.18 and the Immigration Reform and Control Act of 1986 and the Belen Consolidated Schools Payroll Policy and Procedure Manual.

Auditor's Recommendation: We recommend that the District follow the corrective action plan set forth in the Immigration Reform and control Act of 1986 and request that the employee complete section 1 of the Form I-9 immediately and submit documentation as required in Section 2. The new form should be dated when completed-never postdated. Furthermore, all documentation provided should be a final copy not a draft. When an employee does not provide acceptable documentation, the employer must terminate employment or risk being subject to penalties for "knowingly" continuing to employ an unauthorized worker if the individual is not in fact authorized to work.

Responsible Official's Plan:

- Specific corrective action plan for finding: **Human Resources has assigned this task to one individual to ensure I-9's are complete and in place prior to any hiring. Also reviewing all current employees have a complete and accurate I-9 in place in the personnel files.**

- Timeline for completion of corrective action plan: **This is on-going and will be completely resolved by 6/30/16.**

- Employee position(s) responsible for meeting the timeline: **Director of Human Resources, Superintendent**

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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014-002 – Purchase Orders and Payment Authorization (Significant Deficiency) Repeated and Revised

Criteria: Per Belen Consolidated Schools Purchasing Procedures and the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.” Additionally, “all verified items or services should be recorded on the receiving document or other recording instrument (i.e., electronic file)”, and “upon verifying and recording the receipt of all the items or services ordered, the receiving document or recording instrument shall be manually or electronically signed by authorized receiving personnel and processed for payment according to procedures established by school District or charter school boards’ of education local procedures.” Relevant statues include 13-1-157 and 13-1-158 NMSA 1978.

Condition: During our testing of cash disbursements, we identified the following instances in which proper procedures were not followed:

- In 4 of 40 items tested the goods and or services were received prior to the creation of a valid purchase order. The value of these goods and or services ranged from \$75.00 to \$1,492.91.
- In 1 of 40 items tested the amount of the purchase order and the invoice do not agree. A previous invoice for \$250, which had already been paid, was paid instead of the related PO invoice of \$500.

During our review of individually significant items we identified several instances in which proper procedures were not followed:

- In 3 of 40 items tested the goods or services were ordered before a purchase order was generated. The amounts of these purchases were \$176,756.80, \$155,848.36 & \$191,054.86. These included the purchase of two buses and construction on the New Family School.

During our review of travel and per diem we noted several instances in which proper procedures were not followed:

- In 11 of 15 items tested a purchase order was entered after the travel had already been completed. The amount of these reimbursements ranged from \$24.00 to \$180.66.

During our review of credit card payments we noted several instances in which proper procedures were not followed:

- In 4 of 9 items reviewed the purchase order was entered after the purchases were made.

In the prior year, during our testing of disbursements we identified 11 of 40 items tested in which the purchase order was entered after goods or services were ordered/provided to the District. Four of the 40 items did not have any documentation of receiving being performed or acknowledged, and one item did not have a sufficient amount in the purchase order for the goods/services paid.

In the prior year, during our testing of individually significant items we identified one item did not have a purchase order in place prior to receiving goods and one instance where the purchase order amount was not enough to cover the item purchased.

Cause: District personnel have not followed state guidelines or internal procedures in the purchase of items. Policy clearly states that the District has a signed purchase order in place prior to order or reception of any goods and services.

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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014-002 – Purchase Orders and Payment Authorization (Significant Deficiency) Repeated and Revised (continued)

Effect: Internal control over expenditures and the ability of responsible parties to appropriately monitor budgets for which they bear responsibility may be compromised. Not being in compliance with these requirements places the District and the Board at risk for fraud or misuse of public funds

Auditor's Recommendation: We recommend that all personnel be reminded of, or trained in, district and state policy in regards to purchasing of goods, services, or construction. All District Personnel need to be aware that a purchase order must be approved prior to the purchase of goods or services

Responsible Official's Plan:

- Specific corrective action plan for finding: **Purchase Req's are reviewed daily by the finance department with several staff members. We will provide in-service training to all staff at all sites regarding procurement regulations, due to staff turnover as well. Some of these carryover Purchase Orders may have been done later in the FY due to finalization of construction projects that carryover from one year to the next. We can assure that those were done prior to the work being performed. The buses were due to a mix up with the direct vendor and going through CES.**

- Timeline for completion of corrective action plan: **This is monitored ongoing, and we will make sure of compliance for FY 15-16**

- Employee position(s) responsible for meeting the timeline: **Executive Director of Finance, Superintendent, Accounting Manager.**

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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014-003 – Timeliness of Deposits (Significant Deficiency) Repeated and Revised

Criteria: 6.20.2.14 NMAC 1978:

C. Money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day. If the distance to the bank is considerable, or the cash collection is limited to small amounts and/or low volume and it is impractical to meet the twenty-four hour/one banking day requirement, the local board may request approval from the department for an alternative plan. The bank deposit slip shall have the numbers from applicable receipts entered on it or attached as a reference.

Condition: During our review of receipts we noted the following instances in which proper procedures were not followed:

- In 4 of 36 receipts tested the monies were not deposited within 24 hours of receiving them. These deposits range from \$26.95 to \$412.60. These deposits were from made between three and five days after receipt.

In the previous year's audit we noted 7 instances in which deposits were not made in a timely manner and one instance in which the deposit was credited to an improper account code. We also noted three instances in which activity deposits were not deposited within the twenty-four hour requirement.

Cause: The staff of the District did not deposit the funds within 24 hours of receiving the monies. Proper procedures relating to cash receipts were not followed.

Effect: Non-adherence to state statutes places the District in noncompliance and lack of timeliness of deposits could subject the District to a possible occurrence of fraud.

Auditors' Recommendations: We recommend that the District emphasize the importance of timely deposits of receipts, and monitor receipts more closely in order to be compliant with state statutes. The District should cross-train employees so that more than one individual is able to make deposits to ensure timely deposits are possible.

Responsible Official's Plan:

- Specific corrective action plan for finding: **We have several rural sites (schools) that do not have access to banking daily. We will petition PED for approval to help compliance, and we will provide training to all sites, and staff involved in this activity due to staff turnover so that all will comply by this regulation.**
- Timeline for completion of corrective action plan: **We will ensure resolution for FY 15-16, this will be monitored on going.**
- Employee position(s) responsible for meeting the timeline: **Executive Director of Finance, Superintendent, Accounting Manager**

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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014– 007 – Improper Cash Controls Outstanding Warrants (Non-Compliance)

Criteria: 6.20.2.14 NMAC 1978:

A. School districts shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting that adheres to cash management requirements of the office of management and budget (OMB) Circular A-102, and applicable state and federal laws and regulations.

I. Vouchers shall be numbered in such a manner as to provide a cross-reference between the voucher, the check, and the check register. All blank checks shall be properly safeguarded and an inventory of unused checks shall be taken periodically. Completed vouchers and supporting documentation is to be placed in numerical sequence, by the month in which they were paid, and filed for future reference and annual audit.

(1) Each warrant or check issued shall have printed on its face the words, "void after one year from date". Whenever any warrant or check is unpaid for one year, the fiscal officer shall cancel it in accordance with Section 6-10-57(A), NMSA 1978.

(2) The fiscal officer shall keep a register of all canceled warrants/checks. The register shall show the number, date and amount, name of payee, fund out of which it was payable, and date of cancellation. The face amount shall revert and be credited to the fund against which the warrant/check was drawn.

Additionally 6-10-57 NMSA 1978 states:

D. Warrants canceled under Subsection A of this section are void and the indebtedness evidenced thereby is extinguished, which is hereby declared to be an express condition of every contract under which state warrants are issued except that:

(1) the department of finance and administration may issue a new warrant on a voucher issued by the commissioner of revenue [director of the revenue division of the taxation and revenue department] if a claim for refund was approved under Section 7-1-26 NMSA 1978, and if a warrant was issued and that warrant canceled under Subsection A of this section on or after January 1, 1970; and

(2) any fiscal officer may issue a new warrant for a canceled payroll warrant upon a voucher issued by the responsible employing authority certifying that the services for which the canceled payroll warrant had been issued were in fact rendered and that payment therefor had not been made, if:

(a) there is sufficient money in the fund from which the original payroll warrant was drawn to cover the new warrant; or

(b) if a suspense fund has been established in accordance with the provisions of Subsection E of this section and there is sufficient money in the suspense fund to cover the new warrant.

E. If any payroll warrant payable from an account which reverts at the end of a fiscal year to a general fund is canceled, the fiscal officer shall create a suspense fund in the amount of the total canceled payroll warrants and withhold that amount from reversion. Canceled payroll warrants shall be paid from the suspense fund.

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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014– 007 – Improper Cash Controls Outstanding Warrants (Non-Compliance) (continued)

Condition: During our review of cash we observed the following issues:

- The Capital Projects cash account has stale dated deposits in transit of \$990.73
- The Capital Improvements cash account has stale dated deposits in transit of \$520.52
- The Athletics cash account has stale dated deposits in transit of \$1,552.15
- The Activities cash account has stale dated deposits in transit of \$123.00
- The Student Nutrition cash account has stale dated checks of \$55.75
- The Payroll Clearing cash account has stale dated checks of \$2,989.83
- The Activities cash account has stale dated checks of \$123.00
- The Accounts Payable cash account has stale dated checks of \$6,445.15

Cause: The district has not voided warrants or outstanding deposits which are more than one year old.

Effect: The District has not maintained sufficient internal controls to identify warrants more than one year old and has not followed proper guidance in the recording and voiding of outstanding warrants and deposits in transit.

Auditor's Recommendation: We recommend that management adequately monitor outstanding warrants and deposits in transit and ensure that internal control procedures are in place to remove outstanding warrants and deposits in transit from the District's assets and liabilities.

Responsible Official's Plan:

- Specific corrective action plan for finding: **Staff is currently reviewing voiding all stale dated checks and reimbursing the fund where that expense was posted to.**
- Timeline for completion of corrective action plan: **This is currently being completed and will be done by 6/30/16**
- Employee position(s) responsible for meeting the timeline: **Executive Director of Finance, Superintendent, Finance Committee**

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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014-008 – Improper Procedures for Bid/RFP’s and CES Contracts (Significant Deficiency) Repeated and Revised

Criteria: 1.4.1.15 NMAC 1978:

All procurement shall be achieved by competitive sealed bids except procurement achieved pursuant to the following methods:

- A. competitive sealed proposals;
- B. small purchases;
- C. sole source procurement;
- D. emergency procurement;
- E. procurement under existing contracts; and
- F. purchases from anti-poverty program businesses.

1.4.1.17 NMAC 1978:

Publication. The IFB or notice thereof shall be published not less than ten calendar days prior to the date set for the opening of bids. The IFB or notice must be published once in at least three newspapers of general circulation in this state.

- A. These requirements of publication are in addition to any other procedures that may be adopted by the state purchasing agent to notify prospective bidders that bids will be received, including but not limited to publication in trade journals, if available.
- B. Bidder lists. The state purchasing agent shall send copies of the notice or IFB involving the expenditure of more than sixty thousand dollars (\$60,000) to those businesses which have signified in writing an interest in submitting bids for particular categories of items of tangible personal property, construction and services and which have paid any required fees. (13-1-104 NMSA 1978). Reference is also given to 1.4.1.48 NMAC of this rule.
- C. Public availability. A copy of the IFB shall be made available for public inspection at the office of the state purchasing agent.

1.4.1.23 NMAC 1978:

- A. Receipt. Upon its receipt, each bid and modification shall be time-stamped but not opened and shall be stored in a secure place until the time and date set for bid opening.
- B. No bids received. Except as provided in 1.4.1.68 through 1.4.1.72 NMAC of this rule, if no bids are received or if all bids received are rejected in accordance with the provisions of 1.4.1.68 through 1.4.1.72 NMAC of this rule, a new IFB shall be issued. If upon re-bidding with no change in specifications from the first IFB, the bids received are unacceptable, or if no bids are secured, the state purchasing agent may purchase (i.e., as opposed to procure) the items of tangible personal property, construction or services in the open market at the best obtainable price.
- C. Opening and recording. Bids and modifications shall be opened publicly in the presence of one or more witnesses at the time and place designated in the IFB. The name of each bidder, the amount of each bid and each bid item, if appropriate, the names and addresses of the required witnesses, and such other relevant information as may be specified by the state purchasing agent shall be recorded. The record shall be open for public inspection. Each bid, except those portions for which a bidder has made a written request for confidentiality, shall also be open to public inspection. Any data, which a bidder believes should be kept confidential shall accompany the bid and shall be readily separable from the bid in order to facilitate public inspection of the non-confidential portion of the bid. Prices and makes and models or catalogue numbers of the items offered, deliveries, and terms of payment shall be publicly available at the time of bid opening regardless of any designation to the contrary.

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Section II – Financial Statement Findings (Continued)

FS 2014-008 – Improper Procedures for Bid/RFP’s and CES contracts (Significant Deficiency) Repeated and Revised (continued)

1.4.1.25 NMAC 1978:

Statutory preferences to be applied in determining low bidder or low offeror. New Mexico law provides certain statutory preferences to resident businesses, resident veteran businesses, resident contractors and resident veteran contractors as well as for recycled content goods (13-1-21 and 13-1-22 NMSA 1978). These preferences must be applied in regard to invitations for bids and requests for proposals in accordance with statute in determining the lowest bidder or offeror.

Finally, 1.4.1.67 NMAC 1978: A central purchasing office shall retain for public inspection and for the use of auditors a copy of each state purchasing agent contract or current price agreement relied upon to make purchases without seeking competitive bids.

Condition: During our testing of individually significant items we identified the following instances in which proper procedures were not followed:

- In 3 of 41 items tested, purchase amounts exceed statutory limits requiring bids/RFPs or sole source documentation. These included the purchase of computers totaling \$147,616.56 which had written quotes but no formal bid was done; the purchase of intercom and related items for the natatorium in the amount of \$109,366.95; and \$138,650.15 was spent for multisensory training.
- In 4 instances products or services were obtained through Cooperative Education Services (CES) vendors and were paid at least \$2,979,232 for construction services, diagnostic services, and buses during the year for which the District did not have a copy of the CES purchasing agreement on file.

During our testing of Bid/RFP compliance we noted the following instance in which proper procedures were not followed:

- In 1 of 6 bids there was no statutory preference included in the scoring criteria of the bid.

In the previous audit we identified the following issues:

- In 2 out of 7 items tested there was no documentation that the District put the IFB in a newspaper of general circulation prior to the receipt of bids.
- In 2 out of 7 items tested the District did not award any statutory preference or include it in its scoring of bids.
- In 6 out of 7 items tested the District did not sign and date stamp envelopes as they were received. In one of these instances 3 of the 5 envelopes from bidders were not kept at all.
- 1 item tested in individually significant did not have a copy of the state contract which was used for a no bid award. The District “piggy-backed” on a Valencia County project but did not retain a copy of the contract for review by the auditors.

Cause: The District has not followed proper state statutes in making large purchases. The district has not properly obtained bids or documented sole source requirements, and they have not obtained the CES contracts for the vendors they used. Additionally, statutory preference was not a scoring criterion for one bid.

Effect: The District is not in compliance with State Purchasing Guidelines. This opens the District up to possible incidences of fraud and possible occurrences of disputed awards which could cause additional legal and monetary consequences.

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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014-008 – Improper Procedures for Bid/RFP’s and CES contracts (Significant Deficiency) Repeated and Revised (continued)

Auditor’s Recommendation: We recommend that the District prepare formal bids for large purchases and maintain the CES contracts for the vendors they use. We also recommend that the District make sure they include statutory preference in their bids and RFP’s to avoid a contested bid or RFP’s by a vendor as this could cause legal and monetary consequences.

Responsible Officials Plan:

- Specific corrective action plan for finding: **All current and future bids and rfp’s will be reviewed by the Director of Support Services, and verified by the Executive Director of Finance for compliance to this requirement.**

- Timeline for completion of corrective action plan: **All Bids and RFP’s will be in compliance on or before 6/30/16**

- Employee position(s) responsible for meeting the timeline: **Supervisor of Warehouse, Director of Support Services, Executive Director of Finance, Superintendent**

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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2014-010 – Credit Cards and Supporting Documentation (Non-Compliance) Repeated and Revised

Criteria: Laws of 2014, Regular Session, Chapter 28, Section 3, Subsection J states, “Except for gasoline credit cards used solely for operation of official vehicles, telephone credit cards used solely for official business and procurement cards used as authorized by Section 6-5-9(1) NMSA 1978, none of the appropriations contained in the General Appropriations Act of 2014 may be expended for the payment of agency-issued credit card invoices.”

Condition: During our review of credit card compliance we noted that the District has a credit card issued by Wells Fargo which is contrary to state law.

This condition is the same as existed in the previous year.

Cause: The District was unaware that they were not allowed to use a bank issued credit card for purchases when those funds are paid with State appropriations.

Effect: The District is in violation of State statute regarding the use of a bank issued credit card

Auditor’s Recommendation: The District should only utilize procurement cards authorized by Section 6-5-9(1) NMSA 1978. The District should maintain all statements and receipts as documentation for all disbursements.

Responsible Official’s Plan:

- Specific corrective action plan for finding: **The District is currently reviewing the regulation with State Purchasing, in order to make sure of what we need to do, and how to resolve this. Once direction is given we will seek the Boards approval to resolve and complete.**

- Timeline for completion of corrective action plan: **This will be in compliance by 6/30/16**

- Employee position(s) responsible for meeting the timeline: **Executive Director of Finance, Superintendent, Board of Education**

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Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2015-001 - Improper Mileage Reimbursement (Non-Compliance)

Criteria: According to 2.42.2.11 NMAC 1978:

A. Applicability: Mileage accrued in the use of a private conveyance shall be paid only in accordance with the provisions of this section.

B. Rate: Public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the discharge of official duties as follows:

(1) unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA 1978, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle;

Condition: During our testing of cash disbursements, we discovered the following instance in which proper procedures were not followed:

- An employee was reimbursed at a rate of \$.51/mile instead of maximum allowed rate of \$.45 per mile. The amount of this reimbursement was \$96.08.

During our testing of travel and per diem we noted the following instances in which proper procedures were not followed:

- In 3 out of 15 items tested an employee was reimbursed at \$.51 per mile rather than the maximum allowed rate of \$.45 per mile. The amounts of these reimbursements were \$46.61, \$66.40, and \$106.79.

During our review of Federal cash disbursements we noted an instance in which proper procedures were not followed:

- For the same travel listed above the employee was reimbursed at a mileage rate of \$.51 per mile, which is above the maximum allowable rate of \$.45 per mile.

Cause: District personnel have not followed state guidelines in regards to mileage reimbursement rates. The District had incorrectly set the reimbursement rate in excess of the State's maximum rate for mileage reimbursement.

Effect: Internal control over expenditures and the ability of responsible parties to appropriately distribute monies for which they bear responsibility may be compromised. Employees have been overcompensated for their travel.

Auditor's Recommendation: We recommend that management review state guidelines and ensure that District personnel are properly trained and knowledgeable of applicable statutes and that the District change its policy to come into compliance with those statutes.

Responsible Official's Plan:

- Specific corrective action plan for finding: **The district was paying an older federal rate and found out that had changed. We have adopted a new policy that follows the federal rate even when it changes. We are currently paying at the \$.45 per mile. We will monitor the rate annually to make sure if any adjustments need to be made we can make them timely.**
- Timeline for completion of corrective action plan: **This has been resolved and will reflect for FY 15-16**
- Employee position(s) responsible for meeting the timeline: **Executive Director of Finance, Superintendent, Accounting Manager.**

Section II – Financial Statement Findings (Continued)

FS 2015-002 Segregation of Duties – (Significant Deficiency)

Criteria: 6.20.2.11 NMAC 1978:

A. Every school district **shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly** to permit the preparation of general purpose financial statements in accordance with GAAP, and that state and federal programs are managed in compliance with applicable laws and regulations. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP.

B. Each school district shall develop, establish and maintain a structure of internal accounting controls and written procedures to provide for segregation of duties, a system of authorization and recording procedures, and sound accounting practices in performance of duties and functions. The duties to be segregated are the authorization to execute a transaction, recording the transaction, and custody of assets involved in the transaction.

(1) School district management must ensure that protection of the public trust is a major focus when granting the authorization to execute business of the school district.

(2) Employees handling significant amounts of cash must be adequately bonded. Access to assets is permitted only in accordance with school district authorization.

(3) Receipts, checks or warrants, purchase orders, and vouchers shall be sequentially pre-numbered.

(4) School districts shall have proper safeguards to protect unused checks and other pre-numbered forms, undeposited cash and other receipts, and facsimile signature plates.

(5) Transactions are to be recorded as necessary to permit preparation of financial statements in conformity with GAAP. In addition, school districts shall establish any other criteria applicable to such statements to maintain accountability for assets.

(6) School districts shall conduct independent checks on performance and proper valuation of recorded amounts, such as clerical checks, reconciliations, comparison of assets with recorded accountability, computer-programmed controls, management review of reports that summarize the detail of account balances, and user review of computer generated reports.

C. **An internal control structure is required to demonstrate the school district's ability to record, process, summarize and report financial data consistent with the following financial statement assertions:**

(1) **rights and ownership;**

(2) **existence and occurrence;**

(3) **valuation and allocations;**

(4) **completeness; and,**

(5) **presentation and disclosure.**

D. The internal control structure shall demonstrate that the school district identifies applicable laws and regulations, and that procedures are designed to provide reasonable assurance that the school district complies with those laws and regulations. Internal control procedures shall be established, implemented and documented through school district correspondence, manuals, training, and other additional methods. **Appropriate internal control procedures shall be adopted by the local board within a school district to safeguard its assets, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies. The internal control structure shall address all school district transactions.**

Condition: During our review of payroll we noted the following deficiencies:

- The payroll clerk has the authority to input employee information into the financial system, and the same individual has the ability to issue payroll checks, direct deposits, miscellaneous pay, etc. Payroll information was not reviewed by an additional individual to insure that all payments are proper or to validate all employees and that all payments are for valid obligations of the district.

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section II – Financial Statement Findings (Continued)

FS 2015-002 Segregation of Duties – (Significant Deficiency) (continued)

Cause: There is not a proper restriction of access to the financial system for the payroll clerk. While the human resources department inputs new employees into the system, the payroll clerk also has the ability to enter casual pay employees into the system as well and no review of reports or change files is being reviewed by another employee to verify all changes made by the payroll clerk are proper.

Effect: The payroll department has the ability to input new employee information and create payroll checks without oversight or involvement of the human resources department. This could lead to an incidence of fraud as there is no internal control to prevent the creation of a non-existent employee, the modification of employee pay, or the inclusion of additional pay to an existing employee.

Auditors' Recommendation: We recommend that the District ensure that the ability to input a new employee into the payroll system, change information of an employee in the payroll system, or enter additional pay to an existing employee be divided between the two departments or between two individuals so that no one individual has unchecked ability to create new employees, modify existing employees, or pay employees without further review. In the event that this cannot be accomplished in this format, we would recommend that another individual review and sign-off of payroll reports to enact a secondary review of payments to employees.

Responsible Official's Plan:

- Specific corrective action plan for finding: **We have had staff changes at this position and have redefined the access level's and areas so the new person cannot be able to enter and pay.**

- Timeline for completion of corrective action plan: **This has been addressed and will be in fully compliance for FY 15-16**

- Employee position(s) responsible for meeting the timeline: **Executive Director of Finance, Superintendent, Accounting Manager**

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section III – Federal Awards Findings

FA 2014-001 – Improper Maintenance of Personnel Activity Reports (Non-compliance) Repeated and Revised

Federal Program Information:

Funding Agency: U.S. Department of Education

Title: Title I IASA and IDEA-B Entitlement

CFDA Number: 84.010 and 84.027

Passthrough: New Mexico Department of Education

Award Year: 2015

Criteria: According to OMB Circular-87:

3) Where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having firsthand knowledge of the work performed by the employee.

4) Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which meets the standards in subsection (5) unless a statistical sampling system (see subsection (6)) or other substitute system has been approved by the cognizant Federal agency. Such documentary support will be required where employees work on:

- a) More than one Federal award,
- b) A Federal award and a non-Federal award,
- c) An indirect cost activity and a direct cost activity,
- d) Two or more indirect activities which are allocated using different allocation bases, or
- e) An unallowable activity and a direct or indirect cost activity.

5) Personnel activity reports or equivalent documentation must meet the following standards:

- a) They must reflect an after-the-fact distribution of the actual activity of each employee,
- b) They must account for the total activity for which each employee is compensated,
- c) They must be prepared at least monthly and must coincide with one or more pay periods, and
- d) They must be signed by the employee.

Condition: During our review of payroll and related documentation, we identified the following issues:

- Two employees who worked on the Title I IASA program and at least one additional program had not completed their monthly time and effort certification. They had only been certifying their time and effort on a semi-annual basis rather than monthly as required.

In the previous year, we identified two employees in the IDEA program which did not have personnel activity reports which worked on at least one other program in addition to IDEA.

Questioned Costs: Undeterminable

Cause: District personnel are not completing monthly reports for employees who work on a Federal program and non-Federal programs. Guidelines require monthly certifications for employees who work on other Federal or non-Federal programs as well as the Title I IASA program.

Effect: The District is not in compliance with Federal regulations related to the grant and could put funding in jeopardy or require the District to reimburse the program for undocumented payroll distributions.

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section III – Federal Awards Findings

FA 2014-001 – Improper Maintenance of Personnel Activity Reports (Non-compliance) Repeated and Revised (continued)

Auditor's Recommendation: We recommend that all individuals who manage Federal programs and those individuals who process payroll be trained on the requirements of personnel activity reports as they relate to payments using Federal funds.

Responsible Official's Plan:

- Specific corrective action plan for finding: **Monthly the Federal Program Director will provide copies of these documents to the finance office for placement in the program files.**

- Timeline for completion of corrective action plan: **This is in place and time activity reports are currently being done. This will be in full compliance by 6/30/16.**

- Employee position(s) responsible for meeting the timeline: **Executive Director of Finance, Superintendent, Federal Program Directors, Executive Director of Academics**

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section III – Federal Awards Findings (Continued)

FA 2014-004– Indirect Costs Charged Exceeded Allowable Rate (Significant Deficiency) Repeated and Revised

Federal Program Information:

Funding Agency: U.S. Department of Education
Title: IDEA-B Entitlement
CFDA Number: 84.027
Passthrough: New Mexico Public Education Department
Award Year: 2015

Criteria: According to A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements. Good internal controls require matching of reports submitted to supporting documentation. Additionally, OMB Circular A-87 Cost Principle for State, Local and Indian Tribal Governments establishes principles and standards for determining allowable direct and indirect costs for Federal Awards.

Condition: During our review of indirect costs and related documentation, we identified one fund which had exceeded their allowed indirect costs. The District's allowable indirect cost percentage from the PED for FY 14-15 is 4.31%. Fund 24106 had indirect costs of 4.43%. The District exceeded the indirect cost rate resulting in an overcharge of \$1,204.14.

Questioned Costs: \$1,201.14

Cause: District personnel did not ensure that the correct indirect cost percentages were applied to Federal funds. It was applied to expenditures that were later determined to be unallowable costs. When the unallowable costs were removed from the fund the prior indirect cost charges were not removed

Effect: The District is not in compliance with Federal regulations related to the grant and could put funding in jeopardy or require the District to reimburse the program for the questioned costs.

Auditor's Recommendation: The District should institute a process where indirect costs are reviewed to ensure proper charges are allocated to its Federal funds. A simple Excel program can be used to verify charges don't exceed allowable rates. The calculation should always include total expenditures to-date pulled from a current expenditure report rather than just adding to what was previously there. This will adjust the indirect cost rate to be charged if a previously charged expense must be removed.

Additionally, the template should provide for the exclusion of all indirect cost charges and all capital asset expenditures. Capital assets include items in excess of \$5,000. However, the District should be aware that the state considers the purchase of computers for a lab setting a single asset and not individual items of a cost under \$5,000.

Responsible Official's Plan:

- Specific corrective action plan for finding: **This finding was a result of a end of year refund check to this federal program when we had already paid the indirect costs on expenditures before the refund check came in. We did adjust the YTD expenditures when the check was received but the indirect costs were already processed and paid to general fund.**
- Timeline for completion of corrective action plan: **This has been resolved and we will ensure compliance for FY 15-16**
- Employee position(s) responsible for meeting the timeline: **Executive Director of Finance, Superintendent, Accounting Manager**

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section III – Federal Awards Findings (Continued)

FA 2015-001 – Purchase Orders and Travel Reimbursement (Non-Compliance)

Federal Program Information:

Funding Agency: U.S. Department of Education

Title: Teacher/Principal Training & Recruiting

CFDA Number: 84.367A

Passthrough: New Mexico Public Education Department

Award Year: 2015

Criteria: Per Belen Consolidated Schools Purchasing Procedures and the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.” Additionally, “all verified items or services should be recorded on the receiving document or other recording instrument (i.e., electronic file)”, and “upon verifying and recording the receipt of all the items or services ordered, the receiving document or recording instrument shall be manually or electronically signed by authorized receiving personnel and processed for payment according to procedures established by school District or charter school boards’ of education local procedures.”

Relevant statutes include 13-1-157 and 13-1-158 NMSA 1978.

Additionally, according to 2.42.2.11 NMAC 1978:

A. Applicability: Mileage accrued in the use of a private conveyance shall be paid only in accordance with the provisions of this section.

B. Rate: Public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the discharge of official duties as follows:

(1) unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA 1978, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle;

Condition: During our testing of Federal cash disbursements, we identified the following instances in which proper procedures were not followed:

- In 1 of 40 items tested a purchase order was entered after the employee had completed their travel. The purchase order is dated 2/17/15 for travel which took place 11/14-15/2014. The total of this reimbursement was \$47.91
- For the same travel listed above the employee was reimbursed at a mileage rate of \$.51 per mile, which is above the maximum allowable rate of \$0.45 per mile.

Questioned Costs: \$47.91

Cause: District personnel have not followed state guidelines or internal procedures for travel reimbursement. Policy clearly states that the District has a signed purchase order in place prior to payment for any reimbursement. State guidelines do not allow mileage to be paid at an amount greater than state statute.

Effect: Internal control over expenditures and the ability of responsible parties to appropriately monitor budgets for which they bear responsibility may be compromised. Not being in compliance with these requirements places the District and the Board at risk for fraud or misuse of public funds.

Auditor’s Recommendation: We recommend that all personnel be reminded of, or trained in, district and state policy in regards to purchasing of goods, services, or construction. All District Personnel need to be aware that a purchase order must be approved prior to purchase of goods or services. Additionally, the District needs to modify their internal policy to come in to compliance with state guidelines.

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section III – Federal Awards Findings (Continued)

FA 2015-001 – Purchase Orders and Travel Reimbursement (Non-Compliance) (continued)

Responsible Official's Plan:

- Specific corrective action plan for finding: **Mileage rate has been changed in Board Policy and we are following the \$.45 per mile. All travel request come into business office with a requisition for travel that we convert into a purchase order.**

- Timeline for completion of corrective action plan: **This has been corrected and resolved for 15-16 FY**

- Employee position(s) responsible for meeting the timeline: **Executive Director of Finance, Superintendent**

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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Schedule XI

Section III – Federal Awards Findings (Continued)

FA 2015-002 – Procurement and Suspension and Debarment (Non-Compliance)

Federal Program Information:

Funding Agency: U.S. Department of Education
Title: Title I IASA and IDEA-B Entitlement
CFDA Number: 84.010 and 84.027
Passthrough: New Mexico Public Education Department
Award Year: 2015

Funding Agency: U.S. Department of Agriculture
Title: USDA School Breakfast Program, National School Lunch Program, and Fresh Fruits and Vegetables
CFDA Number: 10.553, 10.555, 10.582
Passthrough: New Mexico Public Education Department
Award Year: 2015

Criteria: OMB Circular A-133:

I. Procurement and Suspension and Debarment

States, and governmental subrecipients of States, will use the same State policies and procedures used for procurements from non-Federal funds. They also must ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their implementing regulations.

Local governments and Indian tribal governments that are direct recipients of Federal awards and their subrecipients will use procurement procedures that conform to applicable Federal law and regulations and standards identified in the A-102 Common Rule or OMB Circular A-110 (2 CFR part 215), as applicable.

Suspension and Debarment

Non-Federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. "Covered transactions" include those procurement contracts for goods and services awarded under a nonprocurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR section 180.220. All nonprocurement transactions entered into by a recipient (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provided in 2 CFR section 180.215.

When a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-federal entity must verify that the entity, as defined in 2 CFR section 180.995 and agency adopting regulations, is not suspended or debarred or otherwise excluded from participating in the transaction. This verification may be accomplished by (1) checking the *Excluded Parties List System (EPLS)* maintained by the General Services Administration (GSA) and available at <https://www.sam.gov/portal/public/SAM/> (note: EPLS is no longer a separate system; however, the OMB guidance and agency implementing regulations still refer to it as EPLS), (2) collecting a certification from the entity, or (3) adding a clause or condition to the covered transaction with that entity (2 CFR section 180.300).

Additionally, when awarding contracts under normal bidding procedures in excess of \$100,000, non-Federal entities should obtain information related to the entity to verify that it is not suspended or debarred or otherwise excluded from participating in the transaction.

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section III – Federal Awards Findings (Continued)

FA 2015-002 – Procurement and Suspension and Debarment (Non-Compliance) (continued)

Condition: During our testing of cash disbursements in individually significant and single audit we identified three vendors which would meet the requirement of verifying that the vendors were not suspended or debarred or otherwise excluded from receiving the contract which was funded through Federal dollars. These vendors were Hypertec USA, Inc., The Institute for Multi-Sensory ED, and Labatt Food Service which received more than \$100,000 in payments from the District from Federal grant sources. These vendors are not currently suspended or debarred from receiving Federal contracts.

Questioned Costs: None

Cause: District personnel were unaware that they were required to verify that vendors which meet the \$25,000 or \$100,000 threshold are not suspended, debarred, or otherwise excluded from participating in contracts funded through Federal awards.

Effect: The District is not in compliance with Federal regulations related to the grant and could put funding in jeopardy or require the District to reimburse the program for improper grant distributions.

Auditor's Recommendation: We recommend that the District establish a policy and implement procedures regarding large purchases related to Federal grants to insure that no vendors who are suspended, debarred, or otherwise excluded from participating in transactions funded through Federal grants is used. There are three methods in which the District can verify the vendors. With a vendor such as Labatt New Mexico, which the District does significant business with on a continual basis, having Labatt provide an annual certification that it is not currently suspended, debarred, or otherwise prevented from receiving Federal dollars may be a simple way of meeting the criteria. In other occasions in which a single purchase is going to be made, the purchasing procedures should include looking up the vendor on the GSA website, printing a copy of the verification, and placing it in the file with the purchase order. The District has options, and it should establish what method is the least intrusive but also effective in complying with the requirements of OMB Circular A-133.

Responsible Official's Plan:

- Specific corrective action plan for finding: **The purchasing clerk is checking all vendors that we do business with in federal funds that are in excess of \$100,000 and we have a binder that we keep proof of how, who, and when this is done.**

- Timeline for completion of corrective action plan: **This is currently being done and is resolved**

- Employee position(s) responsible for meeting the timeline: **Executive Director of Finance, Superintendent, Accounting Manager**

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015

Schedule XI

Section IV – Prior Year Audit Finding

FS 2007-005 [07-05] — Cash Appropriations in Excess of Available Cash Balances- Repeated and Revised
FS 2009-003 [09-03] — Capital Assets- Resolved
FS 2009-004 [09-04] — Interfund Activity- Resolved
FS 2010-001 [10-01] — Entity-Wide Control Deficiency- Repeated and Revised
FS 2010-004 [10-04] — Internal Controls over Bank Reconciliations- Repeated and Revised
FS 2010-009 [10-09] — Expenditures in Excess of Budget- Repeated and Revised
FS 2014-001 Incomplete I-9 Information – Repeated and Revised
FS 2014-002 Improper Purchase Order and Payment Authorization – Repeat and Revised
FS 2014-003 Deposits Not Made In A Timely Manner – Repeated and Revised
FS 2014-004 Improper Approval of Budget Adjustments – Resolved
FS 2014-005 Improper Withholding of Employee Contributions – Resolved
FS 2014-006 Improper Cash Controls Outstanding Warrants – Resolved
FS 2014-007 Payment for Goods and/or Services not Completed Within 30 Days – Resolved
FS 2014-008 Improper Procedures for Bids RFPs – Repeated and Revised
FS 2014-009 Improper Purchase of High Grade Fuel – Resolved
FS 2014-010 Credit Cards and Supporting Documentation – Repeated and Revised
FS 2014-011 Federal Reporting Requirements – Resolved
FS 2014-012 Payment for Services not Yet Received – Resolved
FS 2014-013 Late Filing of Audit Report – Resolved
FA 2014-001 Improper Maintenance of Personnel Activity Reports – Repeated and Revised
FA 2014-002 Improper Recording of Revenues – Resolved
FA 2014-003 Disallowed Expenses Not Moved to Operational Fund – Resolved
FA 2014-004 Indirect Costs Charges Exceeded Allowable Rate – Repeated and Revised

STATE OF NEW MEXICO
BELEN CONSOLIDATED SCHOOL DISTRICT NO. 2
OTHER DISCLOSURES
FOR THE YEAR ENDED JUNE 30, 2015

Auditor Prepared Financial Statements

Manning Accounting and Consulting Services, LLC prepared the GAAP-basis financial statements and footnotes of Belen Consolidated School District No. 2 from the original books and records provided to them by the management of the District. The District's management has reviewed and approved the financial statements and related notes and they believe that their records adequately support the financial statements. The responsibility for the financial statements remains with the District.

Exit Conference

The contents of this report were discussed on November 13, 2015 the following individuals were in attendance.

Belen Consolidated School District No. 2

Max Perez, Superintendent
George Perea, Director of Finance
Dolores Quintana, Board Secretary
Max Cordova, Board Member
Annette Torrez, Accounting & Finance Manager

Manning Accounting and Consulting Services, LLC

Byron R. Manning, CPA, Partner