



**STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS**

**ANNUAL FINANCIAL REPORT  
For the Year Ended June 30, 2014**

**CLOVIS MUNICIPAL SCHOOLS  
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YEAR ENDED JUNE 30, 2014**

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CLOVIS MUNICIPAL SCHOOLS  
OFFICIAL ROSTER  
JUNE 30, 2014

<u>Name</u>	<u>Title</u>
<u>Board of Education</u>	
Terry Martin	President
Ken Urban	Vice President
Kyle Snider	Secretary
Paul Cordova	Member
Jennifer Burrill	Member
<u>School Officials</u>	
Jody Balch	Acting Superintendent
Cindy Martin	Deputy Superintendent of Instruction
Carrie Bunce	Deputy Superintendent of Operations
Shawna Russell	Chief Financial Officer
Kerry Parker	Executive Director of Human Resources

## Independent Auditor's Report

Mr. Hector Balderas  
New Mexico State Auditor  
&  
The Board of Education  
Clovis Municipal Schools

### Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information and the budgetary comparisons for the general fund and the major special revenue funds of the Clovis Municipal Schools (District), as of and for the year ended June 30, 2014, 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 also have audited the financial statements of each of the District's non major governmental funds, fiduciary funds, and the budgetary comparisons for the major debt service fund, major capital projects funds and all non-major funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2014, 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 responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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.

Mr. Hector Balderas  
New Mexico State Auditor  
&  
The Board of Education  
Clovis Municipal Schools

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, 2014, and the respective changes in financial position and the respective budgetary comparisons for the general fund and major special revenue funds 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 non major governmental fund and fiduciary fund of the District as of June 30, 2014, and the respective changes in financial position and the respective budgetary comparisons for the major debt service fund, major capital projects funds and all non-major funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As discussed in Note 17 to the financial statements, the District's management determined that certain funds, the government-wide financial statements, and the Schedule of Cash Reconciliation were materially misstated in the previously issued financial statements and restated the June 30, 2013 ending balances in these financial statements. Our opinion is not modified with respect to this matter.

Mr. Hector Balderas  
New Mexico State Auditor  
&  
The Board of Education  
Clovis Municipal Schools

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 13 be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *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 budgetary comparisons. The Schedule of Expenditures of Federal Awards as required by the Office of Management and Budget Circular OMB A-133, Audits of States, Local Governments and Non-Profit Organizations, the Schedule of Changes in Fiduciary Net Assets and Liabilities – Agency Funds, Schedule of Collateral Pledged by Depository for Public Funds, Schedule of Cash and Temporary Investment Accounts, and the Schedule of Cash Reconciliation required by the New Mexico State Audit Rule 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 other schedules required by Section 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

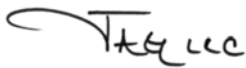


Mr. Hector Balderas  
New Mexico State Auditor  
&  
The Board of Education  
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additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and other schedules required by Section 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2014 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.



Jaramillo Accounting Group LLC  
Albuquerque, New Mexico  
October 31, 2014

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
MANANAGMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2014

**Introduction**

This discussion and analysis of Clovis Municipal School's (Clovis Municipal School District or the District) financial performance provides an overall review of the financial activities for the fiscal year ended June 30, 2014. The intent of this discussion and analysis is to look at the financial performance of District as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the school district's financial performance.

**Financial Highlights**

- The assets of the District exceeded its liabilities at the end of the fiscal year by \$123,814,841. Of this amount, \$97,119,840 is invested in capital assets, \$17,027,642 is restricted for capital projects, debt service purposes, and special revenue funds and \$9,667,539 is unrestricted and may be used to meet the District's ongoing obligations.
- The District's total net position increased by \$3,155,653 which is reflected in the District's Statement of Activities listed below.
- The District's liabilities increased by \$8,188,888 in fiscal year 2014.
- At June 30, 2014, the fund balance for the general fund was \$8,592,191 which reflects an increase of \$386,869.
- The District's general obligation bond debt balance is \$39,921,655, which reflects an overall \$7,456,581 increase due to the net offset of issuing new debt and retiring old bonds. Voters authorized new bonds in the amount of \$20,000,000 in an election on May 7, 2013 which allows the District to issue this new debt over a four year period beginning with the fiscal year ending 2013.

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JUNE 30, 2014

The District's Condensed Statement of Net Position at June 30, 2014 and 2013 is as follows:

	<u>At June 30, 2014</u>	<u>At June 30, 2013</u>
Current assets	\$ 29,559,747	21,979,765
Noncurrent assets	136,760,178	135,184,378
Total assets	<u>166,319,925</u>	<u>157,164,143</u>
Current liabilities	2,583,429	1,968,753
Long term liabilities	39,921,655	32,347,443
Total liabilities	<u>42,505,084</u>	<u>34,316,196</u>
Net investment in capital assets	97,119,840	103,037,948
Restricted	17,413,622	10,422,452
Unrestricted	9,281,379	9,387,547
Total net position	<u>\$ 123,814,841</u>	<u>122,847,947</u>

The District's Condensed Statement of Statement of Activities for the year ended June 30, 2014 and 2013 is as follows:

	<u>Year ended 6/30/2014</u>	<u>Year ended 6/30/2013</u>
Revenues:		
Charges for Services	\$ 548,180	558,821
Operating Grants/Contributions	11,717,841	14,185,816
Capital Grants/Contributions	773,625	2,511,253
Local Property Taxes	5,253,808	4,901,173
State Aid	55,923,662	54,348,778
Interest and Investment earnings	15,329	405,391
Other	188,791	389,034
Total Revenues	<u>\$ 74,421,236</u>	<u>77,300,266</u>
Expenses:		
Direct Instruction	\$ 38,982,111	39,287,765
Support Services	15,823,547	14,693,730
Central Services	1,752,452	1,814,198
Operation and Maintenance of Plant	7,330,542	(14,286,376)
Student Transportation	1,276,617	1,099,977
Operation of Non-support Services	1,286,228	2,798,377
Interest on Long-term Debt	819,826	485,828
Depreciation	3,994,260	2,553,129
Total Expenses	<u>\$ 71,265,583</u>	<u>48,446,628</u>
Change in Net Position	3,155,653	28,853,638
Beginning Fund Balance - July 1	122,847,947	93,994,309
Prior Period Restatement	(2,188,759)	-
Beginning Fund Balance - July 1 - as restated	<u>120,659,188</u>	<u>93,994,309</u>
Ending Fund Balance - June 30	<u>\$ 123,814,841</u>	<u>122,847,947</u>

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
MANANAGMENT'S DISCUSSION AND ANALYSIS  
June 30, 2014

**Overview of Financial Statements**

The Clovis Municipal School District's (District) basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to that of a private sector business.

The *statement of net position* presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the district is improving or deteriorating.

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows only in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Both *the statement of net position* and *the statement of activities* distinguish functions of District that are primarily supported by property taxes and state revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through fees and charges. The governmental activities of the district include education, pupil transportation, food service, instructional materials allocations, and community service. The District does not have any business-type activities.

Fund Financial Statements.

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other school districts, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds

*Government Funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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MANANAGMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2014

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains nine individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the government funds statement of revenues, expenditures, and changes in fund balance for the following funds:

- General Fund
- Transportation Fund
- Instructional Materials Fund
- Food Service Fund
- Title I
- IDEA-B Entitlement
- Capital Improvements – SB-9
- Bond Building Fund
- Debt Service Fund
- Other Governmental Funds

The first nine funds are considered major funds. Individual fund data for each of the funds included in the Other Governmental Funds, which are considered to be non-major funds, is provided in the form of combining statements following the notes to the financial statements.

The District adopts an annual appropriated budget for each of its funds. Budgetary comparative statements have been provided for these funds to demonstrate compliance with these budgets.

Fiduciary Funds

Fiduciary Funds are used to account for resources held in trust for the benefit of parties outside the District. Fiduciary fund financial statements consist of a statement of fiduciary net position and a statement of changes in fiduciary net assets. These funds are not reported in the government-wide financial statements.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

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CLOVIS MUNICIPAL SCHOOLS  
MANANAGMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2014

**Overview of Clovis Municipal School's Financial Position and Operations**

The District's overall financial position and operations for the current year are as follows:

As noted earlier, over time, net position may serve as a useful indicator of a government's financial position. A portion (79%) of the District's net position is invested in capital assets (e.g., land, land improvements, buildings and building improvements, and furniture, fixtures, and equipment), less any related debt used to acquire those assets that is still outstanding. Net Investment in Capital Assets decreased by \$5,918,108, primarily because of the cost of completed building and building projects adjusted by depreciation expense. The district uses these capital assets to provide educational services; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

As noted on the Condensed Statement of Net Position, \$9,667,359 of the District's net position is unrestricted in nature and can be used at the discretion of the District to meet ongoing obligations to creditors and stakeholders. All other portions are restricted for the stated purpose. Current and other assets increased from FY 2013 to FY 2014 by \$7,579,982. This increase was primarily due to an increase in cash in the General and Debt Service Funds.

The District continues to utilize local Bond Funds and State Appropriations to construct new schools and make improvements to existing facilities. Total Liabilities increased by \$8,188,888. This increase is primarily due to the issuance of new debt that occurred during the FY 13-14 school year. The current portion of bonds payable increased as well due to the issuance of new debt, somewhat offset by the retirement of existing debt that occurred in the fiscal year ended June 30, 2014.

The following are major elements of the District's governmental activities contribution to the increase in the change in net position.

As noted in the preceding schedule, the District is heavily dependent on federal and state aid which comprises 76% of total revenues. Correspondingly, it spends almost 77% of total expenditures on direct instruction and support services – student/instruction/school administration; the two primary functions that indicate direct school spending. Revenues from local sources experienced a slight increase. The District experienced an increase of \$352,635 in property tax revenues. Federal and State Aid, Operating Grants and contribution sources experienced a decrease of \$2,630,719 compared to 2013. This decrease is largely due to the decrease in federal funding. Due to the economic factors of the communities we serve, the District qualifies for substantial Federal assistance.

The major funds noted similar variances when comparing 2013 to 2014. The Debt Service Fund has increased as a direct result of the changes in long-term debt. The Bond Building Fund increased due to

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MANANAGMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2014

the sale of two municipal bonds which were used to offset the completion of construction projects as well as the status of construction projects currently in progress.

The fund balance of the District's general fund increased by \$386,869 during the current fiscal year. The District's board and management were committed to increasing the cash balance of the district at the end of the fiscal year in order to meet increasing state mandates while maintain the district's high bond rating. The current fiscal year budget reflects a decrease in the cash balance. The fund balance is expected to decrease because of New Mexico state mandates to decrease class sizes and staff Pre-K classes with licensed teachers.

The District's debt service fund's total fund balance was \$4,091,141 and is restricted for the payment of debt service. This is a net increase in fund balance of \$219,292. The increase was due to the issuance of new bonds and offset by the debt payments during the year.

There was a significant increase of \$6,995,950 in the fund balance of the bond building capital fund resulting in a fund balance of \$6,512,347. The increase was the result of the sale of two General Obligation School Building Bonds during the year and offset by expenditures for construction projects.

The SB-9 capital improvement fund balance was \$3,113,453 and is used primarily for maintenance and repair of facilities and grounds. This is a net increase in fund balance of \$986,351. The expenditures in this fund can fluctuate depending on the number, complexity and cost of the maintenance work orders for any given year. The state reimburses the District 80% of approved expenditures which resulted in the cash balance increase this year.

#### **General Fund Budgetary Highlights**

The District's budget is prepared in compliance with New Mexico statutes and New Mexico Public Education Department regulations and is based on revenue and expenditure trends, current year projections for certain transactions including cash receipts, disbursements, and encumbrances and is driven by the Educational Plan for Student Success. The primary focus of the District's budget development process is the General Fund due to funding challenges, legislative mandates for the educational programs and provision of student services, staffing, and other operating decisions. During the course of fiscal year 2014, the District amended its budget as needed. Differences between the original budgeted revenues and the final amended budgeted revenues resulted in a budget increase of \$11,751,976. This was a result of the funding formula increase of \$4.62 per unit.

The General Fund had significantly lower actual expenditures compared to final budget amounts in Instruction, Operations and Maintenance of Plant, and Other Support Services due to the strong budgeting controls the District has implemented.

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MANANAGMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2014

**Capital Asset and Debt Administration**

At the end of fiscal year 2014, the District had \$194,067,456 invested in capitalized assets with associated accumulated depreciation of \$57,307,278. This investment in capital assets includes land, construction in progress, land improvements, buildings and building improvements, and furniture, fixtures and equipment. For all governmental activities, a total of \$136,760,178 was determined to be the historical cost, net of accumulated depreciation of all the capital assets owned by the District.

Major capital asset events during the current fiscal year included the following:

- New Gattis Middle School
- Bella Vista Elementary School Addition
- Gattis Library Collection
- Roofing Projects within the District
- Marshall Middle School Addition and Renovation
- New Lockwood Elementary School

Construction in progress consisted of major construction projects currently underway in the District which includes upgrades to science labs at two middle schools and the Freshman Academy, tear down and complete rebuild of James Bickley Elementary, demolition of old Lockwood Elementary School, and new playground equipment throughout the District., and other various projects throughout the District. Capital assets increased approximately (4%) due to the completion of construction projects compared to the prior year.

**Long Term Obligations**

At the end of the current year, the District had \$39,921,655 in long-term debt related to governmental activities. Of this debt, \$39,470,000 was related to general obligation bonds outstanding at year end. The debt position of the District is summarized below and is more fully analyzed in the financial statements.

	Balance June 30, 2013	Additions	Deletions	Balance June 30, 2014	Due Within One Year
Bond Payable	\$ 31,815,000	14,130,000	6,475,000	39,470,000	3,085,000
Municipal Lease Purchase	331,430	-	161,092	170,338	170,338
Compensated Absences	318,644	194,138	231,465	281,317	231,465
<b>Total</b>	<b>\$ 32,465,074</b>	<b>14,324,138</b>	<b>6,867,557</b>	<b>39,921,655</b>	<b>3,486,803</b>



STATE OF NEW MEXICO  
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MANANAGMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2014

The District issued General Obligation Bonds in the amount of \$14,130,000 for a total debt amount of \$39,470,000 at June 30, 2014. Included in the issuance of bonds was a current refunding of 2004 General Obligation Bonds in the amount of \$4,130,000. On August 1, 2013, the District reduced the debt principal by \$2,325,000, in accordance with scheduled bond payments. Overall, the District increased its debt balances by \$7,456,581 which was due to the issuance of new bonds, an increase in compensated absences and offset by the debt payment activity described above.

The District maintains an Aal bond rating from Moody's Investor Service, Inc. Additionally, the District held a bond election on May 7, 2013 in which the voters passed by a margin of over 3 to 1.

**Relevant Current Economic Factors, Decisions and Conditions**

The economy of Curry County and the City of Clovis is based primarily upon agriculture, military, industrial manufacturing, and wholesale/retail distribution. With 4,808 active-duty members 619 government civilians and 513 permanent party contractors, Cannon Air Force Base is vital to the economic stability of the area. Curry County is the largest agricultural center and has the largest concentration of cattle farms in New Mexico. Unemployment in Curry County has remained considerably lower than the State and the nation, at 5.9% in June 2014.

The population of Curry County has seen a slight decrease over the past couple of years and the student population has shown a slight decrease. The peak enrollment was in the FY 10-11 school year, with 8,470 students. The final student enrollment count for FY 13-14 was 8,431. Projected enrollment for FY 14-15 was 8,382 which reflects the population and student decline. Since the District, like all other New Mexico school districts, is funded on a prior year funding formula, (i.e. the student population from this year will determine the amount of funding received in the following year), it must maintain tight budgetary controls in order to meet current year needs with last year's funding. The District's primary general source of revenues is derived from the state funding formula.

Even with a decline in student population, the need still exists to update and renovate some of the District's older schools. Because of the construction of the new Gattis Middle School and Lockwood Elementary School, the district has eliminated the usage of at least 20 portable classrooms. The District anticipates elimination of an additional 5 portable buildings with the tear-down and re-construction of James Bickley Elementary School. Additionally, utility and maintenance costs will be lower on the new buildings.

In May of 2013, new bonds in the amount of \$20,000,000 were approved by the voters. This debt authorization will be sold over a 4 year period beginning in September of 2013 and concluding in 2016. During fiscal year 2013-2014, we completed two bond sales with issue dates of September 10, 2013 for \$4,900,000 and April 30, 2014 for \$5,100,000. Also, on April 30, 2014, we refunded a 2004 bond issue in

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
MANANAGMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2014

the amount of \$4,130,000. As old debt is retired, new debt is issued, thereby maintaining a debt service tax rate of \$4.95 per \$1,000 of assessed value.

The District receives approximately 76% of its annual operating budget from the State of New Mexico through the State Equalization Guarantee Funding. The objectives of the formula are (1) to equalize educational opportunity statewide (by manner) and (2) to retain local autonomy in actual use of funds by allowing funds to be used in local districts at the discretion of local policy making bodies. The basis for the formula is in the number of students enrolled. Weighting factors are assigned to students that receive special services (i.e. special education and bilingual education services), as well as other factors based on the training and experience of the teaching staff and the District's at-risk population.

**Request for Information**

This financial report is designed to provide various interested parties with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or require additional information, contact the District's Finance Department:

Shawna E. Russell  
Chief Financial Officer  
Clovis Municipal Schools  
1009 N. Main Street/PO Box 19000  
Clovis, NM 88101  
(575) 769-4327  
[shawna.russell@clovis-schools.org](mailto:shawna.russell@clovis-schools.org)

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF NET POSITION  
As of June 30, 2014

		Governmental Activities
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$	10,351,168
Investments		15,868,018
Receivables		2,534,955
Inventory		805,606
Total current assets		29,559,747
Non-current assets		
Capital assets		
Construction in progress		2,308,535
Land and land improvements		13,335,416
Building and building improvements		159,248,623
Furniture, fixtures and equipment		19,174,882
Accumulated depreciation		(57,307,278)
Total non-current assets		136,760,178
Total assets	\$	166,319,925
<b>LIABILITIES</b>		
Accounts payable	\$	889,712
Accrued payroll liabilities		874,844
Unearned revenue		425,334
Accrued interest		393,539
Noncurrent liabilities:		
Due within one year - debt		3,255,338
Due in more than one year - debt		36,385,000
Due within one year - compensated absences		231,465
Due in more than one year - compensated absences		49,852
Total liabilities		42,505,084
<b>NET POSITION</b>		
Net investment in capital assets		97,119,840
Restricted for		
Debt service		3,697,602
Capital projects		10,037,850
Other		3,292,190
Unrestricted		9,667,359
Total net position		123,814,841
Total net position and liabilities	\$	166,319,925

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF ACTIVITIES  
For The Year Ended June 30, 2014

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenue and Changes Net Assets</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>		
<b>Primary Government</b>						
Governmental activities:						
Instruction	\$ 38,982,111	222,700	3,971,529	-	(34,787,882)	
Support Services:						
Students	8,271,416	-	2,664,411	-	(5,607,005)	
Instruction	2,436,722	-	12,208	-	(2,424,514)	
General Administration	1,012,558	-	-	-	(1,012,558)	
School Administration	3,959,495	-	-	-	(3,959,495)	
Other Support Service	143,356	-	-	-	(143,356)	
Central Services	1,752,452	-	-	-	(1,752,452)	
Operation & Maintenance of Plant	4,952,821	-	-	773,625	(4,179,196)	
Student Transportation	1,276,617	-	1,276,617	-	-	
Food Services Operation	3,612,470	325,480	3,793,076	-	506,086	
Community Services	51,479	-	-	-	(51,479)	
Depreciation - unallocated	3,994,260	-	-	-	(3,994,260)	
Interest on long-term obligations	819,826	-	-	-	(819,826)	
Total Primary Government	<u>\$ 71,265,583</u>	<u>548,180</u>	<u>11,717,841</u>	<u>773,625</u>	<u>(58,225,937)</u>	
<b>General revenues:</b>						
Property Taxes:						
Levied for general purpose					333,699	
Levied for debt services					3,526,490	
Levied for capital projects					1,393,619	
State Equalization Guarantee					55,923,662	
Unrestricted investment earnings					15,329	
Gain on sale of fixed assets					133,457	
Miscellaneous					55,334	
Total general revenues					<u>61,381,590</u>	
					Change in net position	3,155,653
					Net position - beginning of year	122,847,947
					Prior period restatement	(2,188,759)
					Net position - beginning of year - restated	<u>120,659,188</u>
					Net position - end of year	<u>\$ 123,814,841</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BALANCE SHEET - GOVERNMENTAL FUNDS  
As of June 30, 2014

	OPERATIONAL FUNDS						
	Fund 11000	Fund 13000	Fund 14000	Fund 21000	Fund 24101	Fund 24106	Fund 31100
	General Operational	Transportation	Instructional Materials	Food Service	Title I	IDEA-B Entitlement	Bond Building
<b>Assets</b>							
Cash and cash equivalent	\$ 4,258,093	-	798,425	2,632,974	-	-	895,706
Accounts receivable							
Taxes	18,162	-	-	-	-	-	-
Due from other governments	-	-	-	-	616,582	572,541	-
Other receivables	-	-	-	-	-	-	-
Interfund receivables	1,107,248	-	-	-	-	-	-
Investments	3,717,521	-	-	300	-	-	6,504,345
Inventory	419,626	-	-	385,980	-	-	-
<b>Total Assets</b>	<b>\$ 9,520,650</b>	<b>-</b>	<b>798,425</b>	<b>3,019,254</b>	<b>616,582</b>	<b>572,541</b>	<b>7,400,051</b>
<b>Liabilities</b>							
Accounts payable	42,646	-	-	-	-	-	828,204
Accrued payroll liabilities	874,844	-	-	-	-	-	-
Interfund payables	-	-	-	-	402,522	361,267	59,500
Unearned revenues	-	-	-	-	214,060	211,274	-
<b>Total Liabilities</b>	<b>917,490</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>616,582</b>	<b>572,541</b>	<b>887,704</b>
<b>Deferred Inflows of Resources</b>							
Delinquent property taxes	10,969	-	-	-	-	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>928,459</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>616,582</b>	<b>572,541</b>	<b>887,704</b>
<b>Fund Balance</b>							
Nonspendable	419,626	-	-	385,980	-	-	-
Restricted for:							
General fund	-	-	798,425	-	-	-	-
Special revenue	-	-	-	2,633,274	-	-	-
Capital projects	-	-	-	-	-	-	6,512,347
Debt service	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	8,172,565	-	-	-	-	-	-
<b>Total Fund Balance</b>	<b>8,592,191</b>	<b>-</b>	<b>798,425</b>	<b>3,019,254</b>	<b>-</b>	<b>-</b>	<b>6,512,347</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 9,520,650</b>	<b>-</b>	<b>798,425</b>	<b>3,019,254</b>	<b>616,582</b>	<b>572,541</b>	<b>7,400,051</b>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BALANCE SHEET - GOVERNMENTAL FUNDS  
As of June 30, 2014

	Fund 31700 Capital Improvements SB-9	Fund 41000 Debt Service	Other Governmental	Total
<b>Assets</b>				
Cash and cash equivalent	\$ 741,559	-	1,024,411	10,351,168
Accounts receivable				
Taxes	76,168	191,778	-	286,108
Due from other governments	674,129	-	320,416	2,183,668
Other receivables	-	-	65,179	65,179
Interfund receivables	-	55,081	-	1,162,329
Investments	1,686,369	3,959,483	-	15,868,018
Inventory	-	-	-	805,606
<b>Total Assets</b>	<b>\$ 3,178,225</b>	<b>4,206,342</b>	<b>1,410,006</b>	<b>30,722,076</b>
<b>Liabilities</b>				
Accounts payable	18,862	-	-	889,712
Accrued payroll liabilities	-	-	-	874,844
Interfund payables	-	-	339,040	1,162,329
Unearned revenues	-	-	-	425,334
<b>Total Liabilities</b>	<b>18,862</b>	<b>-</b>	<b>339,040</b>	<b>3,352,219</b>
<b>Deferred Inflows of Resources</b>				
Delinquent property taxes	45,910	115,201	-	172,080
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>64,772</b>	<b>115,201</b>	<b>339,040</b>	<b>3,524,299</b>
<b>Fund Balance</b>				
Nonspendable	-	-	-	805,606
Restricted for:				
General fund	-	-	-	798,425
Special revenue	-	-	658,916	3,292,190
Capital projects	3,113,453	-	412,050	10,037,850
Debt service	-	4,091,141	-	4,091,141
Assigned	-	-	-	-
Unassigned	-	-	-	8,172,565
<b>Total Fund Balance</b>	<b>3,113,453</b>	<b>4,091,141</b>	<b>1,070,966</b>	<b>27,197,777</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 3,178,225</b>	<b>4,206,342</b>	<b>1,410,006</b>	<b>30,722,076</b>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
As of June 30, 2014

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds	\$	27,197,777
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds		
The cost of capital assets		194,067,456
Accumulated depreciation		<u>(57,307,278)</u>
		136,760,178
Property tax revenues that are not available to pay for current period expenditures and are deferred inflows in the funds.		
		172,080
Accrued interest		
		(393,539)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:		
Bond and leases payable		(39,640,338)
Compensated absences		<u>(281,317)</u>
Total net position - government funds	\$	<u><u>123,814,841</u></u>

*See accompanying notes.*

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
For The Year Ended June 30, 2014

	OPERATIONAL FUNDS							
	Fund 11000	Fund 13000	Fund 14000	Fund 21000	Fund 24101	Fund 24106	Fund 31100	Fund 31700
	General Operational	Transportation	Instructional Materials	Food Service	Title I	IDEA-B Entitlement	Bond Building	Capital Improvements SB-9
<b>Revenues</b>								
Property taxes	322,730	-	-	-	-	-	-	1,347,709
State grants	55,923,662	1,276,617	497,066	-	-	-	-	675,129
Federal grants	280,043	-	-	3,614,746	2,282,434	1,733,604	-	-
Miscellaneous	187,546	-	1,245	-	-	-	-	-
Charges for services	6,526	-	-	325,480	-	-	-	-
Interest	9,128	-	-	428	-	-	2,578	1,141
<b>Total Revenues</b>	<b>56,729,635</b>	<b>1,276,617</b>	<b>498,311</b>	<b>3,940,654</b>	<b>2,282,434</b>	<b>1,733,604</b>	<b>2,578</b>	<b>2,023,979</b>
<b>Expenditures</b>								
Current:								
Instruction	35,587,429	-	469,561	-	1,397,113	426,784	-	-
Support services								
Students	6,070,076	-	-	-	408,024	925,844	-	-
Instruction	1,985,168	-	-	-	96,029	-	-	-
General administration	630,031	-	-	-	242,528	48,814	-	13,616
School administration	3,582,722	-	-	-	111,426	258,783	-	-
Central services	1,645,269	-	-	-	-	40,003	-	-
Operation & maintenance of plant	7,207,139	-	-	-	811	33,376	-	-
Student transportation	-	1,276,617	-	-	-	-	-	-
Other support services	143,355	-	-	-	-	-	-	-
Food services operations	-	-	-	3,240,150	-	-	-	-
Community services	-	-	-	-	26,503	-	-	-
Capital outlay	-	-	-	-	-	-	3,006,628	1,024,012
Debt service								
Principal - refunded debt	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>56,851,189</b>	<b>1,276,617</b>	<b>469,561</b>	<b>3,240,150</b>	<b>2,282,434</b>	<b>1,733,604</b>	<b>3,006,628</b>	<b>1,037,628</b>
Excess (deficiency) of revenues over (under) expenditures	(121,554)	-	28,750	700,504	-	-	(3,004,050)	986,351
<b>Other financing sources (uses)</b>								
Operating transfers	508,423	(8,423)	-	(500,000)	-	-	-	-
Proceeds from bond issuance	-	-	-	-	-	-	10,000,000	-
Proceeds from refunding debt issuance	-	-	-	-	-	-	-	-
Bond underwriter discount	-	-	-	-	-	-	-	-
Bond underwriter premium	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>508,423</b>	<b>(8,423)</b>	<b>-</b>	<b>(500,000)</b>	<b>-</b>	<b>-</b>	<b>10,000,000</b>	<b>-</b>
Net change in fund balances	386,869	(8,423)	28,750	200,504	-	-	6,995,950	986,351
Fund balance beginning of year	8,455,322	8,423	769,675	2,568,750	581,627	818,027	(483,603)	2,823,698
Prior Period Restatement	(250,000)	-	-	250,000	(581,627)	(818,027)	-	(696,596)
Fund balance, beginning of year, restated	8,205,322	8,423	769,675	2,818,750	-	-	(483,603)	2,127,102
Fund balance end of year	\$ 8,592,191	-	798,425	3,019,254	-	-	6,512,347	3,113,453

See accompanying notes.



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
For The Year Ended June 30, 2014

	Fund 41000		
	Debt	Other	Total
	Service	Governmental	
<b>Revenues</b>			
Property taxes	3,411,289	-	5,081,728
State grants	-	307,695	58,680,169
Federal grants	-	1,582,785	9,493,612
Miscellaneous	-	241,297	430,088
Charges for services	-	216,174	548,180
Interest	2,055	-	15,330
<b>Total Revenues</b>	<b>3,413,344</b>	<b>2,347,951</b>	<b>74,249,107</b>
<b>Expenditures</b>			
Current:			
Instruction	-	1,024,579	38,905,466
Support services			
Students	-	851,827	8,255,771
Instruction	-	12,208	2,093,405
General administration	34,438	34,978	1,004,405
School administration	-	4,334	3,957,265
Central services	-	60,966	1,746,238
Operation & maintenance of plant	-	-	7,241,326
Student transportation	-	-	1,276,617
Other support services	-	-	143,355
Food services operations	-	175,314	3,415,464
Community services	-	24,976	51,479
Capital outlay	-	98,496	4,129,136
Debt service			
Principal - refunded debt	4,150,000	-	4,150,000
Principal	2,325,000	-	2,325,000
Interest	999,041	-	999,041
<b>Total Expenditures</b>	<b>7,508,479</b>	<b>2,287,678</b>	<b>79,693,968</b>
Excess (deficiency) of revenues over (under) expenditures	(4,095,135)	60,273	(5,444,861)
<b>Other financing sources (uses)</b>			
Operating transfers	-	-	-
Proceeds from bond issuance	-	-	10,000,000
Proceeds from refunding debt issuance	4,130,000	-	4,130,000
Bond underwriter discount	(4,419)	-	(4,419)
Bond underwriter premium	188,846	-	188,846
<b>Total other financing sources (uses)</b>	<b>4,314,427</b>	<b>-</b>	<b>14,314,427</b>
<b>Net change in fund balances</b>	<b>219,292</b>	<b>60,273</b>	<b>8,869,566</b>
Fund balance beginning of year	3,871,849	1,103,202	20,516,970
Prior Period Restatement	-	(92,509)	(2,188,759)
Fund balance, beginning of year, restated	3,871,849	1,010,693	18,328,211
Fund balance end of year	\$ 4,091,141	1,070,966	27,197,777

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES -  
For The Year Ended June 30, 2014

	<b>Governmental Funds</b>
Amounts reported for governmental activities in the Statement of Activities are different because:	
Total net changes in fund balances - total governmental funds	\$ 8,869,566
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 position 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 in the period.	
Depreciation expense	(4,769,964)
Capital outlays	6,680,022
Loss on disposal of capital assets	(317,434)
Adjustments to capital assets	16,824
Revenue in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	
Change in deferred inflow related to the property taxes receivable	138,432
The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial resources to governmental funds, while the repayments of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position:	
Bond proceeds	(10,000,000)
Bonds proceeds to be used for refunding debt	(4,130,000)
Increase in accrued interest payable	(5,212)
Decrease in accrued compensated absences	37,327
Principal payments on capital lease	161,092
Principal payments on bonds	2,325,000
Principal payment on refunded bond	4,150,000
<b>Change in net position of governmental activities</b>	<b>\$ <u>3,155,653</u></b>

See accompanying notes.

Note - hid rows 26-30 - no balance

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL OPERATIONAL FUND (11000)  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ 317,525	317,525	326,114	8,589
State grants	55,966,611	55,925,255	55,923,662	(1,593)
Federal grants	267,783	267,783	280,043	12,260
Miscellaneous	159,000	159,000	201,459	42,459
Charges for services	7,000	7,000	6,526	(474)
Interest	11,991	11,991	9,128	(2,863)
<b>Total revenues</b>	<b>\$ 56,729,910</b>	<b>56,688,554</b>	<b>56,746,932</b>	<b>58,378</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 37,145,000	37,499,482	35,612,008	1,887,474
Support services				
Students	6,133,000	6,133,000	6,070,076	62,924
Instruction	1,759,000	2,170,600	1,985,168	185,432
General administration	736,000	736,000	630,031	105,969
School administration	3,913,000	3,913,000	3,582,722	330,278
Central services	1,762,000	1,762,000	1,645,269	116,731
Operation & maintenance of plant	8,132,000	8,485,750	7,207,139	1,278,611
Student transportation	-	-	-	-
Other support services	2,173,910	1,408,560	100,710	1,307,850
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 61,753,910</b>	<b>62,108,392</b>	<b>56,833,123</b>	<b>5,275,269</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ (5,024,000)</b>	<b>(5,419,838)</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 56,746,932
Change in receivables	(17,297)
Modified accrual basis	<u>\$ 56,729,635</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 56,833,123
Change in payables	18,066
Modified accrual basis	<u>\$ 56,851,189</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TRANSPORTATION FUND (13000)  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	1,218,432	1,276,617	1,276,617	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 1,218,432</b>	<b>1,276,617</b>	<b>1,276,617</b>	<b>-</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	1,218,432	1,276,617	1,276,617	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 1,218,432</b>	<b>1,276,617</b>	<b>1,276,617</b>	<b>-</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 1,276,617
Change in receivables	-
Modified accrual basis	<u>\$ 1,276,617</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 1,276,617
Change in payables	-
Modified accrual basis	<u>\$ 1,276,617</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
INSTRUCTIONAL MATERIALS FUND (14000)  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	448,837	448,837	562,600	113,763
Federal grants	-	-	-	-
Miscellaneous	-	-	1,245	1,245
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 448,837</b>	<b>448,837</b>	<b>563,845</b>	<b>115,008</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 448,837	1,152,978	469,561	683,417
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	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 448,837</b>	<b>1,152,978</b>	<b>469,561</b>	<b>683,417</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>(704,141)</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 563,845
Change in receivables	(65,534)
Modified accrual basis	<u>\$ 498,311</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 469,561
Change in payables	-
Modified accrual basis	<u>\$ 469,561</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOOD SERVICE SPECIAL REVENUE FUND (21000)  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	3,485,000	3,485,000	3,614,746	129,746
Miscellaneous	-	-	-	-
Charges for services	368,000	368,000	325,480	(42,520)
Interest	2,000	2,000	428	(1,572)
<b>Total revenues</b>	<b>\$ 3,855,000</b>	<b>3,855,000</b>	<b>3,940,654</b>	<b>85,654</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	4,255,000	4,255,000	3,583,060	671,940
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 4,255,000</b>	<b>4,255,000</b>	<b>3,583,060</b>	<b>671,940</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ (400,000)</b>	<b>(400,000)</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 3,940,654
Change in receivables	-
Modified accrual basis	<u>\$ 3,940,654</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 3,583,060
Change in payables	(342,910)
Modified accrual basis	<u>\$ 3,240,150</u>

See accompanying notes.

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CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TITLE I SPECIAL REVENUE FUND (24101)  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	2,133,412	2,466,683	2,333,825	(132,858)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 2,133,412</b>	<b>2,466,683</b>	<b>2,333,825</b>	<b>(132,858)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 1,115,958	1,498,229	1,397,113	101,116
Support services				
Students	472,289	427,189	408,024	19,165
Instruction	95,148	99,548	96,029	3,519
General administration	290,006	267,506	242,528	24,978
School administration	140,011	124,211	111,426	12,785
Central services	-	-	-	-
Operation & maintenance of plant	-	3,000	810	2,190
Student transportation	15,000	15,000	-	15,000
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	5,000	32,000	26,504	5,496
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 2,133,412</b>	<b>2,466,683</b>	<b>2,282,434</b>	<b>184,249</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 2,333,825
Change in receivables	(51,391)
Modified accrual basis	<u>\$ 2,282,434</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 2,282,434
Change in payables	-
Modified accrual basis	<u>\$ 2,282,434</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
IDEA-B SPECIAL REVENUE FUND (24106)  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	1,781,887	1,971,108	1,799,104	(172,004)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 1,781,887</b>	<b>1,971,108</b>	<b>1,799,104</b>	<b>(172,004)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 763,091	485,066	442,429	42,637
Support services				
Students	615,844	1,088,130	925,844	162,286
Instruction	-	-	-	-
General administration	51,427	58,482	48,814	9,668
School administration	307,575	263,822	258,783	5,039
Central services	40,950	40,975	40,003	972
Operation & maintenance of plant	2,500	34,133	33,376	757
Student transportation	500	500	-	500
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 1,781,887</b>	<b>1,971,108</b>	<b>1,749,249</b>	<b>221,859</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 1,799,104
Change in receivables	(65,500)
Modified accrual basis	<u>\$ 1,733,604</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 1,749,249
Change in payables	(15,645)
Modified accrual basis	<u>\$ 1,733,604</u>

See accompanying notes.



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF FIDUCIARY  
ASSETS AND LIABILITIES - AGENCY FUNDS  
As of June 30, 2014

<b>Assets</b>	
Cash and cash equivalents	\$ 581,032
Investments	641,894
<b>Total Assets</b>	<u>1,222,926</u>
 <b>Liabilities</b>	
Deposits held in trust for others	<u>1,222,926</u>
<b>Total Liabilities</b>	<u>\$ 1,222,926</u>

*See accompanying notes.*

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 1.      **Summary of Significant Accounting Policies**

Clovis Municipal School District's operation is in the primary and secondary education of school-age children within its state designated boundaries. The District operates under a school board form of government and provides services traditionally provided by public schools through the twelfth grade.

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 the notes are the representation of the District's management who is responsible for their integrity and objectivity.

The accounting and reporting policies of the District reflected in the accompanying financial statements conform to accounting principles generally acceptable in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in Governmental Accounting and Financial Reporting Standards.

A.      *Reporting Entity*

GASB Statement No. 14 established criteria for determining the government reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the District is considered a *primary government*, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the District may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt.

The Governmental Accounting Standards Board's (GASB) 39, *Determining Whether Certain Organizations are Component Units* and GASB Statement No. 61, *Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*, provides additional guidance to determine whether certain organizations, for which the primary government is not financially accountable, should be reported as component units, based on the nature and significance of their relationship with the primary government.. Under both GASB 39 and GASB 61 criteria, the Clovis Municipal Schools Foundation (Foundation) meets the criteria for discrete component unit presentation. However, the Foundation does not meet the definition of a material component unit under either generally accepted auditing standards or the NMAC 2.2.2 and, therefore, is not included in these

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

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

financial statements. The Foundation acts primarily as a fund raising organization to supplement the resources that are available to the District in support of its programs. There are no other component units.

*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 non-fiduciary 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 are 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*.

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 year for which they are billed. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 1. Summary of Significant Accounting Policies (Continued)

*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.

*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.

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

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.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE I. Summary of Significant Accounting Policies  
(Continued)

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 capital assets, and the servicing of long-term debt. Governmental funds include:

The *General Fund* is the primary operating fund of the District, and accounts for all financial resources, except those required to be accounted for in other 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 long-term debt not being financed by proprietary or nonexpendable trust funds.

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

Under the requirements of GASB #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 (in addition to the General Operational Fund),

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE I. Summary of Significant Accounting Policies  
(Continued)

which include funds that were not required to be presented as major but were at the discretion of management:

*Other Operational Funds:*

The *Transportation Fund* is used to account for the State Equalization received from the State Department of Education which is used to pay for the costs associated with transporting school age children.

The *Instructional Materials Fund* is used to account for the monies received from the State Department of Education for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students.

The *Food Service Fund* is used to account for federal and local sources of income relating to the food services programs. The Food Services Fund is segregated into two categories, the federal funds category and the non-federal funds category. Federal funds consist of the National School Breakfast and Lunch Programs which are 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. The non-federal funds consist of income derived from the snack-bar facilities located throughout the District. Authority for creation of this fund is NMSA 22- 13-13.

The *Title I Special Revenue Fund* is used to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. Schools 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 identifies 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

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
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NOTE 1.      **Summary of Significant Accounting Policies (Continued)**

Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

The *IDEA-B Entitlement Special Revenue Fund* is used to account for programs 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.

The *Bond Building Capital Projects 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.

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

*Capital Improvements SB-9 Capital Projects Fund* is used 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).

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayer or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues.

Program revenues are categorized as (a) charges for services, which include revenues collected for cafeteria fees and lost books, etc., (b) program-specific operating grants, which includes revenues received from state and federal sources such as Title I, IDEA-B, Charter Schools, and Magnet school funding to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues from state sources such as SB-9 and HB-33 funding to be used for capital projects. Internally dedicated resources are

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE I. Summary of Significant Accounting Policies  
(Continued)

reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed. 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 employs indirect cost allocation systems for certain federal programs. 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. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

D. *Assets, Liabilities 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.

**Receivables and Payables:** Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

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



STATE OF NEW MEXICO  
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JUNE 30, 2014

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

The District receives monthly income from a tax levy in Curry 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 Curry County Treasurer in July and August 2014 is considered 'measurable and available' and, accordingly, is recorded as revenue during the year ended June 30, 2014.

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.

**Instructional Materials:** The New Mexico State Department of Education 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 material listed in the State Board of Education 'State Adopted Instructional Material' list, while the other fifty percent of each allocation is available for purchases directly from vendors, for which the school district receives cash draw-downs, or transfer to the seventy percent account for requisition of material from the adopted list.

**Inventory:** Inventory is valued at lower of cost (first-in, first-out) or market. Inventory in the General Fund consists of expendable supplies held for consumption. Inventory in the Special Revenue Funds 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. The U.S.D.A. commodities are recorded at year-end by audit adjusting entries. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories and deferred revenue. Non-commodity inventories are equally offset by a fund balance reserve, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

**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

STATE OF NEW MEXICO  
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 NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 1. Summary of Significant Accounting Policies  
 (Continued)**

government as assets with an initial, individual cost of more than \$5,000 per Section 12-6-10 NMSA 1978 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. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are to be included as part of the governmental capital assets reported in the government wide statements. The District did not own any infrastructure assets as of June 30, 2014. Information technology equipment, including software, is being capitalized and included in furniture and equipment as the District did not maintain internally developed software. The District expenses the cost of library books when purchased. Donated capital assets are recorded at estimated fair market value at the date of donation.

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.

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, 2014. Capital expenditures made on the District's building construction projects by the NM Public School Facilities Authority have been recorded as a revenue and expenditure in the fund financial statements, and have been included as capital assets in the District's government-wide financial statements.

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

Buildings/building improvements	50 years
Vehicles, telecommunications &	
Computer equipment	5-20 years
Office equipment	5-20 years
Other school equipment	10-15 years
Library books	10 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.

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NOTE 1. Summary of Significant Accounting Policies (Continued)

**Compensated Absences:** The District permits administrative employees to accumulate a limited amount of earned, but unused vacation, to be paid if not used upon termination from the District. In the government-wide statements, the total amount of earned and unused vacation is recorded as a liability. Vacation pay that is expected to be liquidated within the next twelve months is reported as a current liability on the government-wide statements and in the governmental fund which will pay it. In the governmental funds, the cost of compensated absences is recognized when payments are made to employees. No liability is reported in the financial statements for unpaid accumulated sick leave as no payment is required upon employee termination.

**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. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest method.

For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

**Net Position:** 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.

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

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**NOTE I. Summary of Significant Accounting Policies  
(Continued)**

for the related restrictions for net position are restricted for “debt service or capital projects.”

*Unrestricted Net Position:* All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

**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 non-routine 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.

*E. Revenues*

**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.

**Tax Revenues:** The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Tax

STATE OF NEW MEXICO  
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**NOTE I. Summary of Significant Accounting Policies  
(Continued)**

revenues are recognized when they are in the hands of the collecting agency.

The District records only the portion of the taxes considered to be 'measurable' and 'available'. 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. Property taxes attach an enforceable lien on property as of January 1. Tax notices are sent to property owners by November 1st of each year to be paid in whole or in two installments by November 10<sup>th</sup> and April 10<sup>th</sup> of each year. Curry County collects County, City and School taxes and distributes them to each fund once per month except in June when the taxes are distributed twice to close out the fiscal year.

**Federal Impact Aid:** The District also receives Federal Impact Aid in lieu of property taxes for the presumed loss of property taxes that results from the federally owned lands of the Cannon Air Force Base that lie within the District's boundaries but are not subject to property taxes.

**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 District.

**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 the other fifty percent of each allocation is available for purchases directly from vendors.

**Public School Capital Outlay:** Under the provisions of Chapter 22, Article 24, a public school capital outlay fund was created. The money in the fund may be used only for capital expenditures deemed by the Public School Capital Outlay Council (Council) necessary for an adequate educational program, and the capital outlay expenditures are limited to the purchase, or construction of temporary or permanent classrooms.

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NOTE 1. Summary of Significant Accounting Policies (Continued)

The Council shall approve an application for grant assistance from the fund when the council determines that:

1. A critical need exists requiring action;
2. The residents of the school districts have provided all available resources to the district to meet its capital outlay requirements;
3. The school district has used its resources in a prudent manner;
4. The school district is in a county or counties which have participated in the reappraisal program and the reappraised values are on the tax rolls, or will be used for the tax year 1979 as certified by the property tax division; and
5. The school district has provided insurance for buildings of the school district in accordance with the provisions of Section 13-5-3 NMSA 1978.

The Council shall consider all applications for assistance from the fund and after public hearing shall either approve or deny the application. Applications for grant assistance shall only be accepted by the council after a district has complied with the provisions of this section. The Council shall list all applications in order of priority and all allocations shall be made on a priority basis.

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.

**SB-9 State Match:** The Director shall distribute to any school district that has imposed a tax under the Public School Capital Outlay 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

STATE OF NEW MEXICO  
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NOTE 1.      **Summary of Significant Accounting Policies (Continued)**

improvement funds to make the state distribution provided for in this section, the dollar per program unit figure shall be reduced as necessary.

**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 flow through agency (usually the New Mexico Department of Education). The various budgets are approved by the Local School Board and the New Mexico Public Education Department.

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.

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.

Actual expenditures may not exceed the budget on a functional level, i.e., each budgeted expenditure must be within budgeted amounts. 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

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NOTE 2. Stewardship, Compliance and Accountability (Continued)

increase is required, approval must also be obtained from Public School Finance Division.

The budgetary information presented in these financial statements has been amended in accordance with the above procedures.

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

- I. In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department 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 (PED) by the District shall contain headings and details as described by law and have been approved by the Public Education Department.
  - A. 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.
  - B. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called.
  - C. 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. 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.
  - D. 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



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NOTE 2. Stewardship, Compliance and Accountability (Continued)

- E. the school board and the State of New Mexico Public Education Department.
- F. 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 SBPU.
- G. Legal budget control for expenditures is by function.
- H. Appropriations lapse at fiscal yearend. 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 of the District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.
- H. 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.
- I. Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for budget purposes.

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 (NonGAAP Budgetary Basis) and Actual present comparisons of the legally adopted budget with actual data on a budgetary basis.

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**NOTE 3. Cash and Cash Equivalents and Investments**

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, 2014.

**Reconciliation of Cash and Temporary Investments:**

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 given by the financial institution.

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.

The collateral pledged is presented as other supplementary information in this report. 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. Additionally, all deposits in non-interest bearing transaction accounts (such as non-interest bearing checking accounts) at participating institutions are fully guaranteed, regardless of dollar amount.

**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 Schools for a least one half of the amount on deposit with the institution.

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**NOTE 3. Cash and Cash Equivalents and Investments (Continued)**

The detail of the District bank accounts and the insured portion of the deposits is as follows:

	<u>Bank of Clovis</u>	<u>NM Bank &amp; Trust</u>	<u>Citizen's Bank</u>	<u>Total</u>
Total amounts of deposits	\$ 4,351,407	2,278,121	8,114,989	14,744,517
FDIC coverage	(250,000)	(250,000)	(250,000)	(750,000)
Total uninsured public funds	<u>4,101,407</u>	<u>2,028,121</u>	<u>7,864,989</u>	<u>13,994,517</u>
Pledged collateral held by				
pledging bank's trust department				
or agent but not in agency's name	<u>5,931,424</u>	<u>3,301,441</u>	<u>10,256,258</u>	<u>19,489,123</u>
Collateral requirement (50%				
of uninsured public funds)	2,050,704	1,014,061	3,932,495	6,997,260
Pledged security	<u>5,931,424</u>	<u>3,301,441</u>	<u>10,256,258</u>	<u>19,489,123</u>
Total under (over) collateralized	<u>\$ (3,880,720)</u>	<u>(2,287,380)</u>	<u>(6,323,763)</u>	<u>(12,491,863)</u>

*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). At June 30, 2014, \$13,994,517 of the District's bank balance of \$14,774,517 was exposed to custodial credit risk as it was uninsured and the collateral was held by the pledging bank's trust department, not in the District's name. At June 30, 2014, the carrying amount of these deposits was \$10,932,060.

*Interest Rate Risk:* At June 30, 2014, the District had temporary investments of \$16,509,912 in the State Treasurer Local Government Investment Pool.

The District's investment policy does not specifically limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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 school 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 given by the financial institution.

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.

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NOTE 3. Cash and Cash Equivalents and Investments (Continued)

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 statutes authorize the investment of school district funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool and money market accounts. The District is also allowed to invest in United States Government obligations. The District's investment policy does not further its investment choices.

The District's investments include an interest in the State Treasurer Local Government Investment Pool (LGIP). The LGIP is not registered with the SEC. Section 6-10-10 1, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment funds in securities that are issued by the United States government or by its departments or agencies and are either backed by the full faith and credit of the United States government or are agencies sponsored by the United States government. LGIP investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments. The pool does not have unit shares; at the end of each month all interest earned is distributed by the State Treasurer to the length of time the amounts of the fund were invested. Any unrealized gain or loss on the portfolio is distributed through the investment yield on distribution dates. The carrying amount or fair market value of these investments approximates cost. The State of New Mexico is the regulatory oversight entity and participation in the pool is voluntary. The State Treasurer Local Government Investment Pool is rated AAAM by Standard and Poor's; its WAR(R) is 48.6 days and its WAM(F) is 116.2 days as of June 30, 2014.

Government Funds - Balance Sheet	
Cash and cash equivalents and investments	\$ 26,219,186
Statement of Fiduciary Assets and Liabilities - Agency Funds	
Cash and cash equivalents and investments	<u>1,222,926</u>
	27,442,112
Less investments	(16,509,912)
Add outstanding checks and other reconciling items	<u>3,812,457</u>
	14,744,657
Less petty cash	<u>(140)</u>
Bank balance of deposits	<u><u>\$ 14,744,517</u></u>

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CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 3. Cash and Cash Equivalents and Investments (Continued)**

The District utilizes internal pooled accounts for some of their programs and funds. Negative cash balances in individual funds that were part of the pooled accounts were reclassified as due to/from accounts in the combining balance sheet as of June 30, 2014.

**NOTE 4. Receivables**

Receivables (deemed 100% collectible) as of June 30, 2014, are as follows:

	Operational		
	Fund	Title I	IDEA-B
Property taxes	\$ 18,162	-	-
Intergovernmental	-	616,582	572,541
Other	-	-	-
	<u>\$ 18,162</u>	<u>616,582</u>	<u>572,541</u>
	Capital		
	Improvements (SB-9)	Debt Service	Other Governmental
Property taxes	\$ 76,168	191,778	-
Intergovernmental	674,129	-	320,416
Other	-	-	65,179
	<u>\$ 750,297</u>	<u>191,778</u>	<u>385,595</u>

**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 as of June 30, 2014 is as follows:

Governmental Activities	Interfund	
	Receivables	Payables
<b>Major Funds:</b>		
General Fund	\$ 1,107,248	-
Title I	-	402,522
IDEA-B	-	361,267
Bond Building	-	59,500
Debt Service	55,081	-
Special Revenue Funds	-	339,040
	<u>\$ 1,162,329</u>	<u>1,162,329</u>

During the year ended June 30, 2014, the General Operating Fund paid certain bills (\$508,423) on behalf of the Transportation Fund in the amount of \$8,423 on behalf of the Food Service Fund in the amount of \$500,000. The Transportation and Food Service funds transferred these amounts back to the General Operational Fund during the year ended June 30, 2014.

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NOTE 6. Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2014 is as follows. Land is not subject to depreciation.

	Balance June 30, 2013	Additions	Deletions	Transfers / Adjustments	Balance June 30, 2014
Capital Assets not being depreciated:					
Land	\$ 1,025,970	-	-	-	1,025,970
Construction in progress	69,028,680	6,063,349	-	(72,783,494)	2,308,535
Total capital assets not being depreciated	<u>70,054,650</u>	<u>6,063,349</u>	<u>-</u>	<u>(72,783,494)</u>	<u>3,334,505</u>
Capital Assets being depreciated:					
Land improvements	12,258,798	-	-	50,648	12,309,446
Buildings and building improvements	86,507,190	-	-	72,741,433	159,248,623
Furniture, fixtures & equipment	19,713,804	616,673	1,164,110	8,515	19,174,882
Total capital assets being depreciated	<u>118,479,792</u>	<u>616,673</u>	<u>1,164,110</u>	<u>72,800,596</u>	<u>190,732,951</u>
Less Accumulated depreciation:					
Land improvements	5,386,522	462,843	-	-	5,849,365
Buildings and building improvements	35,214,067	2,926,815	-	-	38,140,882
Furniture, fixtures & equipment	12,749,475	1,380,306	846,676	33,926	13,317,031
Total Accumulated depreciation	<u>53,350,064</u>	<u>4,769,964</u>	<u>846,676</u>	<u>33,926</u>	<u>57,307,278</u>
Net capital assets being depreciated	<u>65,129,728</u>	<u>(4,153,291)</u>	<u>317,434</u>	<u>72,766,670</u>	<u>133,425,673</u>
Government activities capital assets, net:	<u>\$ 135,184,378</u>	<u>1,910,058</u>	<u>317,434</u>	<u>(16,824)</u>	<u>136,760,178</u>

Depreciation expense for the year ended June 30, 2014 was charged to governmental activities as follows:

Instruction	\$ 113,972
Support Services - Students	15,645
Support Services - Instruction	343,318
Support Services - General Administration	8,153
Support Services - School Administration	2,230
Fiscal Services	6,215
Operation and Maintenance of Plant	89,216
Food Services	196,956
Capital Outlay - Unallocated	<u>3,994,259</u>
	<u>\$ 4,769,964</u>

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NOTE 7. Long-Term Debt

During the year ended June 30, 2014, the following changes occurred in the liabilities reported in the government-wide statement of net position:

	Balance June 30, 2013	Additions	Deletions	Balance June 30, 2014	Due Within One Year
Bonds Payable	\$ 31,815,000	14,130,000	6,475,000	39,470,000	\$ 3,085,000
Municipal Lease Purchase	331,430	-	161,092	170,338	170,338
Compensated Absences	318,644	194,138	231,465	281,317	231,465
Total	\$ 32,465,074	14,324,138	6,867,557	39,921,655	\$ 3,486,803

The District's general obligation bonds were issued for the purposes of creating, remodeling, making additions to and furnishing school buildings, and purchasing and improving school grounds and are payable solely from general property taxes that are levied against all taxable property in the District. The bonds are payable out of the Debt Service Fund (Fund 41000). Interest payments are due semi-annually on August 1 and February 1. Interest rates on the bonds range from 2.00% to 4.0%. Principal payments in varying amounts are due annually on August 1 through 2033.

The annual requirements to amortize the General Obligation Bonds as of June 30, 2014, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2015	\$ 3,085,000	974,966	4,059,966
2016	2,590,000	952,755	3,542,755
2017	2,665,000	883,730	3,548,730
2018	2,225,000	818,843	3,043,843
2019	2,485,000	759,625	3,244,625
2019-2023	11,515,000	2,851,163	14,366,163
2024-2028	14,105,000	1,017,668	15,122,668
2029-2033	800,000	12,000	812,000
	\$ 39,470,000	8,270,750	47,740,750

During the year ended June 30, 2014, the District issued two new bonds (General Obligation School Building Bonds, Series 2013B in the amount of \$4,900,000 and General Obligation School Building Bonds, Series 2014A in the amount of \$5,100,000). The District also issued General Obligation Refunding Bonds, Series 2014B in the amount of \$4,130,000 to refund General Obligation School Building Bonds, Series 2004.

STATE OF NEW MEXICO  
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**NOTE 7. Long-Term Debt (Continued)**

The Series 2004 refunded bond's final principal payment was due on August 1, 2018, the same due date as the Series 2014B refunding bond's final principal payment. The interest rate for the original remaining term of the refunded bond was 3.5% to 3.85%. The interest rate for the refunding bond is fixed at 2% over the term of the bond.

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

Municipal Lease Payable

During the 2011 fiscal year, the District entered into an agreement to have with an outside company to acquire educational software, the agreement was for a five year period for a total amount of \$807,971. The following is a detail of the remaining annual payments required:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2015	\$ 170,338	\$ 9,777	\$ 180,115
	\$ 170,338	\$ 9,777	\$ 180,115

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, 2014, compensated absences decreased \$37,327 from the prior year accrual. See Note 1 for more details.

**NOTE 8. 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



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

**NOTE 8. Risk Management (Continued)**

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.

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, 2014, there have been no claims that have exceeded insurance coverage.

**NOTE 9. 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, 2014:

None

- B. Excess of expenditures over appropriations.

No funds exceeded approved budgetary authority for the year ended June 30, 2014.

**NOTE 10. Pension Plan – Educational Retirement Board**

*Plan Description.* Substantially all of the District's full-time employees participate in a public employee retirement system authorized under the Educational Retirement Act (Chapter 22, Article 11 NMSA 1978.) The Educational Retirement Board (ERB) is the administrator of the plan, which is a cost-sharing, multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits, and cost-of-living adjustments to plan members (certified teachers, and other employees of State public school districts, colleges and universities) and beneficiaries. ERB issues a separate, publicly available financial report that includes financial statements

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CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

**NOTE 10. Pension Plan – Educational Retirement Board (Continued)**

and required supplementary information for the plan. That report may be obtained by writing to ERB, P. O. Box 26129, Santa Fe, New Mexico 87502. The report is also available on ERB's website at [www.nmerb.org](http://www.nmerb.org).

*Funding Policy.*

**Member Contributions**

Plan members earning \$20,000 or less are required by statute to contribute 7.9% of their gross salary. Plan members earning over \$20,000 are required to make the following contributions to the Plan: 10.1% of their gross salary in fiscal year and 10.7% of their gross salary in fiscal year 2015 and thereafter.

**Employer Contributions**

The District contributed 13.1% of the gross covered salary in fiscal year 2014. In fiscal year 2015, the District will contribute 13.9% of gross salary.

The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to ERB for the fiscal years ending June 30, 2014, 2013, and 2012 were \$5,298,591, \$4,351,929, and \$3,698,671, respectively, which equal the amount of the required contributions for each fiscal year.

**NOTE 11. Post-Employment Benefits – State Retiree Health Care Plan**

*Plan Description.* The District 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

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

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

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](http://www.nmrhca.state.nm.us).

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.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

**NOTE 11. Post-Employment Benefits – State Retiree Health Care Plan  
(Continued)**

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, 2014, 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, 2014, 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, 2014, 2013 and 2012 were \$805,966, \$785,625, and \$710,820, respectively, which equal the required contributions for each year.

**NOTE 12. 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.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 13. **Budgeted Activity Funds**

The Student Activity Funds, are considered for reporting purposes as agency funds and the related activity has been reported as such in the Statement of Changes in Fiduciary Assets and Liabilities – Agency Funds section of the financial statements.

NOTE 14. **Joint Powers Agreements**

The District entered into a joint powers agreement with the City of Clovis on August 1, 1997 to provide the services of School Crossing Guards. This project is estimated at \$25,000 to \$30,000 per year. Both of these agreements shall terminate upon agreement of the parties.

NOTE 15. **Commitments**

The District contracts with outside vendors for construction and renovation of various facilities. At June 30, 2014, the District's maintains a portion of contracts outstanding for capital projects.

NOTE 16. **Governmental Fund Balance**

**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.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 16. Governmental Fund Balance (Continued)

*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.

NOTE 17. Prior Period Restatement

Certain errors were noted in the June 30, 2013 financial statements and corrected in the June 30, 2014 financial statements as more fully described in the table below:

<u>Fund</u>	<u>Amount</u>	<u>Description</u>
11000	\$ (250,000)	Fiscal year 2013 transfer not recorded in in 2013 financial statements
21000	250,000	Fiscal year 2013 transfer not recorded in in 2013 financial statements
24101	(581,627)	Overstatement of revenue in 2013 financial statements
24106	(818,027)	Overstatement of revenue in 2013 financial statements
25153	(27,591)	Overstatement of revenue in 2013 financial statements
26103	(38,982)	Overstatement of revenue in 2013 financial statements
27103	1,607	Understatement of revenue in 2013 financial statements
27106	(2,903)	Overstatement of revenue in 2013 financial statements
27155	(6,310)	Overstatement of revenue in 2013 financial statements
27171	(18,330)	Overstatement of revenue in 2013 financial statements
31700	(696,596)	Overstatement of revenue in 2013 financial statements
	<u>\$ (2,188,759)</u>	Total restatement of fund balance in governmental funds and restatement of net position in the government-wide financial statements at July 1, 2013

Additionally, the beginning balances of certain funds in the Schedule of Cash Reconciliation were restated.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2014

NOTE 17. Related Party Transaction

In July 2013, the Board of Education approved a waiver that allowed a company (Snider Electric) owned by a Board Member to bid or contract for the procurement of services with the District. During the year ended June 30, 2014, the District incurred approximately \$210,000 in expenditures with Snider Electric. No amounts were owed to or from the company/District at June 30, 2014.

NOTE 18. NEW ACCOUNTING PRONOUNCEMENT EFFECTIVE FOR THE YEAR ENDED JUNE 30, 2015

The Governmental Accounting Standards Board (GASB) has issued a new accounting pronouncement (Statement No. 68 - *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*) effective for the year ended June 30, 2015. As a cost-share employer participating in the ERB Pension Plan (Plan) (see note 10), the District will be required to include in its June 30, 2015 financial statements, the pro rata share of the Plan's collective "Net Pension Liability". The Plan's "Net Pension Liability" represents the difference between Plan's Total Plan Liability and the Plan's Net Plan Position, reported at the market value of the investment assets.

The amount of the District's pro rata share of the Plan's collective "Net Pension Liability" is currently unknown. However, the amount of Net Pension Liability to be included in the District's June 30, 2015 financial statements, is expected to be material.

## SUPPLEMENTARY INFORMATION



NON-MAJOR GOVERNMENTAL FUNDS

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
As of June 30, 2014

	Special Revenue	Capital Projects	Total
<b>Assets</b>			
Cash and cash equivalent	\$ 612,361	412,050	1,024,411
Accounts receivable, collectible			
Taxes	-	-	-
Due from other governments	320,416	-	320,416
Other receivables	65,179	-	65,179
Interfund receivables	-	-	-
Investments	-	-	-
Inventory	-	-	-
<b>Total Assets</b>	<u>997,956</u>	<u>412,050</u>	<u>1,410,006</u>
<b>Liabilities</b>			
Accounts payable	-	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	339,040	-	339,040
Unearned revenues	-	-	-
<b>Total Liabilities</b>	<u>339,040</u>	<u>-</u>	<u>339,040</u>
<b>Deferred Inflows of Resources</b>			
Delinquent property taxes	-	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>339,040</u>	<u>-</u>	<u>339,040</u>
<b>Fund Balance</b>			
Nonspendable	-	-	-
Restricted for:			
General fund	-	-	-
Special revenue	658,916	-	658,916
Capital projects	-	412,050	412,050
Debt service	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<b>Total Fund Balance</b>	<u>658,916</u>	<u>412,050</u>	<u>1,070,966</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ 997,956</u>	<u>412,050</u>	<u>1,410,006</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
For The Year Ended June 30, 2014

Revenues	Special Revenue	Capital Projects	Total
Property taxes	-	-	-
State grants	209,199	98,496	307,695
Federal grants	1,582,785	-	1,582,785
Miscellaneous	241,297	-	241,297
Charges for services	216,174	-	216,174
Interest	-	-	-
<b>Total Revenues</b>	<b>2,249,455</b>	<b>98,496</b>	<b>2,347,951</b>
<b>Expenditures</b>			
Current:			
Instruction	1,024,579	-	1,024,579
Support services			
Students	851,827	-	851,827
Instruction	12,208	-	12,208
General administration	34,978	-	34,978
School administration	4,334	-	4,334
Central services	60,966	-	60,966
Operation & maintenance of plant	-	-	-
Student transportation	-	-	-
Other support services	-	-	-
Food services operations	175,314	-	175,314
Community services	24,976	-	24,976
Capital outlay	-	98,496	98,496
Debt service			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<b>2,189,182</b>	<b>98,496</b>	<b>2,287,678</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>60,273</b>	<b>-</b>	<b>60,273</b>
<b>Other financing sources (uses)</b>			
Operating transfers	-	-	-
Proceeds from bond issuances	-	-	-
Bond underwriter discount	-	-	-
Bond underwriter premium	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>60,273</b>	<b>-</b>	<b>60,273</b>
Fund balance beginning of year	691,152	412,050	1,103,202
Prior Period Restatement	(92,509)	-	(92,509)
Fund balance, beginning of year, restated	598,643	412,050	1,010,693
<b>Fund balance end of year</b>	<b>658,916</b>	<b>412,050</b>	<b>1,070,966</b>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NON-MAJOR SPECIAL REVENUE FUNDS – FUND DESCRIPTIONS  
JUNE 30, 2014

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. Grants accounted for in the non-major Special Revenue Funds include:

**Athletics (22000)** – This fund is used to account for fees generated at athletic activities throughout the 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.

**Migrant Children Education (24103)** – The purpose of this program is to assist the District in providing a summer school program for migrant students. Federal revenues accounted for in this fund are administered by the New Mexico Public Education Department. Authority for creation of this fund is Chapter I of Title I of the Elementary and Secondary Education Act (ESEA) of 1965 as amended, Public Law 103-382.

**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.

**IDEA-B Early Intervention Services (24112)** – To account for a program funded by a Federal grant to assist the District to make improvements in elementary and secondary education. Funding authorized by Elementary and Secondary Education Act of 1965, as amended, Title I, Chapter 2, Part A; Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvements of 1988, Public Law 100-297, 20 U.S.C. 2911-2952, 2971-2976.

**IDEA-B Private School Share (24115)** – 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.

**Fresh Fruits & Vegetables USDA (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)** – It is a reallocation of monies awarded the previous year to IDEA-B but not allocated. It is to be used to pay the excess costs of providing special education and related services to children with disabilities and supplements State, local and federal funds.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NON-MAJOR SPECIAL REVENUE FUNDS –  
FUND DESCRIPTIONS (Continued)  
JUNE 30, 2014

**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.

**Carl D. Perkins (24174 and 24176)** – The objective of this grant is to provide secondary educational institutions the opportunity to develop, implement, and operate programs using different models of curricula that integrate vocational and academic learning. Funds are acquired from federal sources through the New Mexico Department of Education. Authority for creation of this fund is Carl D. Perkins Vocational and Applied Technology Education Act of 1990, as amended, Public Law 105-332.

**Impact Aid (25145 - Special Education)** – To account for funding of a Federal program to provide financial assistance to local educational agencies (LEA's) where enrollments or availability of revenue are adversely affected by Federal activities, i.e. where the tax base of a district is reduced through the Federal acquisition of real property (Section 2), or where there are a significant number of children who reside on Federal (including Indian) lands and/or children whose parents are employed on Federal property or in the Uniformed Services (Section 3(a) and 3(b)): where there is a significant decrease (Section 3(c)) or a sudden and substantial increase (Section 4) in school enrollment as the result of Federal activities; to provide disaster assistance for reduced or increased operating costs (Section 7(a)), for replacing or repairing damaged or destroyed supplies, equipment, and books, and for repairing minor damage to facilities. Funding authorized by Public Law 81-874.

**Title XIX MEDICAID (25153)** – 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.

**Clovis Municipal Schools Foundation (26184)** – Fund to account for the monies provided to the District to provide additional educational opportunities in and out of the classroom. Funding provided by foundation donation, the authority provided by the Clovis Municipal School Board.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NON-MAJOR SPECIAL REVENUE FUNDS –  
FUND DESCRIPTIONS (Continued)  
JUNE 30, 2014

**Albertson’s Community Grant (26217)** - This fund is to account for money from the Albertson’s community partners program to support school activities.

**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 Bond Student Library Fund (27106)** – Funds used to purchase library books and library supplies for all school sites. The final reimbursement date will be May 14, 2014.

**2012 GO Bond Student Library Fund (27107)** – Funds used to purchase library books and library supplies for all school sites.

**Formative Assessment (27111)** – Special state appropriation to purchase formative assessments approved the Public Education Department for English language arts and math in grades 4 through 10 per school year 2012-2013.

**New Mexico Reads to Lead! (27114)** – K-3 Reading Initiative legislative funded.

**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.

**2010 GO Bond Instructional Materials (27171)** – Funds used to purchase instructional materials for all school sites.

**New Mexico Grown FVV (27183)** – Fund is used to account for an FY14 appropriation for the purchase of New Mexico grown fresh fruits and vegetables.

**Next Generation Assessments (27185)** – Fund used to account for state funding to remediate deficiencies in computer devices compliant with the Partnership for Assessment of Readiness for College and Careers (PARCC).

**Private Direct Grants (29102)** - To account for local grants awarded to provide additional funding for specific projects.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
As of June 30, 2014

	<i>Fund 22000</i>	<i>Fund 24103</i>	<i>Fund 24109</i>	<i>Fund 24112</i>	<i>Fund 24115</i>	<i>Fund 24118</i>
	<u>Athletics</u>	<u>Migrant Children Education</u>	<u>IDEA-B Preschool</u>	<u>IDEA-B Early Intervention Services</u>	<u>IDEA-B Private School Share</u>	<u>Fresh Fruits &amp; Vegetables</u>
<b>Assets</b>						
Cash and cash equivalent	\$ 139,825	-	-	-	-	-
Accounts receivable, collectible						
Taxes	-	-	-	-	-	-
Due from other governments	-	44,582	7,089	6,394	1,596	33,036
Other receivables	-	-	-	-	-	-
Interfund receivables	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Inventory	\$ -	-	-	-	-	-
<b>Total Assets:</b>	<u>139,825</u>	<u>44,582</u>	<u>7,089</u>	<u>6,394</u>	<u>1,596</u>	<u>33,036</u>
<b>Liabilities</b>						
Accounts payable	-	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-	-
Interfund payables	-	44,582	7,089	6,394	1,596	33,036
Unearned revenues	-	-	-	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>44,582</u>	<u>7,089</u>	<u>6,394</u>	<u>1,596</u>	<u>33,036</u>
<b>Deferred Inflows of Resources</b>						
Delinquent property taxes	-	-	-	-	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>-</u>	<u>44,582</u>	<u>7,089</u>	<u>6,394</u>	<u>1,596</u>	<u>33,036</u>
<b>Fund Balance</b>						
Nonspendable	-	-	-	-	-	-
Restricted for:						
General fund	-	-	-	-	-	-
Special revenue	139,825	-	-	-	-	-
Capital projects	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<b>Total Fund Balance</b>	<u>139,825</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ 139,825</u>	<u>44,582</u>	<u>7,089</u>	<u>6,394</u>	<u>1,596</u>	<u>33,036</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
As of June 30, 2014

	<i>Fund 24120</i>	<i>Fund 24153</i>	<i>Fund 24154</i>	<i>Fund 24174</i>	<i>Fund 24176</i>	<i>Fund 25145</i>
	IDEA-B	English	Teacher/Principal	Carl D Perkins	Carl D Perkins	Impact Aid
	Risk Pool	Language	Training &	Secondary	Secondary	Special
		Acquisition	Recruiting	Current	Redistribution	Education
<b>Assets</b>						
Cash and cash equivalent	-	-	-	-	-	127,126
Accounts receivable, collectible						
Taxes	-	-	-	-	-	-
Due from other governments	479	9,166	127,899	15,155	-	-
Other receivables	-	-	-	-	-	-
Interfund receivables	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
<b>Total Assets:</b>	<u>479</u>	<u>9,166</u>	<u>127,899</u>	<u>15,155</u>	<u>-</u>	<u>127,126</u>
<b>Liabilities</b>						
Accounts payable	-	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-	-
Interfund payables	479	9,166	127,899	15,155	-	-
Unearned revenues	-	-	-	-	-	-
<b>Total Liabilities</b>	<u>479</u>	<u>9,166</u>	<u>127,899</u>	<u>15,155</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>						
Delinquent property taxes	-	-	-	-	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>479</u>	<u>9,166</u>	<u>127,899</u>	<u>15,155</u>	<u>-</u>	<u>-</u>
<b>Fund Balance</b>						
Nonspendable	-	-	-	-	-	-
Restricted for:						
General fund	-	-	-	-	-	-
Special revenue	-	-	-	-	-	127,126
Capital projects	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<b>Total Fund Balance</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>127,126</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>479</u>	<u>9,166</u>	<u>127,899</u>	<u>15,155</u>	<u>-</u>	<u>127,126</u>

See accompanying notes.



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
As of June 30, 2014

	<i>Fund 25153</i>	<i>Fund 25200</i>	<i>Fund 26103</i>	<i>Fund 26184</i>	<i>Fund 26217</i>	<i>Fund 27103</i>
	Title XIX Medicaid	ROTC	ENLACE UNM	Clovis Schools Foundation	Albertson's Grant	Dual Credit Instructional Materials
<b>Assets</b>						
Cash and cash equivalent	310,068	17	-	13,325	2,000	-
Accounts receivable, collectible						
Taxes	-	-	-	-	-	-
Due from other governments	46,555	-	-	-	-	3,533
Other receivables	-	-	65,179	-	-	-
Interfund receivables	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
<b>Total Assets:</b>	<u>356,623</u>	<u>17</u>	<u>65,179</u>	<u>13,325</u>	<u>2,000</u>	<u>3,533</u>
<b>Liabilities</b>						
Accounts payable	-	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-	-
Interfund payables	-	-	65,179	-	-	3,533
Unearned revenues	-	-	-	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>65,179</u>	<u>-</u>	<u>-</u>	<u>3,533</u>
<b>Deferred Inflows of Resources</b>						
Delinquent property taxes	-	-	-	-	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>65,179</u>	<u>-</u>	<u>-</u>	<u>3,533</u>
<b>Fund Balance</b>						
Nonspendable	-	-	-	-	-	-
Restricted for:						
General fund	-	-	-	-	-	-
Special revenue	356,623	17	-	13,325	2,000	-
Capital projects	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<b>Total Fund Balance</b>	<u>356,623</u>	<u>17</u>	<u>-</u>	<u>13,325</u>	<u>2,000</u>	<u>-</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>356,623</u>	<u>17</u>	<u>65,179</u>	<u>13,325</u>	<u>2,000</u>	<u>3,533</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
As of June 30, 2014

	<i>Fund 27106</i> 2010 GO Bond Student Library Fund	<i>Fund 27107</i> 2012 GO Bond Student Library Fund	<i>Fund 27111</i> Formative Assessments	<i>Fund 27114</i> NM Reads to Lead	<i>Fund 27155</i> Breakfast for Elementary Students	<i>Fund 27171</i> 2010 GO Bonds Instructional Materials
<b>Assets</b>						
Cash and cash equivalent	-	-	-	-	-	-
Accounts receivable, collectible						
Taxes	-	-	-	-	-	-
Due from other governments	3,085	-	-	9,926	-	11,921
Other receivables	-	-	-	-	-	-
Interfund receivables	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
<b>Total Assets:</b>	<u>3,085</u>	<u>-</u>	<u>-</u>	<u>9,926</u>	<u>-</u>	<u>11,921</u>
<b>Liabilities</b>						
Accounts payable	-	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-	-
Interfund payables	3,085	-	-	9,926	-	11,921
Unearned revenues	-	-	-	-	-	-
<b>Total Liabilities</b>	<u>3,085</u>	<u>-</u>	<u>-</u>	<u>9,926</u>	<u>-</u>	<u>11,921</u>
<b>Deferred Inflows of Resources</b>						
Delinquent property taxes	-	-	-	-	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>3,085</u>	<u>-</u>	<u>-</u>	<u>9,926</u>	<u>-</u>	<u>11,921</u>
<b>Fund Balance</b>						
Nonspendable	-	-	-	-	-	-
Restricted for:						
General fund	-	-	-	-	-	-
Special revenue	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<b>Total Fund Balance</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>3,085</u>	<u>-</u>	<u>-</u>	<u>9,926</u>	<u>-</u>	<u>11,921</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS  
As of June 30, 2014

	Fund 27183 NM Grown FVV	Fund 27185 Next Generation Assessments	Fund 29102 Private Direct Grants	Total
<b>Assets</b>				
Cash and cash equivalent	-	-	20,000	612,361
Accounts receivable, collectible				
Taxes	-	-	-	-
Due from other governments	-	-	-	320,416
Other receivables	-	-	-	65,179
Interfund receivables	-	-	-	-
Investments	-	-	-	-
Inventory	-	-	-	-
<b>Total Assets</b>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>997,956</u>
<b>Liabilities</b>				
Accounts payable	-	-	-	-
Accrued payroll liabilities	-	-	-	-
Interfund payables	-	-	-	339,040
Unearned revenues	-	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>339,040</u>
<b>Deferred Inflows of Resources</b>				
Delinquent property taxes	-	-	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>339,040</u>
<b>Fund Balance</b>				
Nonspendable	-	-	-	-
Restricted for:				
General fund	-	-	-	-
Special revenue	-	-	20,000	658,916
Capital projects	-	-	-	-
Debt service	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total Fund Balance</b>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>658,916</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>997,956</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS  
For The Year Ended June 30, 2014

	<i>Fund 22000</i>	<i>Fund 24103</i>	<i>Fund 24109</i>	<i>Fund 24112</i>	<i>Fund 24115</i>	<i>Fund 24118</i>
	<b>Athletics</b>	<b>Migrant Children Education</b>	<b>IDEA-B Preschool</b>	<b>IDEA-B Early Intervention Services</b>	<b>IDEA-B Private School Share</b>	<b>Fresh Fruits &amp; Vegetables</b>
<b>Revenues</b>						
Property taxes	-	-	-	-	-	-
State grants	-	-	-	-	-	-
Federal grants	-	147,601	79,290	67,291	1,596	123,598
Miscellaneous	-	-	-	-	-	-
Charges for services	216,174	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total Revenues</b>	<b>216,174</b>	<b>147,601</b>	<b>79,290</b>	<b>67,291</b>	<b>1,596</b>	<b>123,598</b>
<b>Expenditures</b>						
Current:						
Instruction	257,777	97,210	5,405	62,424	-	-
Support services						
Students	-	34,988	71,756	3,060	1,553	-
Instruction	-	-	-	-	-	-
General administration	-	8,108	2,129	1,807	43	2,965
School administration	-	1,561	-	-	-	-
Central services	-	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-	-
Student transportation	-	-	-	-	-	-
Other support services	-	-	-	-	-	-
Food services operations	-	-	-	-	-	120,633
Community services	-	5,734	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>257,777</b>	<b>147,601</b>	<b>79,290</b>	<b>67,291</b>	<b>1,596</b>	<b>123,598</b>
Excess (deficiency) of revenues over (under) expenditures	(41,603)	-	-	-	-	-
<b>Other financing sources (uses)</b>						
Operating transfers	-	-	-	-	-	-
Proceeds from bond issuances	-	-	-	-	-	-
Bond underwriter discount	-	-	-	-	-	-
Bond underwriter premium	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>(41,603)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balance beginning of year (deficit)	181,428	-	-	-	-	-
Prior Period Restatement	-	-	-	-	-	-
Fund balance, beginning of year, restated	181,428	-	-	-	-	-
Fund balance end of year	139,825	-	-	-	-	-

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS  
For The Year Ended June 30, 2014

	<i>Fund 24120</i>	<i>Fund 24153</i>	<i>Fund 24154</i>	<i>Fund 24174</i>	<i>Fund 24176</i>	<i>Fund 25145</i>
	IDEA-B Risk Pool	English Language Acquisition	Teacher/Principal Training & Recruiting	Carl D Perkins Secondary Current	Carl D Perkins Secondary Redistribution	Impact Aid Special Education
<b>Revenues</b>						
Property taxes	-	-	-	-	-	-
State grants	-	-	-	-	-	-
Federal grants	17,678	52,825	370,483	66,245	13,436	98,505
Miscellaneous	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total Revenues</b>	<u>17,678</u>	<u>52,825</u>	<u>370,483</u>	<u>66,245</u>	<u>13,436</u>	<u>98,505</u>
<b>Expenditures</b>						
Current:						
Instruction	-	48,075	297,409	64,600	13,075	1,000
Support services						
Students	17,203	-	192	-	-	39,823
Instruction	-	-	-	-	-	-
General administration	475	2,772	11,121	1,645	361	1,126
School administration	-	1,978	795	-	-	-
Central services	-	-	60,966	-	-	-
Operation & maintenance of plant	-	-	-	-	-	-
Student transportation	-	-	-	-	-	-
Other support services	-	-	-	-	-	-
Food services operations	-	-	-	-	-	-
Community services	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total Expenditures</b>	<u>17,678</u>	<u>52,825</u>	<u>370,483</u>	<u>66,245</u>	<u>13,436</u>	<u>41,949</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	56,556
<b>Other financing sources (uses)</b>						
Operating transfers	-	-	-	-	-	-
Proceeds from bond issuances	-	-	-	-	-	-
Bond underwriter discount	-	-	-	-	-	-
Bond underwriter premium	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>56,556</u>
Fund balance beginning of year (deficit)	-	-	-	-	-	70,570
Prior Period Restatement	-	-	-	-	-	-
Fund balance, beginning of year, restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>70,570</u>
<b>Fund balance end of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>127,126</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS  
For The Year Ended June 30, 2014

	<i>Fund 25153</i>	<i>Fund 25200</i>	<i>Fund 26103</i>	<i>Fund 26184</i>	<i>Fund 26217</i>	<i>Fund 27103</i>
	<b>Title XIX Medicaid</b>	<b>ROTC</b>	<b>ENLACE UNM</b>	<b>Clovis Schools Foundation</b>	<b>Albertson's Grant</b>	<b>Dual Credit Instructional Materials</b>
<b>Revenues</b>						
Property taxes	-	-	-	-	-	-
State grants	-	-	-	-	-	15,917
Federal grants	542,603	1,634	-	-	-	-
Miscellaneous	-	-	191,136	23,208	2,000	-
Charges for services	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total Revenues</b>	<u>542,603</u>	<u>1,634</u>	<u>191,136</u>	<u>23,208</u>	<u>2,000</u>	<u>15,917</u>
<b>Expenditures</b>						
Current:						
Instruction	-	1,617	9,653	19,071	-	15,917
Support services						
Students	523,437	-	159,815	-	-	-
Instruction	-	-	-	-	-	-
General administration	-	-	2,426	-	-	-
School administration	-	-	-	-	-	-
Central services	-	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-	-
Student transportation	-	-	-	-	-	-
Other support services	-	-	-	-	-	-
Food services operations	-	-	-	-	-	-
Community services	-	-	19,242	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total Expenditures</b>	<u>523,437</u>	<u>1,617</u>	<u>191,136</u>	<u>19,071</u>	<u>-</u>	<u>15,917</u>
Excess (deficiency) of revenues over (under) expenditures	19,166	17	-	4,137	2,000	-
<b>Other financing sources (uses)</b>						
Operating transfers	-	-	-	-	-	-
Proceeds from bond issuances	-	-	-	-	-	-
Bond underwriter discount	-	-	-	-	-	-
Bond underwriter premium	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>19,166</u>	<u>17</u>	<u>-</u>	<u>4,137</u>	<u>2,000</u>	<u>-</u>
Fund balance beginning of year (deficit)	365,048	-	38,982	9,188	-	(1,607)
Prior Period Restatement	(27,591)	-	(38,982)	-	-	1,607
Fund balance, beginning of year, restated	<u>337,457</u>	<u>-</u>	<u>-</u>	<u>9,188</u>	<u>-</u>	<u>-</u>
<b>Fund balance end of year</b>	<u>356,623</u>	<u>17</u>	<u>-</u>	<u>13,325</u>	<u>2,000</u>	<u>-</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS  
For The Year Ended June 30, 2014

	<i>Fund 27106</i> 2010 GO Bond Student Library Fund	<i>Fund 27107</i> 2012 GO Bond Student Library Fund	<i>Fund 27111</i> Formative Assessments	<i>Fund 27114</i> NM Reads to Lead	<i>Fund 27155</i> Breakfast for Elementary Students	<i>Fund 27171</i> 2010 GO Bonds Instructional Materials
<b>Revenues</b>						
Property taxes	-	-	-	-	-	-
State grants	12,208	-	-	9,926	54,681	35,128
Federal grants	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total Revenues</b>	<b>12,208</b>	<b>-</b>	<b>-</b>	<b>9,926</b>	<b>54,681</b>	<b>35,128</b>
<b>Expenditures</b>						
Current:						
Instruction	-	-	-	9,926	-	35,128
Support services						
Students	-	-	-	-	-	-
Instruction	12,208	-	-	-	-	-
General administration	-	-	-	-	-	-
School administration	-	-	-	-	-	-
Central services	-	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-	-
Student transportation	-	-	-	-	-	-
Other support services	-	-	-	-	-	-
Food services operations	-	-	-	-	54,681	-
Community services	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>12,208</b>	<b>-</b>	<b>-</b>	<b>9,926</b>	<b>54,681</b>	<b>35,128</b>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	-
<b>Other financing sources (uses)</b>						
Operating transfers	-	-	-	-	-	-
Proceeds from bond issuances	-	-	-	-	-	-
Bond underwriter discount	-	-	-	-	-	-
Bond underwriter premium	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balance beginning of year (deficit)	2,903	-	-	-	6,310	18,330
Prior Period Restatement	(2,903)	-	-	-	(6,310)	(18,330)
Fund balance, beginning of year, restated	-	-	-	-	-	-
<b>Fund balance end of year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS  
For The Year Ended June 30, 2014

	Fund 27183 NM Grown FVV	Fund 27185 Next Generation Assessments	Fund 29102 Private Direct Grants	Total
<b>Revenues</b>				
Property taxes	-	-	-	-
State grants	-	81,339	-	209,199
Federal grants	-	-	-	1,582,785
Miscellaneous	-	-	24,953	241,297
Charges for services	-	-	-	216,174
Interest	-	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>81,339</u>	<u>24,953</u>	<u>2,249,455</u>
<b>Expenditures</b>				
Current:				
Instruction	-	81,339	4,953	1,024,579
Support services				
Students	-	-	-	851,827
Instruction	-	-	-	12,208
General administration	-	-	-	34,978
School administration	-	-	-	4,334
Central services	-	-	-	60,966
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	175,314
Community services	-	-	-	24,976
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>81,339</u>	<u>4,953</u>	<u>2,189,182</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	20,000	60,273
<b>Other financing sources (uses)</b>				
Operating transfers	-	-	-	-
Proceeds from bond issuances	-	-	-	-
Bond underwriter discount	-	-	-	-
Bond underwriter premium	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>60,273</u>
Fund balance beginning of year (deficit)	-	-	-	691,152
Prior Period Restatement	-	-	-	(92,509)
Fund balance, beginning of year, restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>598,643</u>
<b>Fund balance end of year</b>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>658,916</u>

See accompanying notes.



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
ATHLETICS SPECIAL REVENUE FUND (22000)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	220,000	220,000	216,174	(3,826)
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 220,000</b>	<b>220,000</b>	<b>216,174</b>	<b>(3,826)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 250,000	290,000	257,777	32,223
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	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 250,000</b>	<b>290,000</b>	<b>257,777</b>	<b>32,223</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ (30,000)</b>	<b>(70,000)</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 216,174
Change in receivables	-
Modified accrual basis	<u>\$ 216,174</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 257,777
Change in payables	-
Modified accrual basis	<u>\$ 257,777</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
MIGRANT CHILDREN EDUCATION SPECIAL REVENUE FUND (24103)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	77,855	171,422	140,492	(30,930)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 77,855</b>	<b>171,422</b>	<b>140,492</b>	<b>(30,930)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 24,767	107,267	97,210	10,057
Support services				
Students	49,578	43,578	34,988	8,590
Instruction	-	-	-	-
General administration	3,510	13,577	9,669	3,908
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	7,000	5,734	1,266
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 77,855</b>	<b>171,422</b>	<b>147,601</b>	<b>23,821</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 140,492
Change in receivables	7,109
Modified accrual basis	<u>\$ 147,601</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 147,601
Change in payables	-
Modified accrual basis	<u>\$ 147,601</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
IDEA-B PRESCHOOL SPECIAL REVENUE FUND (24109)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	73,637	81,309	78,163	(3,146)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<u>\$ 73,637</u>	<u>81,309</u>	<u>78,163</u>	<u>(3,146)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 4,500	6,250	5,404	846
Support services				
Students	67,053	72,758	71,756	1,002
Instruction	-	-	-	-
General administration	2,084	2,301	2,130	171
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<u>\$ 73,637</u>	<u>81,309</u>	<u>79,290</u>	<u>2,019</u>
<b>BUDGETED CASH BALANCE</b>	<u>\$ -</u>	<u>-</u>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 78,163
Change in receivables	1,127
Modified accrual basis	<u>\$ 79,290</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 79,290
Change in payables	-
Modified accrual basis	<u>\$ 79,290</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
IDEA-B EARLY INTERVENTION SERVICES SPECIAL REVENUE FUND (24112)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	100,000	61,021	(38,979)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>100,000</b>	<b>61,021</b>	<b>(38,979)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	93,740	62,424	31,316
Support services				
Students	-	3,430	3,060	370
Instruction	-	-	-	-
General administration	-	2,830	1,807	1,023
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>100,000</b>	<b>67,291</b>	<b>32,709</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 61,021
Change in receivables	6,270
Modified accrual basis	<u>\$ 67,291</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 67,291
Change in payables	-
Modified accrual basis	<u>\$ 67,291</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
IDEA-B PRIVATE SCHOOL SHARE SPECIAL REVENUE FUND (24115)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	1,642	63	(1,579)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>1,642</b>	<b>63</b>	<b>(1,579)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services				
Students	-	1,596	1,553	43
Instruction	-	-	-	-
General administration	-	46	43	3
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>1,642</b>	<b>1,596</b>	<b>46</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 63
Change in receivables	1,533
Modified accrual basis	<u>\$ 1,596</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 1,596
Change in payables	-
Modified accrual basis	<u>\$ 1,596</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
FRESH FRUITS AND VEGETABLES SPECIAL REVENUE FUND (24118)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	129,950	90,562	(39,388)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>129,950</b>	<b>90,562</b>	<b>(39,388)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services	-	-	-	-
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	3,577	2,965	612
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	126,373	120,633	5,740
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>129,950</b>	<b>123,598</b>	<b>6,352</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 90,562
Change in receivables	33,036
Modified accrual basis	<u>\$ 123,598</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 123,598
Change in payables	-
Modified accrual basis	<u>\$ 123,598</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
IDEA-B RISK POOL SPECIAL REVENUE FUND (24120)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	17,704	21,298	3,594
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>17,704</b>	<b>21,298</b>	<b>3,594</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services				
Students	-	17,203	17,203	-
Instruction	-	-	-	-
General administration	-	501	475	26
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>17,704</b>	<b>17,678</b>	<b>26</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 21,298
Change in receivables	(3,620)
Modified accrual basis	<u>\$ 17,678</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 17,678
Change in payables	-
Modified accrual basis	<u>\$ 17,678</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
ENGLISH LANGUAGE ACQUISITION SPECIAL REVENUE FUND (24153)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	45,346	63,816	72,859	9,043
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 45,346</b>	<b>63,816</b>	<b>72,859</b>	<b>9,043</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 43,099	57,099	48,074	9,025
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	1,248	3,733	2,772	961
School administration	999	2,984	1,979	1,005
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 45,346</b>	<b>63,816</b>	<b>52,825</b>	<b>10,991</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 72,859
Change in receivables	(20,034)
Modified accrual basis	<u>\$ 52,825</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 52,825
Change in payables	-
Modified accrual basis	<u>\$ 52,825</u>

See accompanying notes.



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
TEACHER/PRINCIPAL TRAINING/RECRUITING SPECIAL REVENUE FUND (24154)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	410,151	524,620	463,122	(61,498)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 410,151</b>	<b>524,620</b>	<b>463,122</b>	<b>(61,498)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 337,002	417,896	297,409	120,487
Support services				
Students	-	500	192	308
Instruction	-	-	-	-
General administration	11,288	29,363	11,121	18,242
School administration	-	15,000	795	14,205
Central services	61,861	61,861	60,966	895
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 410,151</b>	<b>524,620</b>	<b>370,483</b>	<b>154,137</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 463,122
Change in receivables	(92,639)
Modified accrual basis	<u>\$ 370,483</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 370,483
Change in payables	-
Modified accrual basis	<u>\$ 370,483</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
CARL D PERKINS SECONDARY CURRENT SPECIAL REVENUE FUND (24174)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	73,417	78,270	60,547	(17,723)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 73,417</b>	<b>78,270</b>	<b>60,547</b>	<b>(17,723)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 71,170	75,892	64,600	11,292
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	2,247	2,378	1,645	733
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 73,417</b>	<b>78,270</b>	<b>66,245</b>	<b>12,025</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 60,547
Change in receivables	5,698
Modified accrual basis	<u>\$ 66,245</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 66,245
Change in payables	-
Modified accrual basis	<u>\$ 66,245</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
CARL D PERKINS SECONDARY REDISTRIBUTION SPECIAL REVENUE FUND (24176)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	15,068	13,436	(1,632)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>15,068</b>	<b>13,436</b>	<b>(1,632)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	14,653	13,075	1,578
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	415	361	54
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>15,068</b>	<b>13,436</b>	<b>1,632</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 13,436
Change in receivables	-
Modified accrual basis	<u>\$ 13,436</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 13,436
Change in payables	-
Modified accrual basis	<u>\$ 13,436</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
IMPACT AID SPECIAL EDUCATION SPECIAL REVENUE FUND (25145)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	42,075	42,075	98,505	56,430
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 42,075</b>	<b>42,075</b>	<b>98,505</b>	<b>56,430</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	1,000	1,000	-
Support services				
Students	40,917	39,917	39,823	94
Instruction	-	-	-	-
General administration	1,158	1,158	1,126	32
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 42,075</b>	<b>42,075</b>	<b>41,949</b>	<b>126</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 98,505
Change in receivables	-
Modified accrual basis	<u>\$ 98,505</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 41,949
Change in payables	-
Modified accrual basis	<u>\$ 41,949</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
TITLE XIX MEDICAID SPECIAL REVENUE FUND (25153)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	524,800	524,800	500,824	(23,976)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 524,800</b>	<b>524,800</b>	<b>500,824</b>	<b>(23,976)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services				
Students	524,800	524,800	523,437	1,363
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	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 524,800</b>	<b>524,800</b>	<b>523,437</b>	<b>1,363</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 500,824
Change in receivables	41,779
Modified accrual basis	<u>\$ 542,603</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 523,437
Change in payables	-
Modified accrual basis	<u>\$ 523,437</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
ROTC SPECIAL REVENUE FUND (25200)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	5,155	5,155	-	(5,155)
Federal grants	-	3,785	2,016	(1,769)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 5,155</b>	<b>8,940</b>	<b>2,016</b>	<b>(6,924)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 5,155	8,940	1,617	7,323
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	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 5,155</b>	<b>8,940</b>	<b>1,617</b>	<b>7,323</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 2,016
Change in receivables	(382)
Modified accrual basis	<u>\$ 1,634</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 1,617
Change in payables	-
Modified accrual basis	<u>\$ 1,617</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
ENLACE UNM SPECIAL REVENUE FUND (26103)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	200,000	200,000	195,013	(4,987)
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 200,000</b>	<b>200,000</b>	<b>195,013</b>	<b>(4,987)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 10,409	11,409	9,653	1,756
Support services				
Students	187,974	164,974	159,815	5,159
Instruction	-	-	-	-
General administration	1,617	2,617	2,426	191
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	21,000	19,242	1,758
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 200,000</b>	<b>200,000</b>	<b>191,136</b>	<b>8,864</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 195,013
Change in receivables	(3,877)
Modified accrual basis	<u>\$ 191,136</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 191,136
Change in payables	-
Modified accrual basis	<u>\$ 191,136</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
CLOVIS MUNICIPAL SCHOOLS FOUNDATION SPECIAL REVENUE FUND (26184)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	25,059	48,267	23,208	(25,059)
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 25,059</b>	<b>48,267</b>	<b>23,208</b>	<b>(25,059)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 25,059	48,267	19,071	29,196
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	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 25,059</b>	<b>48,267</b>	<b>19,071</b>	<b>29,196</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 23,208
Change in receivables	-
Modified accrual basis	<u>\$ 23,208</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 19,071
Change in payables	-
Modified accrual basis	<u>\$ 19,071</u>

See accompanying notes.



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
ALBERTSON'S GRANT SPECIAL REVENUE FUND (26217)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	2,000	2,000	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>2,000</b>	<b>2,000</b>	<b>-</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	2,000	-	2,000
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	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>2,000</b>	<b>-</b>	<b>2,000</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 2,000
Change in receivables	-
Modified accrual basis	<u>\$ 2,000</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ -
Change in payables	-
Modified accrual basis	<u>\$ -</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
DUAL CREDIT INSTRUCTION MATERIALS SPECIAL REVENUE FUND (27103)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	15,917	13,991	(1,926)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>15,917</b>	<b>13,991</b>	<b>(1,926)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	15,917	15,917	-
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	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>15,917</b>	<b>15,917</b>	<b>-</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 13,991
Change in receivables	1,926
Modified accrual basis	<u>\$ 15,917</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 15,917
Change in payables	-
Modified accrual basis	<u>\$ 15,917</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
2010 GO BOND STUDENT LIBRARY FUND SPECIAL REVENUE FUND (27106)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	13,557	13,557	12,027	(1,530)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 13,557</b>	<b>13,557</b>	<b>12,027</b>	<b>(1,530)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services				
Students	-	-	-	-
Instruction	13,557	13,557	12,208	1,349
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	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 13,557</b>	<b>13,557</b>	<b>12,208</b>	<b>1,349</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 12,027
Change in receivables	181
Modified accrual basis	<u>\$ 12,208</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 12,208
Change in payables	-
Modified accrual basis	<u>\$ 12,208</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
2012 GO BOND STUDENT LIBRARY FUND SPECIAL REVENUE FUND (27107)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	64,370	64,370	-	(64,370)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 64,370</b>	<b>64,370</b>	<b>-</b>	<b>(64,370)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services				
Students	-	-	-	-
Instruction	64,370	64,370	-	64,370
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	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 64,370</b>	<b>64,370</b>	<b>-</b>	<b>64,370</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ -
Change in receivables	-
Modified accrual basis	<u>\$ -</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ -
Change in payables	-
Modified accrual basis	<u>\$ -</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
FORMATIVE ASSESSMENTS SPECIAL REVENUE FUND (27111)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	59,268	59,268
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>-</b>	<b>59,268</b>	<b>59,268</b>
<b>EXPENDITURES</b>				
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	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 59,268
Change in receivables	(59,268)
Modified accrual basis	<u>\$ -</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ -
Change in payables	-
Modified accrual basis	<u>\$ -</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NEW MEXICO READS TO LEAD SPECIAL REVENUE FUND (27114)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	10,000	347,516	337,516
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>10,000</b>	<b>347,516</b>	<b>337,516</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	10,000	9,926	74
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	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>10,000</b>	<b>9,926</b>	<b>74</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 347,516
Change in receivables	(337,590)
Modified accrual basis	<u>\$ 9,926</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 9,926
Change in payables	-
Modified accrual basis	<u>\$ 9,926</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BREAKFAST FOR ELEMENTARY STUDENTS SPECIAL REVENUE FUND (27155)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	54,681	60,990	6,309
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>54,681</b>	<b>60,990</b>	<b>6,309</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services	-	-	-	-
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	54,681	54,681	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>54,681</b>	<b>54,681</b>	<b>-</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 60,990
Change in receivables	(6,309)
Modified accrual basis	<u>\$ 54,681</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 54,681
Change in payables	-
Modified accrual basis	<u>\$ 54,681</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
2010 GO BOND INSTRUCTIONAL MATERIALS SPECIAL REVENUE FUND (27171)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	53,649	53,649	81,560	27,911
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ 53,649</b>	<b>53,649</b>	<b>81,560</b>	<b>27,911</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ 53,649	53,649	35,128	18,521
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	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 53,649</b>	<b>53,649</b>	<b>35,128</b>	<b>18,521</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 81,560
Change in receivables	(46,432)
Modified accrual basis	<u>\$ 35,128</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 35,128
Change in payables	-
Modified accrual basis	<u>\$ 35,128</u>

See accompanying notes.



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NM GROWN FVV SPECIAL REVENUE FUND (27183)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	591	-	(591)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>591</b>	<b>-</b>	<b>(591)</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services	-	-	-	-
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	591	-	591
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>591</b>	<b>-</b>	<b>591</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ -
Change in receivables	-
Modified accrual basis	<u>\$ -</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ -
Change in payables	-
Modified accrual basis	<u>\$ -</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NEXT GENERATION ASSESSMENTS SPECIAL REVENUE FUND (27185)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	81,339	81,339	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>81,339</b>	<b>81,339</b>	<b>-</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	81,339	81,339	-
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	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>81,339</b>	<b>81,339</b>	<b>-</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>		
Budgetary basis	\$	81,339
Change in receivables		-
Modified accrual basis	\$	<u>81,339</u>
<b>EXPENDITURES</b>		
Budgetary basis	\$	81,339
Change in payables		-
Modified accrual basis	\$	<u>81,339</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
PRIVATE DIRECT GRANTS SPECIAL REVENUE FUND (29102)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	4,979	24,953	19,974
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>4,979</b>	<b>24,953</b>	<b>19,974</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	4,979	4,953	26
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	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>4,979</b>	<b>4,953</b>	<b>26</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 24,953
Change in receivables	-
Modified accrual basis	<u>\$ 24,953</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 4,953
Change in payables	-
Modified accrual basis	<u>\$ 4,953</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
NON MAJOR CAPITAL PROJECTS FUNDS- FUND DESCRIPTIONS  
JUNE 30, 2014

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The District has the following separate funds classified as Capital Projects Funds:

**Public Schools Capital Outlay (31200)** is used to account for Critical Capital Outlay funds and other special capital outlay funds received from the State of New Mexico. The funds are restricted for the purposes outlined in the applicable legislation under which the funds were approved. This generally includes construction of new schools or improvements to existing schools.

**Special Capital Outlay - Local (31300)** is used to account revenues that are derived from local sources such as the sale of a building.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECT FUNDS  
As of June 30, 2014

	<i>Fund 31200</i>	<i>Fund 31300</i> Public School Capital Outlay	
	Public School Capital Outlay	Local	Total
<b>Assets</b>			
Cash and cash equivalent	\$ -	412,050	412,050
Accounts receivable, collectible			
Taxes	-	-	-
Due from other governments	-	-	-
Other receivables	-	-	-
Interfund receivables	-	-	-
Investments	-	-	-
Inventory	\$ -	-	-
<b>Total Assets</b>	<u>-</u>	<u>412,050</u>	<u>412,050</u>
<b>Liabilities</b>			
Accounts payable	-	-	-
Accrued payroll liabilities	-	-	-
Interfund payables	-	-	-
Unearned revenues	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>			
Delinquent property taxes	-	-	-
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance</b>			
Nonspendable	-	-	-
Restricted for:			
General fund	-	-	-
Special revenue	-	-	-
Capital projects	-	412,050	412,050
Debt service	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<b>Total Fund Balance</b>	<u>-</u>	<u>412,050</u>	<u>412,050</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<u>\$ -</u>	<u>412,050</u>	<u>412,050</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - NONMAJOR CAPITAL PROJECT FUNDS  
For The Year Ended June 30, 2014

	<i>Fund 31200</i>	<i>Fund 31300</i>	
	Public School Capital Outlay	Public School Capital Outlay Local	Total
<b>Revenues</b>			
Property taxes	-	-	-
State grants	98,496	-	98,496
Federal grants	-	-	-
Miscellaneous	-	-	-
Charges for services	-	-	-
Interest	-	-	-
<b>Total Revenues</b>	<u>98,496</u>	<u>-</u>	<u>98,496</u>
<b>Expenditures</b>			
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	98,496	-	98,496
Debt service			
Principal	-	-	-
Interest	-	-	-
<b>Total Expenditures</b>	<u>98,496</u>	<u>-</u>	<u>98,496</u>
expenditures	-	-	-
<b>Other financing sources (uses)</b>			
Operating transfers	-	-	-
Proceeds from bond issues	-	-	-
Bond underwriter discount	-	-	-
Bond underwriter premium	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance beginning of year</b>	<u>-</u>	<u>412,050</u>	<u>412,050</u>
<b>Fund balance end of year</b>	<u>-</u>	<u>412,050</u>	<u>412,050</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
BOND BUILDING CAPITAL PROJECT FUND (31100) (MAJOR FUND)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	70,946	70,946
Charges for services	-	-	-	-
Interest	-	-	2,578	2,578
<b>Total revenues</b>	<b>\$ -</b>	<b>-</b>	<b>73,524</b>	<b>73,524</b>
<b>EXPENDITURES</b>				
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	5,000,000	10,100,000	2,606,246	7,493,754
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 5,000,000</b>	<b>10,100,000</b>	<b>2,606,246</b>	<b>7,493,754</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ (5,000,000)</b>	<b>(10,100,000)</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 73,524
Change in receivables	(70,946)
Modified accrual basis	<u>\$ 2,578</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 2,606,246
Change in payables	400,382
Modified accrual basis	<u>\$ 3,006,628</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
PUBLIC SCHOOL CAPITAL OUTLAY CAPITAL PROJECT FUND (31200)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	98,496	108,318	9,822
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>98,496</b>	<b>108,318</b>	<b>9,822</b>
<b>EXPENDITURES</b>				
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	-	98,496	98,496	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ -</b>	<b>98,496</b>	<b>98,496</b>	<b>-</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ -</b>	<b>-</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 108,318
Change in receivables	(9,822)
Modified accrual basis	<u>\$ 98,496</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 98,496
Change in payables	-
Modified accrual basis	<u>\$ 98,496</u>

See accompanying notes.



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
PUBLIC SCHOOL CAPITAL OUTLAY - LOCAL CAPITAL PROJECT FUND (31300)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ -	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<b>Total revenues</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>				
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	415,000	415,000	-	415,000
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 415,000</b>	<b>415,000</b>	<b>-</b>	<b>415,000</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ (415,000)</b>	<b>(415,000)</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ -
Change in receivables	-
Modified accrual basis	<u>\$ -</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ -
Change in payables	-
Modified accrual basis	<u>\$ -</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECT FUND (31700)(MAJOR FUND)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ 1,325,647	1,326,005	1,361,592	35,587
State grants	301,454	301,454	695,596	394,142
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	1,679	1,679	1,141	(538)
<b>Total revenues</b>	<b>\$ 1,628,780</b>	<b>1,629,138</b>	<b>2,058,329</b>	<b>429,191</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	\$ -	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	13,257	13,616	13,616	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	2,748,698	2,748,697	1,033,917	1,714,780
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 2,761,955</b>	<b>2,762,313</b>	<b>1,047,533</b>	<b>1,714,780</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ (1,133,175)</b>	<b>(1,133,175)</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>		
Budgetary basis		\$ 2,058,329
Change in receivables		(34,350)
Modified accrual basis		<u>\$ 2,023,979</u>
<b>EXPENDITURES</b>		
Budgetary basis		\$ 1,047,533
Change in payables		(9,905)
Modified accrual basis		<u>\$ 1,037,628</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
DEBT SERVICE FUND (41000)(MAJOR FUND)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
For The Year Ended June 30, 2014

	Original Budget	Final Budget	Actual Amount	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Property taxes	\$ 3,301,538	3,302,961	3,443,774	140,813
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	1,950	1,950	2,055	105
<b>Total revenues</b>	<b>\$ 3,303,488</b>	<b>3,304,911</b>	<b>3,445,829</b>	<b>140,918</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	33,015	34,438	34,438	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	2,325,000	6,475,000	6,475,000	-
Interest	976,538	999,042	999,041	1
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<b>\$ 3,334,553</b>	<b>7,508,480</b>	<b>7,508,479</b>	<b>1</b>
<b>BUDGETED CASH BALANCE</b>	<b>\$ (31,065)</b>	<b>(4,203,569)</b>		

Reconciliation of budgetary basis to modified accrual statements

<b>REVENUES</b>	
Budgetary basis	\$ 3,445,829
Change in receivables	(32,485)
Modified accrual basis	<u>\$ 3,413,344</u>
<b>EXPENDITURES</b>	
Budgetary basis	\$ 7,508,479
Change in payables	-
Modified accrual basis	<u>\$ 7,508,479</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
AGENCY FUND  
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES  
For The Year Ended June 30, 2014

	Balance 06/30/13	Additions	Deletions	Balance 06/30/14
Central Office	\$ 186,944	59,501	12,637	233,808
Clovis High School	340,079	1,013,627	1,003,331	350,375
Marshall Junior High	41,517	87,085	97,461	31,141
Yucca Junior High	69,764	153,141	150,731	72,174
Highland Elementary	6,273	28,374	29,579	5,068
James Bickley Elementary	15,496	12,519	13,105	14,910
Lockwood Elementary	14,133	26,678	28,100	12,711
Sandia Elementary	25,474	37,978	35,091	28,361
Parkview Elementary	20,984	26,010	38,557	8,437
Lincoln Jackson Elementary	13,176	25,852	22,556	16,472
Ranchvale Elementary	26,637	33,333	38,910	21,060
Lacasita Elementary	14,210	16,350	18,279	12,281
Bella Vista Elementary	7,971	14,525	13,028	9,468
Zia Elementary	22,452	79,599	58,702	43,349
Barry Elementary	25,505	27,410	33,593	19,322
Cameo Elementary	28,496	18,955	22,580	24,871
Mesa Elementary	38,374	80,187	91,484	27,077
Los Niño's Intervention	28,160	19,437	20,227	27,370
Choices School	395	-	237	158
SSC	1,154	1,083	1,237	1,000
Gattis Middle School	11,055	144,841	103,315	52,581
Freshman Academy	48,617	113,727	111,500	50,844
Scholarship	162,120	3,368	5,400	160,088
<b>Total All Schools</b>	<u>1,148,986</u>	<u>2,023,580</u>	<u>1,949,640</u>	<u>1,222,926</u>

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY  
FOR PUBLIC FUNDS  
As of June 30, 2014

Name of Depository	Description of Pledged Collateral	Fair/ Par Market Value 06/30/14	Name and Location of SafeKeeper
Citizen's Bank	GNMA II Pool #MA0213 CUSIP #36179MGW4 3.0% Due 7/20/2042	\$ 1,728,941	Texas Independent Bank Dallas, Texas
Citizen's Bank	GNMA II Pool #MA0775 CUSIP #36179M2G4 3.0% Due 2/20/2043	2,661,593	Texas Independent Bank Dallas, Texas
Citizen's Bank	GNMA II Pool #82513 CUSIP #36225EYK2 2.5% Due 4/20/2040	2,721,872	Texas Independent Bank Dallas, Texas
Citizen's Bank	GNR 2013-41 KE CUSIP #38378JR79 3.0% Due 10/20/2042	<u>3,143,852</u>	Texas Independent Bank Dallas, Texas
Subtotal Citizen's Bank		<u>10,256,258</u>	
New Mexico Bank & Trust	FNMA Pool AD0570 31418MT44 5.5% Due 8/1/2037	882,953	Commerce Bank St. Louis, Missouri
New Mexico Bank & Trust	GNMA II HECM Pool 756697 254845JH4 5.0% Due 10/1/2031	2,393,391	Commerce Bank St. Louis, Missouri
New Mexico Bank & Trust	GNMA POOL 658185 36294SF28 4.5% Due 6/15/2040	<u>25,097</u>	Commerce Bank St. Louis, Missouri
Subtotal New Mexico Bank & Trust		<u>3,301,441</u>	
Bank of Clovis	MBS FNMA 10 YR 255982 31371MJ32 4.0% Due 10/01/2015	382,935	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	Santa Rosa NM Cons SD 802751DS3 2.0% Due 5/15/2020	233,636	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	MBS FNMA 15 YR 31416BYB8 6.5% Due 12/01/2023	407,459	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	MBS FNMA CONV 31371LRB7 6.0% Due 6/01/2024	609,876	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	Austin TX Public IMPT SE 052396YA0 3.25% Due 9/01/2028	425,097	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	Longview TX ISD 543264SV8 5.0% Due 2/15/2032	1,034,570	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	FHR 2881 AE 31395J5C6 5.0% Due 8/15/2034	386,875	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	MBS GNMA II 1-Yr 36225DQM9 2.5% Due 5/20/2035	613,019	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	MBS GNMA II 1-Yr 36225DQM9 2.5% Due 5/20/2035	1,241,438	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	MBS GNMA II 1-Yr 36225DQM9 2.5% Due 5/20/2035	278,500	Plains Capital Bank Clovis, New Mexico
Bank of Clovis	MBS FHLMC Libor ARM 3128JMTT4 5.02% Due 12/01/2035	<u>318,018</u>	Plains Capital Bank Clovis, New Mexico
Subtotal Bank of Clovis		<u>5,931,424</u>	
<b>Total All Banks</b>		<u>\$ 19,489,123</u>	

See accompanying notes.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS  
As of June 30, 2014

Bank Account Type	Bank of Clovis	NM Bank & Trust	Citizen's Bank	State Investment Pool	Totals
Checking - General Account	\$ 4,351,407	-	-	-	4,351,407
Checking - General Building	-	2,049,315	-	-	2,049,315
Checking - Payroll Account	-	-	4,752,403	-	4,752,403
Checking - Accounts Payable	-	228,806	-	-	228,806
Checking - Food Services	-	-	2,652,865	-	2,652,865
Checking - Activity	-	-	709,721	-	709,721
Investment Accounts	-	-	-	16,509,912	16,509,912
Total on Deposit	4,351,407	2,278,121	8,114,989	16,509,912	31,254,429
Reconciling Items	379,225	(249,276)	(3,942,406)	-	(3,812,457)
Reconciled Balance June 30, 2014	\$ <u>4,730,632</u>	<u>2,028,845</u>	<u>4,172,583</u>	<u>16,509,912</u>	<u>27,441,972</u>
Plus: Petty Cash					<u>140</u>
Cash and Investments per Government-wide Financial Statements and Agency Funds					<u>\$ 27,442,112</u>

Checking accounts with the Bank of Clovis, Nm Bank & Trust, and Citizen's Bank are non-interest bearing

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF CASH RECONCILIATION  
Year Ended June 30, 2014

	<i>Fund 11000</i>	<i>Fund 13000</i>	<i>Fund 14000</i>	<i>Fund 21000</i>	<i>Fund 22000</i>	<i>Fund 24000</i>	<i>Fund 25000</i>	<i>Fund 26000</i>	
	<b>Operational</b>	<b>Transportation Account</b>	<b>Instructional Materials</b>	<b>Food Services</b>	<b>Athletics Account</b>	<b>Federal Flowthrough</b>	<b>Federal Direct</b>	<b>Local Grants</b>	
Cash balance, June 30, 2013, as originally reported	\$ 2,812,471	8,423	704,141	2,525,679	181,428	(150)	403,251	9,188	
Restatement	1,746,539	-	-	-	-	150	-	-	
Cash balance, June 30, 2013, as restated	4,559,010	8,423	704,141	2,525,679	181,428	-	403,251	9,188	
Add:									
2013-14 revenue	56,503,543	1,276,617	563,845	3,664,629	216,174	5,134,342	600,964	220,220	
Prior year loans	3,726,636	-	-	-	-	(1,171,801)	-	(69,056)	
Transfer from other funds	258,423	-	-	250,000	-	-	-	-	
Loans from other funds	-	-	-	-	-	1,009,185	-	65,179	
Total cash available	65,047,612	1,285,040	1,267,986	6,440,308	397,602	4,971,726	1,004,215	225,531	
Less:									
2013-14 expenditures	56,839,594	1,276,617	469,561	3,307,034	257,777	4,971,726	567,004	210,206	
Repayment of loans	-	-	-	-	-	-	-	-	
Transfer to other funds	-	8,423	-	500,000	-	-	-	-	
Loans to other funds	1,107,248	-	-	-	-	-	-	-	
Change due to held checks and liabilities	874,844	-	-	-	-	-	-	-	
Cash balance, June 30, 2014	\$ 7,973,614	-	798,425	2,633,274	139,825	-	437,211	15,325	
	<i>Fund 27000</i>	<i>Fund 28000</i>	<i>Fund 29000</i>	<i>Fund 31100</i>	<i>Fund 31200</i>	<i>Fund 31300</i>	<i>Fund 31700</i>	<i>Fund 41000</i>	
	<b>State Flowthrough</b>	<b>State Direct</b>	<b>Local/ State</b>	<b>Bond Building State</b>	<b>Public School Capital Outlay</b>	<b>Public School Capital Outlay Local</b>	<b>Cap. Improv. SB 9</b>	<b>Debt Service Fund</b>	<b>Total</b>
Cash balance, June 30, 2013, as originally reported	-	-	-	1,873,273	-	-	1,420,421	3,766,646	13,704,771
Restatement	-	-	-	-	-	412,050	(3,288)	(3,858)	2,151,593
Cash balance, June 30, 2013	\$ -	-	-	1,873,273	-	412,050	1,417,133	3,762,788	15,856,364
Add:									
2013-14 revenue	656,692	-	24,953	10,073,524	108,318	-	2,058,328	7,760,255	88,862,404
Receipt of (Repayment) of prior year loans	(475,957)	-	-	(2,000,000)	(9,822)	-	-	-	-
Transfer from other funds	-	-	-	-	-	-	-	-	508,423
Loans from other funds	28,465	-	-	59,500	-	-	-	-	1,162,329
Total cash available	209,200	-	24,953	10,006,297	98,496	412,050	3,475,461	11,523,043	106,389,520
Less:									
2013-14 expenditures	209,200	-	4,953	2,606,246	98,496	-	1,047,533	7,508,479	79,374,426
Repayment of loans	-	-	-	-	-	-	-	-	-
Transfer to other funds	-	-	-	-	-	-	-	-	508,423
Loans to other funds	-	-	-	-	-	-	-	55,081	1,162,329
Change due to held checks and liabilities	-	-	-	-	-	-	-	-	874,844
Cash balance, June 30, 2014	\$ -	-	20,000	7,400,051	-	412,050	2,427,928	3,959,483	26,219,186
						Add: Fiduciary Fund Cash & Cash Equivalents			1,222,926
						Total Cash	\$		27,442,112

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

Mr. Hector Balderas  
New Mexico State Auditor  
&  
The Board of Education  
Clovis Municipal Schools

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 Clovis Municipal Schools (District), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and the combining and individual funds and related budgetary comparisons of the District, presented as supplementary information, and have issued our report thereon dated October 31, 2014.

**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 a deficiency in internal control that we consider to be material weakness.



Mr. Hector Balderas  
New Mexico State Auditor  
&  
The Board of Education  
Clovis Municipal Schools

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 deficiency described in the accompanying schedule of findings and questioned costs to be a material weakness as item 2014-001.

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.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed certain 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 2014-002 to 2014-005.

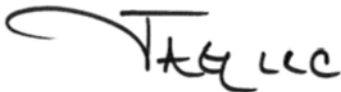
### **The District's Responses to Findings**

The District's responses to the 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 the financial statements and, accordingly, we express no opinion on them.

Mr. Hector Balderas  
New Mexico State Auditor  
&  
The Board of Education  
Clovis Municipal Schools

### 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 result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. The 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.

A handwritten signature in black ink, appearing to read "JAG LLC". The signature is stylized with a large, sweeping initial letter.

Jaramillo Accounting Group LLC  
Albuquerque, New Mexico  
October 31, 2014

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY  
OMB CIRCULAR A-133

Mr. Hector Balderas  
New Mexico State Auditor  
&  
The Board of Education  
Clovis Municipal Schools

**Report on Compliance for the Major Federal Program**

We have audited Clovis Municipal School'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, 2014. 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, regulations, contracts, and grants applicable to its federal programs.

*Auditor's Responsibility*

Our responsibility is to express an opinion on 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 District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Mr. Hector Balderas  
New Mexico State Auditor  
&  
The Board of Education  
Clovis Municipal Schools

### *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, 2014.

### **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2014-006 to 2014-007. Our opinion on each major federal program is not modified with respect to these matters.

The District's responses to the noncompliance 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 them.

### **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*

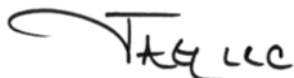
Mr. Hector Balderas  
New Mexico State Auditor  
&  
The Board of Education  
Clovis Municipal Schools

*compliance* is a deficiency, or a 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 first paragraph of this section 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 2014-006 and 2014-007, that we consider to be significant deficiencies.

The District's responses to the noncompliance 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 them.

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.



Jaramillo Accounting Group LLC  
Albuquerque, New Mexico  
October 31, 2014

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Year Ended June 30, 2014

Federal Grantor or Pass-Through Grantor/Program Title	Pass-through Number	Federal CFDA	Federal Expenditures
U.S. Department of Defense ROTC		12.357	\$ <u>1,617</u>
<b>U.S. Department of Education</b>			
<i>Pass-through State of New Mexico Department of Education</i>			
Title I Grants to Local Educational Agencies	24101	84.010	<u>2,282,434</u>
Migrant Education - State Grant Program	24103	84.011	<u>147,601</u>
<i>Special Education Cluster (IDEA)</i>			
Special Education - Grants to States (IDEA B)	24106	84.027	1,733,604
Special Education - Grants to States (IDEA B - Early Intervention Services)	24112	84.027	67,291
Special Education - Grants to States (IDEA B - Private School Share)	24115	84.027	1,596
Special Education - Grants to States (IDEA B - Risk Pool)	24120	84.027	17,678
Special Education - Preschool Grants (IDEA B - Pre School)	24109	84.173	79,290
<i>Special Education Cluster (IDEA) Total</i>			<u>1,899,459</u>
English Language Acquisition State Grants	24153	84.365A	52,825
Improving Teacher Quality State Grants (Title II)	24154	84.367	370,483
Career and Technical Education -- Basic Grants to States (Carl D Perkins- Secondary Current)	24174	84.048	66,245
Career and Technical Education -- Basic Grants to States (Carl D. Perkins Secondary - Redistribution)	24176	84.048	<u>13,436</u>
<i>Subtotal - Passthrough State of New Mexico Department of Education</i>			<u>4,832,483</u>
<i>Direct U.S. Department of Education</i>			
Impact Aid		84.041	109,288
Impact Aid - Special Education		84.041	<u>98,505</u>
<i>Subtotal - Direct U.S. Department of Education</i>			<u>207,793</u>
<b>Total U.S. Department of Education</b>			<u>5,040,276</u>
<b>U.S. Department of Agriculture</b>			
<i>Pass-through State of New Mexico Department of Education</i>			
<i>Child Nutrition Cluster</i>			
School Breakfast Program	21000	10.553	1,138,034
National School Lunch Program	21000	10.555	<u>2,200,236</u>
<i>Total Child Nutrition Cluster</i>			<u>3,338,270</u>
Fresh Fruit and Vegetable Program	24118	10.582	<u>123,598</u>
<i>Subtotal - pass-through State of New Mexico Department of Education</i>			<u>3,461,868</u>
<i>Pass-through State of New Mexico Department of Health and Human Services</i>			
Food Distribution (Commodities)	21000	10.569	<u>276,026</u>
<b>Total U.S. Department of Agriculture</b>			<u>3,737,894</u>
<b>Total Federal Financial Assistance</b>			<u>\$ 8,778,170</u>

*See notes to Schedule of Expenditures of Federal Awards*

STATE OF NEW MEXICO  
 CLOVIS MUNICIPAL SCHOOLS  
 NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For The Year Ended June 30, 2014

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 Clovis Municipal 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 Government as 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 provided the following federal award to a subrecipient during the year.

CFDA 84.367, Improving Teacher Quality State Grants (Title II)

Subrecipient	Amount
Clovis Christian School	\$ 8,704

3. Non Cash Federal Assistance

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast program. The value of commodities received for the year ended June 30, 2014 was \$276,026 and is reported in the Schedule of Expenditures of Federal Awards under the Department of Agriculture Commodities program, CFDA number 10.569. Commodities are recorded as revenues and expenditures in the food service fund.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2014

2013-001 [FS-13-01]	Inventory Procedures	Significant Deficiency	Resolved
2013-002 [FS-13-02]	Recording of Long Term Debt	Significant Deficiency	Resolved
2013-003 [FA-13-02]	Interest Earned on Federal Funds	Significant Deficiency	Resolved



STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014

Section I – Summary of Audit Results

*Financial Statements:*

- |  |            |
|--|------------|
| 1. Type of auditors' report issued   | Unmodified |
| 2. Internal control over financial reporting:                                    |            |
| a. Material weakness identified?   | Yes        |
| b. Significant deficiencies identified not considered to be material weaknesses? | No         |
| c. Noncompliance material to financial statements noted?                         | No         |

*Federal Awards:*

- |   |                                      |
|---|--------------------------------------|
| 1. Internal control over major programs:  |                                      |
| a. Material weakness 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  |                                      |
| <u>Number</u>   | <u>Federal Program</u>               |
| 10.553/10.555   | Child Nutrition Cluster              |
| 84.010  | Title I                              |
| 84.027/84.173   | Special Education Cluster            |
| 84.367  | Improving Teacher Quality (Title II) |
| 5. Dollar threshold used to distinguish between type A and type B programs:   | \$300,000                            |
| 6. Auditee qualified as low-risk auditee?   | Yes                                  |

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014

Section II – Financial Statement Findings

2014-001      RESTATEMENT OF JUNE 30, 2013 FINANCIAL STATEMENTS –  
INTERNAL CONTROL OVER FINANCIAL CLOSE AND REPORTING  
(MATERIAL WEAKNESS IN INTERNAL CONTROL)

CONDITION

The District did not implement an effective year-end financial close and reporting process for the year ended June 30, 2013 which resulted in material errors in the June 30, 2013 audited financial statements. These errors were corrected within these June 30, 2014 audited financial statements.

The material adjustments to opening fund balances for the year ended June 30, 2014 were as follows:

- General Fund 11000 overstated by \$250,000
- Food Service Fund 21000 understated by \$250,000
- Title I Fund 24101 overstated by \$581,627
- IDEA B Entitlement Fund 24106 overstated by \$818,027
- Capital Improvements (SB-9) Fund 31700 overstated by \$696,596
- Six non-major funds were overstated by \$92,509 (in total)
- Certain June 30, 2013 cash balances were misstated in the Schedule of Cash Reconciliation

CRITERIA

There are several key underlying accounting standards to an organization designing and implementing an effective financial close and reporting process. Auditors are required to identify and communicate internal control weaknesses according to Statement on Auditing Standards (SAS) AU Section 325 Communication of Internal Control Related Matters Identified in an Audit, which includes:

- ✓ The auditor cannot be a part of a client's internal control because becoming part of a client's internal control impairs auditor independence
- ✓ The auditor's work is independent of the client's internal control over financial reporting and the auditor cannot be a compensating control for the client; and

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CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014

Section II – Financial Statement Findings (Continued)

2014-001      RESTATEMENT OF JUNE 30, 2013 FINANCIAL STATEMENTS –  
INTERNAL CONTROL OVER FINANCIAL CLOSE & REPORTING  
(MATERIAL WEAKNESS IN INTERNAL CONTROL) (CONTINUED)

- ✓ A system of internal control over the financial reporting does not stop at the general ledger – it includes controls over the presentation of the financial statements.

Financial reporting is considered a significant process of internal control and should be performed by the District’s staff or under the supervision of District’s staff.

The New Mexico State Audit Rule 2.2.2.10 I establishes a due date of November 15 for the submission of the District’s audit reports to the Office of the New Mexico State Auditor.

CAUSE

The predecessor audit firm did not provide a draft of the financial statements to management to review timely, leaving no time for reconciliation and review of GAAP basis journal entries before the statutory deadline for the audit to be completed.

EFFECT

The District’s June 30, 2013 financial statements were materially misstated and there are four funds that have prior period restatements in the June 30, 2014 financial statements to correct the errors.

RECOMMENDATION

The District’s financial close and reporting controls should include but not be limited to:

- ✓ Identifying all sources of financial and non-financial data (routine and non-routine events and transactions) that will be needed in order to maintain and systematically adjust the District’s general ledger
- ✓ Providing all cash to modified accrual basis journal entries for the fund financial statements and cash to full accrual for the government-wide financial statements

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CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014

Section II – Financial Statement Findings (Continued)

2014-001      6/30/2013 RESTATEMENT OF FINANCIAL STATEMENTS – INTERNAL CONTROL OVER FINANCIAL CLOSE & REPORTING (MATERIAL WEAKNESS IN INTERNAL CONTROL) (CONTINUED)

- ✓ Establishing and implementing procedures and records to initiate, authorize, record, process, correct, transfer to the general ledger, and report in the financial statements the District's transactions
- ✓ Monitoring the non-audit services provided by the external auditor and reviewing and approving the services provided
- ✓ Reviewing in detail the financial statements and related reports and not releasing them to the Office of the State Auditor until accurate

MANAGEMENT RESPONSE

The District did not receive a complete draft audit report until February 24, 2014; well after the submission of the audit to the State Auditor's Office on November 15, 2013. The Chief Financial Officer and Supervisor of Accounting Services found the errors in the audit report dated June 30, 2013. Those errors were reported to Jaramillo Accounting Group, who replaced the firm that performed the 2013 audit. The decision was made to restate the 2014 financial statements instead of hiring the new audit firm to re-do the 2013 financial statements.

In the future, the Chief Financial Officer will require an earlier submission of the audit. Additionally, the State Auditor's Office will be notified if the audit is not completed within the District's timeline after contacting the auditor with no success. A completed copy of the entire audit, including all financial statements, notes to the financial statements, and supporting documentation will be reviewed before allowing the auditor to submit the document to the State Auditor's Office. The Chief Financial Officer will continue to monitor and review all documentation submitted to the auditing firm.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014

Section II – Financial Statement Findings (Continued)

2014-002 IMPROVE GENERAL CONTROLS OVER INFORMATION TECHNOLOGY  
(FINDING THAT DOES NOT RISE TO THE LEVEL OF A SIGNIFICANT  
DEFICIENCY)

CONDITION

During our review of surrounding IT general controls that are relevant to financial reporting, we noted the following:

- (a) There is no formal written Disaster Recovery Plan covering significant financial systems.
  
- (b) There is no formal written Incident Response Plan that will provide guidance in responding to different kinds of incidents or threats that are applicable to the District.
  
- (c) Our inquiry of password policies in the domain and accounting systems revealed that there is no password expiration timeframe and no strong password complexity.

CRITERIA

In accordance with ISACA's Control Objectives for Information and related Technology (COBIT) 4.1, framework (DS4, Ensure Continuous Service), a Disaster Recovery Plan should cover all critical applications and systems to reduce impact of a major disruption on key business functions and processes.

Framework DS5 (Ensure System Security) provides that the need to maintain integrity of information and protect IT assets requires a security management process. This process includes establishing and maintain IT security and roles and responsibilities, policies, standards, and procedures. Effective security management protects all IT assets to minimize the business/financial impact of security vulnerabilities and incidents.

EFFECT

The absence of a Disaster Recovery Plan for the accounting system may pose question as to the District's ability to respond and recover its accounting data in the event of an unforeseen disaster or threat. Limited password security requirements and lack of an incident response plan decreases overall system security which makes the infrastructure vulnerable to attack and unauthorized data access or modification.

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CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014

Section II – Financial Statement Findings (Continued)

2014-002      IMPROVE GENERAL CONTROLS OVER INFORMATION TECHNOLOGY  
(FINDING THAT DOES NOT RISE TO THE LEVEL OF A SIGNIFICANT  
DEFICIENCY) (CONTINUED)

CAUSE

Although IT management considered these risks as part of their daily IT processes, a formal written plan has never been adopted.

RECOMMENDATION

We recommend the following:

- (a) Develop a formal Disaster Recovery Plan for the network and accounting systems that should be comprehensive in scope covering staff roles and responsibilities, system recovery steps, data restoration procedures, and how to maintain business operations. It would be prudent for the District to test the Disaster Recovery Plan to ensure the viability of the plan and the timeliness of its execution.
- (b) Develop a formal Incident Response Plan that will cover procedures and responsibilities involved in case of an identified security incident. This will ensure the incident will be address on a consistent and timely manner. Collaborating with student safety committees and local law enforcement is advisable.
- (c) Improve password policies in the network and all applications. Minimum characters of 8 and complexity and time limitations should be adopted consistent with industry best practices.

MANAGEMENT RESPONSE

The Chief Technology Officer is currently working on a formal Disaster Recovery Plan and a formal Incident Response Plan. The plans will be taken to the Board in December and procedures in place by January 30, 2015. The Technology Department will utilize best practices and change passwords every year in the fall which will include standardizing the complexity of the passwords. In the meantime, passwords for all employees were changed after the auditors discussed the issue with the District.

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CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014

Section II – Financial Statement Findings (Continued)

2014-003      SEGREGATION OF DUTIES – ACCOUNTING SOFTWARE ACCESS RIGHTS (FINDING THAT DOES NOT RISE TO THE LEVEL OF A SIGNIFICANT DEFICIENCY)

CONDITION

During our test of controls, we noted that the District’s accounting software (Skyward) has an access listing that had not been updated in several years. The District does deactivate employees as they leave the District, but did not check duties and access when employees changed positions.

CRITERIA

For good accounting controls, checks and balances, employees should not have access to certain parts of the accounting process for proper segregation of duties. This prevents fraud and errors from occurring.

NMAC 6.20.2.11 states:

“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.

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.”

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014

Section II – Financial Statement Findings (Continued)

2014-003      SEGREGATION OF DUTIES – ACCOUNTING SOFTWARE ACCESS RIGHTS (FINDING THAT DOES NOT RISE TO THE LEVEL OF A SIGNIFICANT DEFICIENCY)

CAUSE

The access list has not been reviewed in several years.

EFFECT

The District may be at increased risk for errors or fraud without proper segregation of duties.

RECOMMEDATION

Although employees have certain *duties* the team is aware of, it is actually their *access* that matters. We recommend the CFO review the listing at least annually, along with the normal review as employees are hired or terminated (deactivated from the system).

MANAGEMENT RESPONSE

The Chief Technology Officer and Information Systems Coordinator will review the security for all employees on a yearly basis. Once their recommendations are documented, the Chief Financial Officer will review that listing for the financial side of the software and make adjustments to security levels as needed. Employees leaving the district will be inactivated instead of deleted from the system to save historical records.



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CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014

Section II – Financial Statement Findings (Continued)

2014-004      CASH RECONCILIATION – STALE DATED CHECK  
(FINDING THAT DOES NOT RISE TO THE LEVEL OF A SIGNIFICANT  
DEFICIENCY)

CONDITION

During our cash testing performed in August 2014, we noted one check for \$93,785 dated July 15, 2013 that had not yet cleared the bank. After we brought this matter to the District’s attention, the District obtained an Affidavit of Lost Check from the vendor and re-issued the check.

CRITERIA

Per Section 6-10-57, NMSA 1978, whenever “any warrant issued by the state, county, municipality, school district, or special district is unpaid for one year after it becomes payable, the fiscal officer shall cancel it.”

CAUSE

The District’s vendor did not receive and/or cash their check for over a year and the District did not follow up timely.

EFFECT

The vendor may not have been paid and the District’s cash would have been inaccurate. The District was not in compliance with state statutes.

RECOMMENDATION

As part of the monthly bank reconciliation process, we recommend the District document follow up procedures on checks over 60 days outstanding and cancel stale dated checks as necessary to be in compliance with state statutes.

MANAGEMENT RESPONSE

Stale dated checks will be monitored on a quarterly basis. Checks over one year old will be mailed a certified letter along with a lost check affidavit to be completed for a check replacement. After 15 days, the District will either reissue or void the check.

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CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014

Section II – Financial Statement Findings (Continued)

2014-005      PAYROLL – MISSING TIMESHEETS  
(FINDING THAT DOES NOT RISE TO THE LEVEL OF A SIGNIFICANT  
DEFICIENCY)

CONDITION

During our testing of payroll controls, we noted 1 payroll check of 25 tested, (\$960 on March 28, 2014), that the District did not have a timesheet on file for the related employee. Upon further research, the District determined that this employee, charged to the ENLACE (non-federal) grant, had not ever completed timesheets. The other employees charged to the ENLACE grant had appropriately completed their timesheets. No other exceptions were noted.

CRITERIA

Section 50-4-9, NMSA 1978, states that “Every employer shall keep a true and accurate record of hours worked and wages paid to each employee. The employer shall keep such records on file for at least one year after the entry of the record.”

Additionally, NM Public Education Department’s Manual of Procedures for Public School Accounting and Budgeting (PSAB) 21 Exhibit 21-1 recommends retaining payroll timesheets in Finance for 3 years after the close of the year.

CAUSE

Although an internal audit had discovered this, the information was not forwarded to the CFO, therefore no corrective action had been taken. The reporting, review and approval process was not implemented in this instance.

EFFECT

Fraud and errors may occur without proper documentation, approval, and monitoring. The District may not be in compliance with grant requirements.

RECOMMENDATION

As part of the payroll and internal audit processes, we recommend the District implement review and follow through procedures on any exceptions found on requirements.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014

Section II – Financial Statement Findings (Continued)

2014-005      PAYROLL – MISSING TIMESHEETS (CONTINUED)  
(FINDING THAT DOES NOT RISE TO THE LEVEL OF A SIGNIFICANT  
DEFICIENCY)

MANAGEMENT RESPONSE

The District will continue to audit time records on a quarterly basis. The payroll clerk will now bring her findings to the Chief Financial Officer who will ensure procedures are followed.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014

Section III – Federal Findings

2014-006      TIME & EFFORT CERTIFICATIONS  
(SIGNIFICANT DEFICIENCY) (NON-COMPLIANCE WITH FEDERAL  
AWARDS)

US Department of Education, *pass-through the New Mexico Department of Education*, IDEA B Cluster, CFDA 84.027 and 84.173, and Title I, CFDA 84.010

U.S. Department of Agriculture, *pass-through State of New Mexico Department of Health and Human Services*, Child Nutrition Cluster, CFDA 10.553 and 10.555

Award Years 2013-2014

QUESTIONED COSTS

None

CONDITION

We noted the District's Child Nutrition Cluster, IDEA B Cluster, and Title I programs did not complete the minimum semiannual payroll certification reports to adequately substantiate time and effort spent on the grant award.

However, mitigating controls were in place to ensure that payroll was appropriately recorded to the proper grants including the following detailed review of payroll costs: Program Manager review of payroll registers, review of budget to actual expenditures by program, review of journal entries, and review of the payroll detail supporting the Requests for Reimbursements submitted to the New Mexico Public Education Department.

CRITERIA

OMB Circular A-87 states, "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 semiannually and will be signed by the employee or supervisory official having first-hand knowledge of the work performed by the employee."

CAUSE

In certain cases, grant management was not aware of this requirement, in other cases, grant management appears to have overlooked the requirement.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014

Section III – Federal Findings (Continued)

2014-006      TIME & EFFORT CERTIFICATIONS (CONTINUED)  
(SIGNIFICANT DEFICIENCY) (NON-COMPLIANCE WITH FEDERAL  
AWARDS)

EFFECT

Fraud and errors may occur without proper documentation, approval, and monitoring. Without complete and accurate payroll certification reports, the District cannot accurately allocate payroll expenses to each federal grant, increasing the risk that costs reported by grant may be misstated.

RECOMMENDATION

We recommend the District design control procedures to ensure compliance and monitor the implementation results. We recommend training staff and reviewing each federal grant and guidance such as the OMB Circulars and Compliance Supplements for all the specific federal requirements and subsequently implementing policies and procedures to safeguard the District against noncompliance.

MANAGEMENT RESPONSE

The District will create procedures for personnel to follow in completing and monitoring time and effort records. Additionally, trainings will be held annually to ensure employees paid out of a federal program understand the time and effort requirements.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014

Section III – Federal Findings (Continued)

**2014-007      SUSPENSION & DEBARMENT  
(SIGNIFICANT DEFICIENCY) (NON-COMPLIANCE WITH FEDERAL  
AWARDS)**

US Department of Education, *pass-through the New Mexico Department of Education*, IDEA B Cluster, CFDA 84.027 and 84.173, Title I, CFDA 84.010, and Improving Teacher Quality State Grants (Title II), CFDA 84.367;

U.S. Department of Agriculture, *pass-through State of New Mexico Department of Health and Human Services*, Child Nutrition Cluster, CFDA 10.553 and 10.555

Award Years 2013-2014

QUESTIONED COSTS

None noted

CONDITION

The District was not documenting procedures to verify federal funds were not being awarded to suspended or debarred parties.

CRITERIA

OMB Circular A-102 states, “Debarment and Suspension. Federal agencies shall not award assistance to applicants that are debarred or suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549. Agencies shall establish procedures for the effective use of the List of Parties Excluded from Federal Procurement or Non-procurement programs to assure that they do not award assistance to listed parties in violation of the Executive Order. Agencies shall also establish procedures to provide for effective use and/or dissemination of the list to assure that their grantees and sub-grantees (including contractors) at any tier do not make awards in violation of the non-procurement debarment and suspension common rule.”

CAUSE

The required verification and review documentation was not performed on the few contracts not through PED, state-wide, or CES contracts.

EFFECT

The District could potentially award federal assistance to applicants that are ineligible for participation in their programs, causing noncompliance with the grants and/or questioned costs.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014

Section III – Federal Findings (Continued)

2014-007      SUSPENSION & DEBARMENT  
(SIGNIFICANT DEFICIENCY) (NON-COMPLIANCE WITH FEDERAL  
AWARDS) All Federal Programs (CONTINUED)

RECOMMENDATION

We recommend the District design and implement procedures to ensure compliance is documented and monitor the implementation results.

MANAGEMENT RESPONSE

The District will create procedures for personnel to follow in monitoring the suspension and debarment (SAM) website. Documentation will be attached to the purchase order in the Skyward Financial software system.

STATE OF NEW MEXICO  
CLOVIS MUNICIPAL SCHOOLS  
EXIT CONFERENCE  
FOR THE YEAR ENDED JUNE 30, 2014

The contents of this report were discussed on October 21, 2014. The following individuals were in attendance.

Clovis Municipal Schools

Shawna Russell - Finance  
Barbara Hardin - Finance  
Cindy Belew - Finance  
Carlos Molina - Finance  
Desiree Garcia - Finance  
Heather Nieto - Finance  
Joe Strickland - Human Resources  
Eric Wimbish - Technology  
Cindy Martin - Instruction  
Jelayne Curtis - Superintendent's Office  
Dora Rivero - Federal Programs  
Eva Garcia - Federal Programs  
Carlyn Hancock - Special Education  
Geri Schumpert - Finance

Ribble Holloman - Finance Committee Member  
Terry Martin - Board of Education - Finance Committee Member

Jaramillo Accounting Group (JAG)

Audrey Jaramillo, CPA, CFE  
Scott Eliason, CPA

Auditor Prepared Financials

Jaramillo Accounting Group (JAG) assisted in the preparation of the financial statements presented in this report. 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.