



Report of Independent Auditors
and Financial Statements
with Supplemental Combining Schedules for

**State of New Mexico
Deming Public Schools**

June 30, 2016

MOSS ADAMS LLP

Certified Public Accountants | Business Consultants

INTRODUCTORY SECTION

TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
INTRODUCTORY SECTION		
Table of Contents		
Directory of officials		1
FINANCIAL SECTION		
REPORT OF INDEPENDENT AUDITORS		2-5
REQUIRED SUPPLEMENTARY INFORMATION		
Management's discussion and analysis		6-12
BASIC FINANCIAL STATEMENTS		
Government-wide Financial Statements:		
Statement of Net Position	A-1	13-14
Statement of Activities	A-2	15
Fund Financial Statements:		
Balance sheet - Governmental Funds	B-1	16
Reconciliation of the Balance Sheet to the Statement of Net Position	B-1	17
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	B-2	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	B-2	19
Statements of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis):		
Operational (11000)	C-1	20
Transportation (13000)	C-2	21
Instructional Materials (14000)	C-3	22
Food Services (21000)	C-4	23
Statement of Fiduciary Assets and Liabilities-Agency Funds	D-1	24
Notes to Financial Statements		25-69

TABLE OF CONTENTS (Continued)

	Statement	Page
SUPPLEMENTARY INFORMATION		
Fund Descriptions		70-77
Combining Balance Sheet - Nonmajor Governmental Funds	A-1	78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	A-2	79
Combining Balance Sheet – Special Revenue Funds	B-1	80-89
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Special Revenue Funds	B-2	90-99
Statement of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual (Non - GAAP Budgetary Basis): Special Revenue Funds:		
Athletics (22000)	C-1	100
Non-Instructional Support (23000)	C-2	101
Title I IASA (24101)	C-3	102
Javits Gifted and Talented Students (24102)	C-4	103
Migrant Children Education IASA (24103)	C-5	104
Entitlement IDEA-B (24106)	C-6	105
Preschool IDEA-B (24109)	C-7	106
Education of the Homeless (24113)	C-8	107
IDEA-B Private School Share (24115)	C-9	108
Title VII Emergency Immigrant Education (24116)	C-10	109
Fresh Fruit and Vegetables (24118)	C-11	110
Title I 1003g Grant (24124)	C-12	111
Migrant Student Exchange Info (24127)	C-13	112
Goals 2000 Local EDreform (24131)	C-14	113
IDEA-B Results Plan (24132)	C-15	114
Enhancing Ed Through Tech (24133)	C-16	115
Comprehensive School Reform (24135)	C-17	116
Reading Excellence (24147)	C-18	117
English Language Acquisition (24153)	C-19	118
Teacher/Principal Training and Recruiting (24154)	C-20	119
Safe & Drug Free Schools and Community (24157)	C-21	120
Rural and Low Income Schools (24160)	C-22	121
Title I School Improvement (24162)	C-23	122
Title III – Immigrant Funding (24163)	C-24	123
Carl Perkins Secondary Current (24174)	C-25	124
Carl Perkins Secondary Redistribution (24176)	C-26	125
USHHS/CDC School Health (24186)	C-27	126
Entitlement IDEA-B Federal Stimulus (24206)	C-28	127
Child Nutrition Federal Stimulus (24218)	C-29	128
Title XIX Medicaid (25153)	C-30	129
ROTC (25200)	C-31	130
Teacher Quality Enhancement (24214)	C-32	131
Emergency Food/Shelter National (25246)	C-33	132
State Equalization Guarantee – Federal Stimulus (25250)	C-34	133
PNM Foundation (26123)	C-35	134

TABLE OF CONTENTS (Continued)

SUPPLEMENTARY INFORMATION	<u>Statement</u>	<u>Page</u>
Special Revenue Funds (Continued):		
Reading is Fundamental (26137)	C-36	135
A+ for Energy (26179)	C-37	136
State Grant Funds (27000)	C-38	137
Community Based Org-PED (27102)	C-39	138
Dual Credit Instructional Materials (27103)	C-40	139
2008 GO Bond Student Library Fund (27105)	C-41	140
2010 GO Bond Student Library Fund (27106)	C-42	141
2012 GO Bond Student Library Fund (SB 66) (27107)	C-43	142
PARCC Infrastructure (27108)	C-44	143
New Mexico Reads to Lead (27114)	C-45	144
Technology for Education PED (27117)	C-46	145
Physical Education Classes – PED (27121)	C-47	146
Computerized Learning System (27123)	C-48	147
TANF Full Day Kinder (School-aged Child Care (27136)	C-49	148
Incentives for School Improvement Act (27138)	C-50	149
Truancy CYFD (27139)	C-51	150
Family & Youth Resource Pro PED (27140)	C-52	151
Truancy Initiative PED (27141)	C-53	152
Libraries- G.O. Bond Laws of 2004 (27145)	C-54	153
Pre-K Initiative (27149)	C-55	154
Reading Improvement Initiative (27152)	C-56	155
Mid-School Tutoring & Student Enhance (27153)	C-57	156
Beginning Teacher Mentoring Program (27154)	C-58	157
Reading Materials (27158)	C-59	158
Technology Equity (27162)	C-60	159
School Improvement Framework (27164)	C-61	160
Kindergarten – Three Plus (27166)	C-62	161
Libraries SB301 GO Bonds (27170)	C-63	162
2010 G.O. Bond instructional Materials (27171)	C-64	163
NM Grown FFV (27183)	C-65	164
Advanced Computers (27514)	C-66	165
Crisis Intervention Training CYFD (28136)	C-67	166
Space Grant Consortium NMSU (28157)	C-68	167
GEAR UP (28178)	C-69	168
NM Grads Instructional (28190)	C-70	169
Grads Plus (28203)	C-71	170
Private Dir Grants (Categorical (29102)	C-72	171
City/County Grant (29107)	C-73	172
Math, Engineering, Science & Achievement (29110)	C-74	173
School Based Health Centers (29130)	C-75	174
Wind Farm Projects (29134)	C-76	175

TABLE OF CONTENTS (Continued)

	Statement	Page
SUPPLEMENTARY INFORMATION (Continued)		
Capital Projects Funds:		
Combining Balance Sheet Nonmajor Capital Projects Funds	D-1	176
Combining Statement of Revenues, Expenditures and and Changes in Fund Balances	D-2	177
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual		
Bond Building (31100)	D-3	178
Capital Improvements SB-9 (31700)	D-4	179
Education Technology Equipment Act Fund (31900)	D-5	180
Debt Service Funds:		
Combining Balance Sheet Nonmajor Debt Service Funds	E-1	181
Combining Statement of Revenues, Expenditures and and Changes in Fund Balances	E-2	182
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual		
Debt Service (41000)	E-3	183
Education Technology Debt Service (43000)	E-4	184
 OTHER SUPPLEMENTAL DATA		
Required supplemental information:		
Schedule of Proportionate Share of the Net Pension Liability of the Educational Retirement Board		185
Schedule of Contributions to the Educational Retirement Board		186
Notes to Required Supplemental Information		187
	Schedule	Page
Schedule of Changes in Fiduciary Assets and Liabilities--Agency Funds	I	188
Schedule of Collateral Pledged by Depository for Public Funds	II	189-190
Schedule of Individual Deposit Accounts and Investments	III	191
Cash Reconciliation Schedule	IV	192-194
Schedule of Expenditures of Federal Awards	V	195
Notes to Schedule of Expenditures of Federal Awards		196
 OTHER INFORMATION		
Schedule of Vendor Information	VI	197
 COMPONENT UNIT		
Cesar Chavez High School Charter School	Appendix A	

TABLE OF CONTENTS (Continued)

	<u>Page</u>
ADDITIONAL REPORTING REQUIREMENTS	
Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	198-200
Report of Independent Auditors on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance	201-204
Schedule of Findings and Questioned Costs	205-259
Summary Schedule of Prior Audit Findings	260-261
Exit conference	262

Deming Public Schools
DIRECTORY OF OFFICIALS
June 30, 2016

BOARD OF EDUCATION

Ronald Wolfe	President
John Sweetser	Vice-President
Bayne Anderson	Secretary
Matt Robinson	Member
Dr. Francine Jacobs	Member

SCHOOL OFFICIALS

Dr. Daniel Lere	Superintendent
Ted Burr	Associate Superintendent of Finance

FINANCIAL SECTION

REPORT OF INDEPENDENT AUDITORS

Board of Education
Deming Public Schools
and
Timothy Keller
New Mexico State Auditor

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue fund of the Deming Public Schools, New Mexico ("District"), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. We have also audited the financial statements of the District's nonmajor governmental fund, fiduciary fund, and the respective budgetary comparisons for the major capital project fund, debt service fund and all nonmajor funds presented as supplementary information, as defined by the Governmental Accounting Standards Board, in accompanying combining and individual fund statements as of and for the year ended June 30, 2016 as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

Board of Education
Deming Public Schools
and
Timothy Keller
New Mexico State Auditor

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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Deming Public Schools, New Mexico as of June 30, 2016, and the respective changes in financial position and the respective budgetary comparisons for the general fund and major special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund and fiduciary funds of the Deming Public Schools, New Mexico as of June 30, 2016, and the respective changes in financial position and the respective budgetary comparisons for the major capital project fund, debt service fund and all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Restatement

As discussed in Note 18 to the financial statements, the District's management discovered certain errors resulting in an net overstatement of previously reported revenue and related receivable balances and an understatement of expenses and related accounts payable balances as of June 30, 2015. Accordingly, adjustments totaling \$917,152 have been made to decrease the District's net position as of July 1, 2015, to correct these errors. Our opinions are not modified with respect to this matter.

Board of Education
Deming Public Schools
and
Timothy Keller
New Mexico State Auditor

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the District's proportionate share of the net pension liability and the schedule of the District's contributions on pages 6 through 12 and 185 through 186, respectively, 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 an assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Deming Public Schools, New Mexico's basic financial statements, the discretely presented component unit, the combining and individual fund financial statements and the budgetary comparisons. The Schedule of Expenditures of Federal Awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200*, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, and the Schedule of Changes in Fiduciary Assets and Liabilities-Agency Funds, Schedule of Collateral Pledged by Depository for Public Funds, Schedule of Individual Deposit Accounts and Investments, and Cash Reconciliation Schedule, each required by *2.2.2 NMAC* are presented for purposes of additional analysis and are not part of the basic financial statements.

The Schedule of Expenditures of Federal Awards, Schedule of Changes in Fiduciary Assets and Liabilities-Agency Funds, Schedule of Collateral Pledged by Depository for Public Funds, Schedule of Individual Deposit Accounts and Investments, and Cash Reconciliation Schedule 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

Board of Education
Deming Public Schools
and
Timothy Keller
New Mexico State Auditor

directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards, Schedule of Changes in Fiduciary Assets and Liabilities-Agency Funds, Schedule of Collateral Pledged by Depository for Public Funds, Schedule of Individual Deposit Accounts and Investments, and Cash Reconciliation Schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 13, 2017, on our consideration of the Deming Public Schools, New Mexico's, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreement and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Deming Public Schools, New Mexico's internal control over financial reporting and compliance.

Mess Adams LLP

Albuquerque, New Mexico
February 13, 2017

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2016**

Introduction

This written analysis is of Deming Public Schools, New Mexico's ("the School District") financial reporting and is an objective and easily readable discussion of the School District's financial activities. Management's discussion and analysis, as well as the Statement of Net Position and Statement of Activities, provide a review of the School District's overall financial activities, using the accrual basis of accounting, for the years ending June 30, 2015 and 2016. Fund financial statements are reported on a modified accrual basis of accounting. Rather than look at specific areas of performance, this discussion and analysis focuses on the financial performance of the School District as a whole. Whenever possible this management's discussion and analysis will provide the reader multi-year pictures of financial performance and other pertinent information through the use of tables and other graphic information.

This annual report consists of a series of detailed, audited financial statements and the notes to those statements. Also included is the Report of Independent Auditors, the Report of Independent Auditors 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*, the Report of Independent Auditors on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and Schedule of Findings and Questioned Costs.

About the Deming Public Schools

Deming Public Schools and Luna County share the same geographical area, 2,968 square miles, Deming Public Schools is, geographically, the 6th largest school district in the state. The Southern border of the District is the county line which shares a 53 mile border with Mexico. Some U.S. citizens reside in Mexico and attend Deming Public Schools as out-of-district students. In addition, the school district serves the largest migrant student population in the state. Schools are located in Deming and Columbus. The School District consists of 11 schools and has a 2015-2016 student membership of 5,400 students at the preschool through 12th grade level. The preschool serves students of ages 3 and 4 years. Six Elementary Schools serve students in kindergarten through 5th grade. The Intermediate school serves all students in 6th grade, the Middle School is grades 7th and 8th, with the High School and Charter High School serving students in grades 9th through 12th.

The demographics of the School District region are considered "rural", the general population growth in Luna County has provided the School District with an increasing property tax base. The property tax is used to generate revenues through voter approval which are, in turn, used as a basis to sell general obligation bonds. Additional property taxes, approved by voters also support an additional two mill levy revenue which generates the local match for state funding of Senate Bill #9. The Senate Bill #9 Capital Improvements Fund (SB-9), both state and local moneys, are used for maintenance, purchase and improvements of land and buildings, student activity vehicles and student technology. The general obligation bond proceeds are used to expand and improve district infrastructure through the building of new schools and adding to existing school facilities to meet the student population and to house students in regular classrooms instead of portable classroom buildings. To set facility priorities, the School District employs a detailed Five-Year Master Facility Plan which is updated and reviewed annually.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2016**

Financial Highlights

Key financial highlights for fiscal year 2016 are as follows:

- + The net position of the governmental funds increased for the fiscal year ended June 30, 2016, by \$1.8 million or 15.4%. A fluctuation in the course of doing business over the year is normal and is not attributable to any one specific event.
- + Total liabilities and deferred inflows of resources increased by \$6.6 million or 7.7% from the previous fiscal year.
- + The district had \$58.8 million in expenses related to governmental activities; \$16.4 million of these expenses were offset by program specific charges for services and sales, grants, and contributions. General revenues (primarily consisting of state equalization guarantee, property taxes, and grants and entitlements) of \$44.0 million were adequate to provide for these programs.

Using the Basic Financial Statements

This annual report consists of a series of financial statements and notes to these statements. These statements are organized so the reader can understand Deming Public School District as a financial whole, or as an entire operating entity.

The statement of net position and statement of activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in a single column. For Deming Public School District, the General Fund is the most significant fund.

Reporting the School District as a Whole

Statement of Net Position and Statements of Activities

While this report contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2016?" The statement of net position and the statement of activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting system used by most private sector companies. This basis of accounting takes into account, all of the current year's revenues and expenses regardless of when cash was received or paid.

These two statements report the School District's net position and changes in those assets. This change in net position is important because it identifies whether the financial position of the School District has improved or diminished for the School District as a whole. The cause of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's property tax base, facility conditions, required educational programs, and other factors.

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE YEAR ENDED JUNE 30, 2016**

Governmental Activities – Most of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, and extracurricular activities.

The Statement of Net Position is presented in compressed form below.

	June 30, 2016	As restated June 30, 2015
Assets		
Cash and cash equivalents	\$ 18,292,212	\$ 22,027,153
All other current assets	15,635,134	4,874,542
Restricted investments	208,091	-
Deferred outflows of resources	6,182,216	3,869,274
Capital assets	116,028,952	114,303,787
Less accumulated depreciation	<u>(50,114,119)</u>	<u>(47,222,264)</u>
Total assets and deferred outflows of resources	<u>\$ 106,232,486</u>	<u>\$ 97,852,492</u>
Liabilities		
Accounts payable	\$ 1,455,074	\$ 607,248
Other current liabilities	5,054,692	6,508,692
Long term liabilities	20,409,732	15,633,347
Deferred inflows of resources	2,367,338	6,968,829
Net pension liability	<u>63,427,983</u>	<u>56,421,681</u>
Total liabilities and deferred inflows of resources	<u>\$ 92,714,819</u>	<u>\$ 86,139,797</u>
Net position		
Invested in capital assets	\$ 53,314,833	\$ 57,570,390
Restricted	18,150,842	12,506,919
Unrestricted (deficit)	<u>(57,948,008)</u>	<u>(58,364,614)</u>
Total net position	<u>\$ 13,517,667</u>	<u>\$ 11,712,695</u>

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE YEAR ENDED JUNE 30, 2016**

Statement of Activities

The Statement of Activities is prepared using the accrual method of accounting. This report compliments the Statement of Net Position by showing the overall change in the School District's net position for the fiscal year ending June 30, 2016. As of June 30, 2015 the School District, exclusive of the component unit, had total net position of \$13,517,667 compared to \$11,712,695, as restated for 2015. Net position increased \$1,804,972 for the year ending June 30, 2016.

	June 30, 2016	As restated June 30, 2015
Governmental activities		
Total governmental activities expense	\$ (58,720,111)	\$ (60,325,421)
Charges for services	240,889	737,006
Operating grants and contributions	14,437,905	16,340,220
Capital grants and contributions	1,801,566	757,062
Net expenses and changes in net position	<u>\$ (42,239,751)</u>	<u>\$ (42,491,133)</u>
General revenues		
Taxes-general, debt service	\$ 4,381,434	\$ 4,583,180
State aid	37,896,961	37,077,718
Investment earnings	1,894,095	48,419
Recoveries and refunds	(127,767)	521,230
Total general revenues and special item	<u>\$ 44,044,723</u>	<u>\$ 42,230,547</u>
Changes in net position	\$ 1,804,972	\$ (260,586)
Net position beginning of year, as restated	<u>\$ 11,712,695</u>	<u>11,973,281</u>
Net position - end of year	<u>\$ 13,517,667</u>	<u>\$ 11,712,695</u>

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2016**

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds.

Governmental Funds

Most of the School District's activities are reported in governmental funds, which focus on how monies flow into and out of those funds and the balances left at fiscal year-end for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future to finance educational programs. The relationship, or differences, between governmental activities reported in the statement of net position and the statement of activities and the governmental funds is reconciled in the financial statements.

Governmental Activities

The statement of activities reflects the cost of program services and the charges for services and sales, grants, and contributions offsetting those services. The Statement of Activities (shown as Exhibit A-2), for government activities, indicates the total cost of services and the net cost of services. It identifies the cost of these services supported by revenues from state entitlements.

The dependence upon revenues from the State of New Mexico for governmental activities is obvious. Eighty-one (81%) percent of the Instructional activities are supported through general revenues.

The School District's Funds

The School District's governmental funds are accounted for using the modified accrual basis of accounting. Total governmental funds had revenues and other financing sources of \$70.9 million and expenditures and other financing uses of \$62.8 million. The net change in fund balance for the year was an increase of \$8.1 million.

General Fund Budgeting Highlights

The School District's budget is prepared according to New Mexico law and Public Education Department Regulations and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund which is comprised of Operational, Transportation, and Instructional Materials funds.

During the course of the 2016 fiscal year, the School District amended its General Fund budget as necessary. The School District utilizes a site-based budgeting technique. The budgeting systems are designed to tightly control site/department budgets, and to provide flexibility for site/departmental management.

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 MANAGEMENT’S DISCUSSION AND ANALYSIS
 FOR THE YEAR ENDED JUNE 30, 2016**

For the General Fund, final budgeted revenues and other financing sources are equal to budgeted expenditures of \$43.3 million. Actual expenditures were \$40.7 million. The difference between budget and actual expenditures was primarily due to savings in salaries and supply costs. Although, savings were experienced throughout the budget.

Actual revenues for the general fund were \$41.2 million with revenues from state sources constituting 98.7% of this total. Actual revenues exceeded actual expenditures by \$0.5 million.

Significant Variations Between Original And Final Budgets

General Fund				
	Original	Final	Change	% Change
Revenue	\$ 40,654,440	\$ 40,960,906	\$ 306,466	.75%
Expenditures	42,856,389	43,334,210	477,821	.1%

The variations between the original and final budgets were not significant during fiscal year 2016. Budgeted revenue increased \$306,466 or .75% from the original to final budget. The expenditure budget increased \$477,821 or .11%. The difference between the change in revenue and expenditures budgets is due to a budget adjustment for cash balance. The District is required by state law to have a balanced budget.

Significant Changes in Fund Balance

The most significant change in Fund balance was the bond fund. It reflects an increase in fund balance of \$5.3 million. This increase is predominantly attributable to sale of bonds for major construction projects such as Deming High.

No other funds experienced significant changes in fund balance.

Capital Assets and Debt Administration

Capital Assets

During the 2016 fiscal year, the District had a net change of \$1.2 million. The total additions consisted primarily of the continued construction of Deming High School. The District had a net increase of \$.2 million in equipment and furniture. At the end of fiscal 2016, the District had \$109.7 million invested in depreciable assets with accumulated depreciation of \$50.1 million, \$2.4 million in land and \$3.9 million in Construction In Progress.

General Long Term Debt

Article IX, Section 11 of the New Mexico Constitution limits the powers of a school district to incur general obligation debt beyond a school year. The School District can incur such debt for “the purpose of erecting, remodeling, making additions, and furnishing buildings or purchasing or improving schools grounds or purchasing computer software or hardware for student use in public classrooms or any combination of these purposes.” The approval of the debt is subject to a vote of the local electors and may not exceed 6% of the assessed valuation of the taxable property within the School District.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2016**

At June 30, 2016, the District had outstanding bonds payable of \$22.1 million.

The District is bonded to 83.9% of the legal limit of \$34.4 million. In February 2014, the voters approved the issuance of \$27 million in bonds. The bonds are to be sold in blocks over a three-year period. See the following table for schedule of issuance:

<u>Date of Sale</u>	<u>Amount Sold or to be sold</u>
May 2014	\$9.5 million
June 2015	\$7.0 million
September 2016	\$10.5 million

Factors Impacting Future Periods

Deming High School replacement is estimated to cost approximately \$65,000,000 (including the Public School Facilities Authority contribution) requiring a significant use of capital monies in order to complete this project over the next three years.

Due to revenue shortfall, the State of New Mexico has approved a 1.5% decrease in the State Equalization Guarantee funding for fiscal year 2017. In addition, the State Legislators are considering further reductions to public education funding, which would affect the current year as well as future fiscal years.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to reflect the School District's accountability for the monies it receives. To learn more about the District's strategic plan, goals and program results, please visit our web site at www.demingps.org. Questions about this report or additional financial information needs should be directed to:

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BASIC FINANCIAL STATEMENTS

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF NET POSITION
 JUNE 30, 2016**

Exhibit A-1
 Page 1 of 2

	<u>Governmental Activities</u>	<u>Component Unit</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 18,292,212	\$ 836,214
Investments	10,855,590	-
Property taxes receivable	392,214	-
Due from other governments	3,652,252	270,802
Prepaid expenses	45,884	-
Inventory	230,449	-
Land held for sale	458,745	-
Total current assets	<u>33,927,346</u>	<u>1,107,016</u>
Noncurrent assets		
Restricted investments	208,091	-
Capital assets:		
Construction in progress	3,947,247	-
Land	2,352,095	-
Land improvements	6,527,033	-
Buildings and building improvements	94,442,980	510,514
Furniture, fixtures and equipment	8,759,597	155,435
Less accumulated depreciation	<u>(50,114,119)</u>	<u>(143,588)</u>
Total noncurrent assets	<u>66,122,924</u>	<u>522,361</u>
Total assets	<u>\$ 100,050,270</u>	<u>\$ 1,629,377</u>
DEFERRED OUTFLOW OF RESOURCES		
Deferred outflow of resources related to pensions	<u>\$ 6,182,216</u>	<u>\$ 302,611</u>
LIABILITIES		
Current liabilities		
Accounts payable	\$ 1,455,074	\$ 284
Accrued salaries and benefits	1,675,767	77,839
Unspent grant funds	191,102	36,208
Unearned ad valorem grant revenue	336,963	-
Current bond premiums	50,860	-
Current bond payable	2,800,000	-
Total current liabilities	<u>6,509,766</u>	<u>114,331</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF NET POSITION
 JUNE 30, 2016

Exhibit A-1
 Page 2 of 2

	<u>Governmental Activities</u>	<u>Component Unit</u>
Noncurrent liabilities		
Net pension liability	\$ 63,427,983	\$ 1,480,695
Bonds payable	19,280,000	-
Accrued interest payable	238,500	-
Bonds premiums	300,015	-
Compensated absences	591,217	-
Total noncurrent liabilities	<u>83,837,715</u>	<u>1,480,695</u>
Total liabilities	<u>\$ 90,347,481</u>	<u>\$ 1,595,026</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflow of resources related to pensions	<u>2,367,338</u>	<u>\$ 341,547</u>
NET POSITION		
Net investment in capital assets	\$ 53,314,833	\$ 522,361
Restricted for:		
Capital projects	12,186,685	-
Debt service	1,085,870	-
Other purposes	4,878,287	24,253
Unrestricted (deficit)	<u>(57,948,008)</u>	<u>(551,199)</u>
Total net position (deficit)	<u>\$ 13,517,667</u>	<u>\$ (4,585)</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2016

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position	Component Unit
	Expenses	Charges for Service	Operating Grants and Contributions		
Governmental activities:					
Instruction	\$ 33,411,391	\$ 2,844	\$ 6,293,726	\$ (27,114,821)	
Support Services:					
Students	4,799,710	218,635	-	(4,581,075)	
Instruction	1,721,645	-	219,889	(1,501,756)	
General Administration	1,365,242	-	27,676	(1,337,566)	
School Administration	2,688,385	-	1,031,753	(1,656,632)	
Central Services	1,303,199	-	-	(1,303,199)	
Operation of Plant	5,779,807	-	-	(5,779,807)	
Food Services	3,946,038	19,410	4,740,154	813,526	
Student Transportation	2,692,750	-	2,124,707	(568,043)	
Non-Instructional Support	17,827	-	-	(17,827)	
Interest/amortization and bond cost on long-term debt	827,759	-	-	(827,759)	
Facilities Materials, Supplies & Other					
Services	166,358	-	-	1,635,208	
Total governmental activities	\$ 58,720,111	\$ 240,889	\$ 14,437,905	\$ (42,239,751)	
Component Unit	\$ 1,662,106	\$ -	\$ 102,388	\$ 93,291	\$ (1,466,427)
General Revenues:					
Property Taxes					
Levied for general purposes				276,040	-
Levied for debt services				3,017,259	-
Levied for capital improvements				1,088,135	-
State Equalization Guarantee				37,896,961	1,356,141
Unrestricted investment earnings				1,894,095	4,676
Miscellaneous				(127,767)	83,962
Total general revenues and special items				44,044,723	1,444,779
Change in net position				1,804,972	(21,648)
Net position - beginning					
As previously reported				12,629,847	251,480
Restatement (see Note 18)				(917,152)	(234,417)
Net position, beginning as restated				11,712,695	17,063
Net position (deficit) - ending				\$ 13,517,667	\$ (4,585)

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2016

Exhibit B-1
 Page 1 of 2

General Fund								
	Operational 11000	Transportation 13000	Instructional Materials 14000	Food Services 21000	Bond Building 31100	Debt Service 41000	Other Funds	Total Governmental Funds
ASSETS								
Cash and investments	\$ 100,973	\$ 12,191	\$ 120,743	\$ 3,564,772	\$ 5,472,585	\$ 3,486,216	\$ 5,742,823	\$ 18,500,303
Investments	698,298	-	-	-	10,157,292	-	-	10,855,590
Property taxes receivable	19,319	-	-	-	-	285,781	87,114	392,214
Inventory	173,686	-	-	56,763	-	-	-	230,449
Prepaid expenses	-	-	-	-	-	-	45,884	45,884
Due from other governments	-	-	-	655,481	-	-	2,996,771	3,652,252
Interfund receivables	2,777,302	-	-	1,039	293,540	-	44,211	3,116,092
<i>Total assets</i>	<u>\$ 3,769,578</u>	<u>\$ 12,191</u>	<u>\$ 120,743</u>	<u>\$ 4,278,055</u>	<u>\$ 15,923,417</u>	<u>\$ 3,771,997</u>	<u>\$ 8,916,803</u>	<u>\$ 36,792,784</u>
LIABILITIES								
Accounts payable	\$ 209,263	\$ 6,953	\$ -	\$ 143,426	\$ 913,973	\$ -	\$ 181,459	\$ 1,455,074
Accrued expenses	1,450,004	12,190	-	32,734	-	-	180,839	1,675,767
Unearned grant revenue	-	-	-	-	-	-	191,102	191,102
Unearned ad valorem tax revenue	14,647	-	-	-	-	285,781	36,535	336,963
Interfund payable	-	-	5,000	-	-	86,858	3,024,234	3,116,092
<i>Total liabilities</i>	<u>\$ 1,673,914</u>	<u>\$ 19,143</u>	<u>\$ 5,000</u>	<u>\$ 176,160</u>	<u>\$ 913,973</u>	<u>\$ 372,639</u>	<u>\$ 3,614,169</u>	<u>\$ 6,774,998</u>
<i>Fund balance:</i>								
<i>Nonspendable:</i>								
Prepaid expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,884	\$ 45,884
Inventories	173,686	-	-	56,763	-	-	-	230,449
<i>Restricted for:</i>								
Education	-	-	115,743	-	-	-	199,565	315,308
Food service	-	-	-	4,045,132	-	-	-	4,045,132
Social services	-	-	-	-	-	-	287,398	287,398
Capital projects	-	-	-	-	15,009,444	-	4,177,241	19,186,685
Debt service	-	-	-	-	-	3,399,358	166,512	3,565,870
Other	-	-	-	-	-	-	445,347	445,347
Unassigned (deficit)	1,921,978	(6,952)	-	-	-	-	(19,313)	1,895,713
<i>Total fund balances (deficit)</i>	<u>2,095,664</u>	<u>(6,952)</u>	<u>115,743</u>	<u>4,101,895</u>	<u>15,009,444</u>	<u>3,399,358</u>	<u>5,302,634</u>	<u>30,017,786</u>
<i>Total liabilities and fund balances</i>	<u>\$ 3,769,578</u>	<u>\$ 12,191</u>	<u>\$ 120,743</u>	<u>\$ 4,278,055</u>	<u>\$ 15,923,417</u>	<u>\$ 3,771,997</u>	<u>\$ 8,916,803</u>	<u>\$ 36,792,784</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 GOVERNMENTAL FUND
 RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
 FOR THE YEAR ENDED JUNE 30, 2016

Exhibit B-1
 Page 2 of 2

	<u>Governmental Funds</u>
Fund balances - total governmental funds	\$ 30,017,786
Amounts reported for governmental activities in the statement of net position are different because:	
Land held for sale and capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	66,373,578
Deferred outflow of resources related to pensions	6,182,216
Deferred inflow of resources related to pensions	(2,367,338)
Original issue discounts and premiums are not financial resources and, therefore, are not reported in the funds	
Bond issuance premiums net of accumulated amortization.	(350,875)
Long-term liabilities, including bonds payable, compensated absences, lease-purchases payable and accrued interest payable are not due and payable in the current period and, therefore, are not reported in the funds.	
Net pension liability	(63,427,983)
Bonds payable	(22,080,000)
Accrued interest payable	(238,500)
Compensated absences payable	(591,217)
	<u> </u>
Net Position - total governmental activities	<u>\$ 13,517,667</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

Exhibit B-2
 Page 1 of 2

	General Fund							Total Governmental Funds
	Operational 11000	Transportation 13000	Instructional Materials 14000	Food Services 21000	Bond Building 31100	Debt Service 41000	Other Funds	
<i>Revenues:</i>								
Property taxes	\$ 276,040	\$ -	\$ -	\$ -	\$ -	\$ 3,353,862	\$ 1,114,773	\$ 4,744,675
Fees and charges	2,844	-	-	19,410	-	-	218,635	240,889
Local aid	-	-	-	-	-	-	132,000	132,000
State aid	37,896,961	2,124,707	376,086	-	-	-	4,032,840	44,430,594
Federal aid	-	-	-	4,461,487	-	-	4,875,128	9,336,615
Earnings on investments	3,350	-	-	5,231	69,150	148,298	1,668,066	1,894,095
Miscellaneous	354,158	-	-	278,667	-	-	75,090	707,915
<i>Total revenues</i>	<u>38,533,353</u>	<u>2,124,707</u>	<u>376,086</u>	<u>4,764,795</u>	<u>69,150</u>	<u>3,502,160</u>	<u>12,116,532</u>	<u>61,486,783</u>
<i>Expenditures:</i>								
<i>Current:</i>								
Instruction	23,018,505	-	423,920	-	-	-	7,242,770	30,685,195
Support Services - Students	3,676,761	-	-	-	-	-	877,710	4,554,471
Support Services - Instruction	1,523,597	-	-	-	-	-	175,058	1,698,655
General Administration	952,656	-	-	-	-	37,470	283,151	1,273,277
School Administration	2,352,640	-	-	-	-	-	182,471	2,535,111
Central Services	1,102,881	-	-	-	-	-	136,120	1,239,001
Operation of Plant	5,145,627	-	-	-	-	-	312,304	5,457,931
Food Service	-	-	-	3,735,255	-	-	140,130	3,875,385
Transportation	225,930	2,129,139	-	-	-	-	5,105	2,360,174
Other Support Services	17,827	-	-	-	-	-	-	17,827
<i>Debt service:</i>								
Principal	-	-	-	-	-	5,100,000	-	5,100,000
Interest	-	-	-	-	-	546,066	-	546,066
Capital outlay	-	-	-	-	1,741,396	-	1,699,052	3,440,448
<i>Total expenditures</i>	<u>38,016,424</u>	<u>2,129,139</u>	<u>423,920</u>	<u>3,735,255</u>	<u>1,741,396</u>	<u>5,683,536</u>	<u>11,053,871</u>	<u>62,783,541</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>516,929</u>	<u>(4,432)</u>	<u>(47,834)</u>	<u>1,029,540</u>	<u>(1,672,246)</u>	<u>(2,181,376)</u>	<u>1,062,661</u>	<u>(1,296,758)</u>
<i>Other financing sources (uses):</i>								
Debt proceeds	-	-	-	-	7,000,000	2,480,000	-	9,480,000
Transfers in (out)	-	-	-	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,000,000</u>	<u>2,480,000</u>	<u>-</u>	<u>9,480,000</u>
<i>Net changes in fund balances</i>	<u>516,929</u>	<u>(4,432)</u>	<u>(47,834)</u>	<u>1,029,540</u>	<u>5,327,754</u>	<u>298,624</u>	<u>1,062,661</u>	<u>8,183,242</u>
<i>Fund balances, June 30, 2015 as previously reported</i>	<u>2,333,572</u>	<u>1</u>	<u>171,355</u>	<u>3,071,316</u>	<u>9,758,278</u>	<u>3,100,734</u>	<u>3,387,747</u>	<u>21,823,003</u>
<i>Restatement (Note 18)</i>	<u>(754,837)</u>	<u>(2,521)</u>	<u>(7,778)</u>	<u>1,039</u>	<u>(76,588)</u>	<u>-</u>	<u>852,226</u>	<u>11,541</u>
<i>Fund balances (deficit), June 30, 2015 as restated</i>	<u>1,578,735</u>	<u>(2,520)</u>	<u>163,577</u>	<u>3,072,355</u>	<u>9,681,690</u>	<u>3,100,734</u>	<u>4,239,973</u>	<u>21,834,544</u>
<i>Fund balances (deficit) - end of year</i>	<u>\$ 2,095,664</u>	<u>\$ (6,952)</u>	<u>\$ 115,743</u>	<u>\$ 4,101,895</u>	<u>\$ 15,009,444</u>	<u>\$ 3,399,358</u>	<u>\$ 5,302,634</u>	<u>\$ 30,017,786</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2016

Exhibit B-2
 Page 2 of 2

	Governmental Funds
Amounts reported for governmental activities in the statement of activities are different because:	
Net change in fund balances - total governmental funds	\$ 8,183,242
Current year employer pension contributions deferred	4,000,590
Pension expense	(4,430,205)
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.	
Depreciation expense	(3,622,186)
Capital outlays	3,445,754
Loss on disposal of capital assets	(478,122)
Proceeds from disposal of capital assets	(53,391)
Change in property taxes subject to 60 day availability	(363,241)
Change in intergovernmental grants subject to 60 day availability	(66,953)
The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. In addition, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Also, governmental funds report issuance of capital lease obligations as other financing sources while it is not accounted for in the statement of activities:	
Amortization of original issue premium	(259,922)
Increase in accrued interest payable	(21,771)
Increase in accrued compensated absences	(148,823)
Bond proceeds	(9,480,000)
Principal payments on bonds	5,100,000
Change in Net Position - total governmental activities	<u>\$ 1,804,972</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 OPERATIONAL (11000)
 FOR THE YEAR ENDING JUNE 30, 2016

Exhibit C-1

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Property taxes	\$ 269,122	\$ 269,122	\$ 278,258	9,136
Federal sources	-	-	-	-
State sources	37,803,734	37,803,734	37,896,961	93,227
Local sources	144,650	144,650	224,699	80,049
Charges for services	10,000	10,000	2,844	(7,156)
Miscellaneous	230,608	230,608	322,997	92,389
Earnings on investments	2,000	2,000	3,350	1,350
<i>Total revenues</i>	<u>38,460,114</u>	<u>38,460,114</u>	<u>38,729,109</u>	<u>268,995</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	23,944,177	23,944,177	22,941,104	1,003,073
Support Services - Students	4,025,552	4,025,552	3,712,660	312,892
Support Services - Instruction	1,999,382	1,999,382	1,533,714	465,668
General Administration	906,961	906,961	933,656	(26,695)
School Administration	2,515,494	2,515,494	2,546,351	(30,857)
Central Services	1,029,218	1,029,218	1,098,406	(69,188)
Operation of Plant	5,782,795	5,782,795	5,190,117	592,678
Transportation	383,628	383,628	212,995	170,633
Other Support Services	74,856	74,856	17,827	57,029
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>40,662,063</u>	<u>40,662,063</u>	<u>38,186,830</u>	<u>2,475,233</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(2,201,949)</u>	<u>(2,201,949)</u>	<u>542,279</u>	<u>(2,206,238)</u>
<i>Other financing sources (uses):</i>				
Designated cash	2,201,949	2,201,949	-	2,201,949
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,201,949</u>	<u>2,201,949</u>	<u>-</u>	<u>2,201,949</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>542,279</u>	<u>542,279</u>
<i>Cash or fund balance - beginning of year as restated</i>	<u>-</u>	<u>-</u>	<u>2,647,600</u>	<u>2,647,600</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,189,879</u>	<u>\$ 3,189,879</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ (195,756)	
Adjustments to expenditures			170,406	
<i>Change in fund balance</i>			<u>\$ 516,929</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 TRANSPORTATION (13000)
 FOR THE YEAR ENDING JUNE 30, 2016

Exhibit C-2

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ 1,906,129	\$ 2,124,707	\$ 2,124,707	\$ -
<i>Total revenues</i>	<u>1,906,129</u>	<u>2,124,707</u>	<u>2,124,707</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services - Students	-	-	-	-
Support Services - Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation of Plant	-	-	-	-
Transportation	1,906,129	2,124,707	2,124,707	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>1,906,129</u>	<u>2,124,707</u>	<u>2,124,707</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			<u>(4,432)</u>	
Change in fund balance			<u>\$ (4,432)</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 INSTRUCTIONAL MATERIALS (14000)
 FOR THE YEAR ENDING JUNE 30, 2016

Exhibit C-3

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ 288,197	\$ 376,086	\$ 376,086	\$ -
Local sources	-	-	-	-
Earnings on investments	-	-	-	-
<i>Total revenues</i>	<u>288,197</u>	<u>376,086</u>	<u>376,086</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	288,197	547,440	426,698	120,742
Support Services - Students	-	-	-	-
Support Services - Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Operational Plant Maintenance	-	-	-	-
Student Transportation	-	-	-	-
Food Service	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>288,197</u>	<u>547,440</u>	<u>426,698</u>	<u>120,742</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(171,354)</u>	<u>(50,612)</u>	<u>(120,742)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	171,354	-	171,354
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>171,354</u>	<u>-</u>	<u>171,354</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(50,612)</u>	<u>(50,612)</u>
<i>Cash or fund balances - beginning of year as restated</i>	<u>-</u>	<u>-</u>	<u>166,355</u>	<u>166,355</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 115,743</u>	<u>\$ 115,743</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			<u>2,778</u>	
Change in fund balance			<u>\$ (47,834)</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOOD SERVICES (21000)
 FOR THE YEAR ENDING JUNE 30, 2016

Exhibit C-4

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ 3,765,000	\$ 3,765,000	\$ 4,371,750	\$ 606,750
State sources	-	-	-	-
Local sources	-	-	-	-
Charges for services	15,000	15,000	19,410	4,410
Miscellaneous	-	-	-	-
Earnings on investments	4,000	4,000	5,231	1,231
<i>Total revenues</i>	<u>3,784,000</u>	<u>3,784,000</u>	<u>4,396,391</u>	<u>612,391</u>
<i>Expenditures:</i>				
Current:				
Food Services	5,075,428	5,075,428	3,456,051	1,619,377
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>5,075,428</u>	<u>5,075,428</u>	<u>3,456,051</u>	<u>1,619,377</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,291,428)</u>	<u>(1,291,428)</u>	<u>940,340</u>	<u>(1,006,986)</u>
<i>Other financing sources (uses):</i>				
Designated cash	1,291,428	1,291,428	-	1,291,428
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,291,428</u>	<u>1,291,428</u>	<u>-</u>	<u>1,291,428</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>940,340</u>	<u>940,340</u>
<i>Cash or fund balances - beginning of year, as restated</i>	<u>-</u>	<u>-</u>	<u>2,979,321</u>	<u>2,979,321</u>
<i>Cash or fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,919,661</u>	<u>\$ 3,919,661</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 368,404	
Adjustments to expenditures			<u>(279,204)</u>	
Change in fund balance			<u>\$ 1,029,540</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
 JUNE 30, 2016

Exhibit D-1

	<u>Primary Government</u>	<u>Component Unit</u>
ASSETS		
<i>Current Assets</i>		
Cash and investments	<u>\$ 194,879</u>	<u>\$ 1,811</u>
<i>Total Assets</i>	<u><u>\$ 194,879</u></u>	<u><u>\$ 1,811</u></u>
 LIABILITIES		
<i>Current Liabilities</i>		
Deposits held in trust for others	<u>\$ 194,879</u>	<u>\$ 1,811</u>
<i>Total Liabilities</i>	<u><u>\$ 194,879</u></u>	<u><u>\$ 1,811</u></u>

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Deming Public Schools (the District) Board was created under the provision of Chapter 22 Article 5, Paragraph 4, New Mexico Statutes 1978 to provide public education for the children within the District. The System provides public education opportunities for children from first through twelfth grade, including but not limited to classroom and vocational studies; as well as school oriented social and athletic activities. The School Board of Education is authorized to establish policies and regulations for its own government consistent with the laws of the State of New Mexico and the regulations of the State Board of Education and the Legislative Finance Committee. The School Board of Education is comprised of five members who are elected for terms of four years.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of the District's accounting policies are described below.

The GASB issued GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* (GASB No. 68), which is effective for financial statements for periods beginning after June 15, 2014. GASB No. 68 replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of GASB No. 68. It establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit pensions, GASB No. 68 identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about pensions also are addressed. The impact of this statement to the District is the requirement of net pension liability associated with the defined benefit pension to be reflected in its Statements of Net Position.

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity

GASB Statement No. 61 and amendment of GASB Statement No. 14, established criteria for determining the government reporting entity and component unit 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. 61, 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.

These financial statements present the District (the primary government). As defined by Generally Accepted Accounting Principles, component units are legally separate entities that are included in the District's reporting entity because of the significance of their operating or financial relationships with the District. Based on the criterion in GAAP, the District had one component unit, the Cesar Chavez High School Charter School ("Charter") which began operations in the 2006-2007 fiscal year. The District is the sponsoring school. The component unit is presented by a discrete presentation, with financial statements separate from the primary government. Separately issued financial statements can be obtained by writing to Cesar Chavez High School Charter School at P.O. Box 1658, Deming, New Mexico 88031.

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.

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

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and fund financial statements (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.

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.

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.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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. In addition to fund 11000, the following funds are subgroups of the operating fund:

The *Pupil Transportation Fund* (13000) 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* (14000) 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.

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 fixed assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

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

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

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

Additionally, the District reports the following agency fund:

The *Fiduciary Fund* accounts for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, or student organizations.

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.

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Private-sector standards of accounting and financial reporting issued prior to November 30, 1989, generally are followed in both the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The District has elected not to follow subsequent private-sector guidance.

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 and other State and Federal 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 bond building and SB-9 to be used for capital projects. Internally dedicated resources are 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 does not currently employ indirect cost allocation systems. Depreciation expense is specifically identified by function and is included in the direct expense of each function, except for that portion of depreciation that is identified as unallocated on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities and Net Position or Equity

Cash and Temporary Investments: Cash includes amounts in demand deposits as well as short-term investments with a maturity of six months from the date acquired by the government. State statutes authorize the government to invest in obligations of the U.S. Treasury, interest-bearing accounts with local financial institutions and the State Treasurer Pool.

New Mexico Statutes require that financial institutions with public monies on deposit pledge collateral, to the owners of such monies, in an amount not less than 50% of the public monies held on deposit. Collateral pledged is held in safekeeping by other financial institutions, with safekeeping receipts held by the District. The pledged securities remain in the name of the financial institution. Repurchase agreements are required to be collateralized 102%.

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. There is no allowance for doubtful account in the current year.

The District receives monthly income from a tax levy in Luna 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 Luna County Treasurer in July and August 2016 is considered "measurable and available" and, accordingly, is recorded as revenue during the year ended June 30, 2016.

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.

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities and Net Position or Equity (continued)

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, seventy percent is restricted to the requisition of material listed in the State Board of Education 'State Adopted Instructional Material' list, while thirty 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 United States Department of Agriculture (USDA) 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 USDA 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 unearned 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. No unearned revenue was recorded for unused commodity inventory as of June 30, 2016.

Land Held for Sale: Excess land held for sale is valued at the lower of cost or market.

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities and Net Position or Equity (continued)

Capital Assets: Capital assets, which include construction in progress, land and land improvements, building and building improvements, equipment, and vehicles are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000, 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. However, infrastructure assets have not been included in the June 30, 2016 financial statements of Deming Public Schools, since the District did not own any infrastructure assets as of June 30, 2016. 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, 2016.

Capital expenditures made on the District's building construction projects by the New Mexico Public School Facilities Authority (NMPSFA) 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	20-50 years
Software and library resources	3-5 years
Machinery and equipment	5-10 years
Improvements	10-20 years

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities and Net Position or Equity (continued)

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. Amounts receivable from the property taxes levied for the current year that are not considered to be "available" under the current financial resources measurement focus are reported as unearned revenues in the governmental fund financial statements.

Compensated Absences: The District permits administrative employees to accumulate a limited amount of earned but not used vacation, which will be paid if not used, upon termination from the District. Accumulated sick leave benefits vest with each employee in accordance with the District policy. All vacation pay and applicable accumulated sick leave is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result from resignations and retirements. No liability is reported for unpaid accumulated sick leave, as no payment is required upon termination of service by employees.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund liability of the governmental fund that will pay it. In prior years, substantially all of the related expenditures have been liquidated by the general fund. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the government-wide statement of net position.

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.

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities and Net Position or Equity (continued)

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

Net Position or Fund Equity: Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

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

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

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

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

The Government-wide Statement of Net Position reports \$13,517,667 of net position of which \$18,150,842 is restricted by enabling legislation.

The District's policy is to apply restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities and Net Position or Equity (continued)

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

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

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

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

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

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

Reclassifications: Certain amounts presented in prior year data have been reclassified in order to be consistent with the current year's presentation.

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

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

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities and Net Position or Equity (continued)

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

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, Article 8 Section 22-8-25, NMSA 1978) is at least equal to the school district's program cost.

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$37,896,961 in state equalization guarantee distributions during the year ended June 30, 2016.

Tax Revenues: Property taxes attach as an enforceable lien on property as of January 1. Property tax rates for the year are set no later than September 1 each year by the Secretary of Finance and Administration. The rates of tax are then used by County Assessors to develop the property tax schedule by October 1. Taxes are payable in equal semiannual installments by November 10 and April 10 of the subsequent year and become delinquent 30 days later.

Taxes are collected on behalf of the District by the County Treasurer, and are remitted to the District in the month following collection.

Because the Treasurer of the County in which the District is located is statutorily required to collect taxes as an intermediary agency for all forms of government, distribution of taxes are made through the applicable county to the District.

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Revenues (continued)

The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Tax 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'. The District recognized \$4,381,434 in tax revenues during the year ended June 30, 2016. 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.

The District is permitted to levy taxes for general operating purposes up to \$.50 per \$1,000 of taxable value for both residential and nonresidential property, taxable value being defined as one third of the fully assessed value. In addition, the District is allowed to levy taxes for payments of bond principal and interest in amounts approved by voters of the District, as well as a Two Mill Levy for District improvements. The District's total tax rate to finance general government services for the year ended June 30, 2016 was \$0.50 per \$1,000 for non-residential property and \$0.498 for residential property. The District's tax rate for debt service was \$6.234 per \$1,000 for both residential and nonresidential property. The District's tax rate for District improvements was \$2.000 per \$1,000 for residential and \$2.000 for nonresidential property. The District's tax rate for education technology debt was \$-0- for both residential and non-residential.

Transportation Distribution: School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$2,124,707 in transportation distributions during the year ended June 30, 2016.

Instructional Materials: The New Mexico Public Education Department (PED) receives federal mineral leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, seventy percent is restricted to the requisition of materials listed in the State Board of Education "State Adopted Instructional Material" list, while thirty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2016 totaled \$376,086.

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Revenues (continued)

SB-9 State Match: The Director distributes 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 is made by December 1st, of each year that the tax is imposed in accordance with Section 22-25-3 NMSA 1978. Provided, however, in the event that sufficient funds are not available in the public school capital improvement funds to make the state distribution provided for in this section, the dollar per program unit figure is reduced as necessary. Allocations received from the State for the year ended June 30, 2016 totaled \$1,801,566.

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.

F. Pensions

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

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Deferred outflows/inflows of resources

In addition to assets, the statement of net position will sometimes report separate sections for deferred outflows/inflows of resources. These separate financial statement elements, deferred outflows/inflows of resources, represents a decrease/increase of net position that applies to a future period(s) and so will not be recognized as an outflow/inflow of resources (expense/expenditure or revenue/income) until then. In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

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

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. 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 cash basis, excluding encumbrances, and secure appropriation of funds for only one year and reconciled to the modified accrual GAAP financial statements. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year.

Actual expenditures may not exceed the budget on a line item basis, 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 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.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

A. Budgetary Information (continued)

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

1. In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department 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.
2. In May or June of each year, the proposed "operating" budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.
3. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called.
4. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system. 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.
5. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Public Education Department.
6. 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.
7. Legal budget control for expenditures is by function.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

A. Budgetary Information (continued)

8. Appropriations lapse at fiscal year-end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget of Deming Public Schools 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.
9. 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.
10. Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a cash basis and are reconciled on a GAAP basis. 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 expenditures exceeding an individual function.

The accompanying Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual present comparisons of the legally adopted budget with actual data on a budgetary basis and reconciled to the GAAP basis.

NOTE 3. CASH AND TEMPORARY 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, 2016.

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.

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2016**

NOTE 3. CASH AND TEMPORARY INVESTMENTS (CONTINUED)

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

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

The collateral pledged is listed on Schedule I of 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 \$100,000 in aggregate and separate from the \$100,000 coverage for public unit demand deposits at the same institution. This coverage has increased to \$250,000 for time and savings deposits as well as demand deposits until December 31, 2016. Additionally, until December 31, 2016, 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. The schedule listed below will meet the State of New Mexico, Office of the State Auditor's requirements in reporting the insured portion of the deposits.

	1 st Savings Bank	1 st NM Bank	Wells Fargo	Total
Total amounts of deposits	\$ 4,192,690	12,688,391	6,554,219	23,435,300
FDIC coverage	(250,000)	(250,000)	(250,000)	(750,000)
Total uninsured public funds	<u>3,942,690</u>	<u>12,438,391</u>	<u>6,304,219</u>	<u>22,685,300</u>
Pledged collateral held by pledging bank trust department or agent but not in District's name	-	-	-	-
Uninsured and uncollateralized	<u>3,942,690</u>	<u>12,438,391</u>	<u>6,304,219</u>	<u>22,635,300</u>
Collateral requirement (50% of uninsured Public funds)	1,971,345	6,219,196	3,152,110	11,342,651
Pledged security	<u>3,669,230</u>	<u>6,644,418</u>	<u>5,262,108</u>	<u>15,575,756</u>
Total under (over) collateralized	<u>\$ (1,697,885)</u>	<u>(425,222)</u>	<u>(2,109,998)</u>	<u>(4,233,105)</u>

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2016**

NOTE 3. CASH AND TEMPORARY INVESTMENTS (CONTINUED)

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, 2016, the District was not exposed to custodial credit risk.

Investments

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. There are no level 3 inputs at June 30, 2016.

At June 30, 2016, the District had the following recurring fair value measurements:

Investments by Fair Value Level	June 30, 2016	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Negotiable Certificates of Deposit	\$ 6,247,404	-	6,247,404	-
Money Market Mutual Funds	3,900,069	3,900,069	-	-
New Mexico State LGIP	708,117	-	708,117	-
Total investments in fair value	<u>\$ 10,855,590</u>	<u>3,900,069</u>	<u>6,955,521</u>	<u>-</u>

State Pool-4101 LGIP investments are 100% invested in U.S. Treasury Obligations.

Investments classified in Level 1 are valued using prices quoted in active markets. Level 1 investments consist of a money market fund. Negotiable certificates of deposit classified in Level 2 are valued using matrix pricing based on the securities’ relationship to benchmark quoted prices. Money market fund classified in Level 2 is valued using a published fair value per share (unit) for the fund.

The State Treasurer Local Government Investment Pool is not SEC registered. The State Treasurer, with the advice and consent of the State Board of Finance, is authorized to invest money held in the short-term investment fund in accordance with Section 6-10-10I through 6-10-10P and Sections 6-10-10.1 A and E, NMSA 1978. The Local Government Investment Pool 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. Per Section 6-10-10.IF, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the amounts fund were invested.

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2016

NOTE 3. CASH AND TEMPORARY INVESTMENTS (CONTINUED)

Investments are valued at fair value based on quoted market prices as of the valuation date.

Participation in the pool is voluntary. The District had \$708,117 on deposit in the pool at June 30, 2016, which is AAAM rated with a weighted average maturity of 54.6 days.

As of June 30, 2016, the District's investments had the following maturities:

Investment Type	Fair Value	Investment Maturity (years)
Certificates of deposit	<u>\$ 6,247,404</u>	1-5

Interest rate risk – The District limits investments maturities as a means of managing its exposure to fair value losses arising from increasing interest rates by limiting the weighted average maturity of its investment portfolio to less than one year.

Credit risk – The District has no investment policy beyond that prescribed by New Mexico law. The District's current investments have no credit risk since they are all in U.S. Government Securities.

Concentration of credit risk – The District places no limits on the amount it may invest in any one issuer. The District's currently has 6% invested in U.S. Government securities, and 94% in certificates of deposit.

Custodial credit risk – The District is not subject to custodial credit risk for its investments, since all are held in the name of the District.

Reconciliation of Cash and Temporary Investments

Governmental Funds – Balance Sheet	
Cash and cash equivalents per Exhibit A-1	\$ 18,292,212
Investment per Exhibit A-1	11,063,681
Statement of Fiduciary Net Position – cash and equivalents per Exhibit D-1	<u>194,879</u>
Subtract outstanding checks and other reconciling items	<u>(4,948,209)</u>
Bank balance of deposits and repurchase agreements	<u>\$ 24,602,563</u>

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2016**

NOTE 4. RECEIVABLES

Receivables as of June 30, 2016 are as follows:

	Operational	Food Services	Debt Service	Other Funds	Total
Property taxes	\$ 19,319	-	285,781	87,114	392,214
Intergovernmental - grants	-	655,481	-	2,996,771	3,652,252
Total	<u>\$ 19,319</u>	<u>655,481</u>	<u>285,781</u>	<u>3,083,885</u>	<u>4,044,466</u>

The above receivables are deemed 100% collectible. In accordance with GASB Statement No. 33, property tax receivables are presented net of unearned revenues in the amount of \$336,963 on the governmental fund financial statements.

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, 2016 is as follows:

	Interfund Receivables	Interfund Payables
Major Funds		
General Fund	\$ 2,777,302	\$ -
Instructional Materials	-	5,000
Food Services	1,039	-
Bond Building Fund	293,540	-
Debt Service	-	86,858
Nonmajor Funds		
Capital Project funds	39,524	189,700
Special revenue funds	4,687	2,834,534
	<u>\$ 3,116,092</u>	<u>\$ 3,116,092</u>

Operating transfers have primarily been recorded when expenditures were not moved from one fund to another and reimbursement was received for those expenditures. There were no transfers as of June 30, 2016.

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2016**

NOTE 6. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016, including those changes pursuant to the implementation of GASB Statement No. 34. Land is not subject to depreciation.

	Balance July 1, 2015	Additions	Deletions	Reclass	Balance July 30, 2016
Capital assets not being depreciated:					
Land	\$ 2,635,833	\$ 270,038	\$ (728,783)	\$ 175,007	\$ 2,352,095
Construction in progress	1,241,960	2,824,573	(119,286)	-	3,947,247
Total assets not being depreciated	<u>3,877,793</u>	<u>3,094,611</u>	<u>(848,069)</u>	<u>175,007</u>	<u>6,299,342</u>
Other capital assets:					
Buildings/improvements	94,991,357	323,131	(956,869)	85,361	94,442,980
Land improvements	6,859,491	-	(72,090)	(260,368)	6,527,033
Furniture and equipment	8,575,146	417,336	(232,885)	-	8,759,597
Total other capital assets at historical cost	<u>110,425,994</u>	<u>740,467</u>	<u>(1,261,844)</u>	<u>(175,007)</u>	<u>109,729,610</u>
Less accumulated depreciation for:					
Buildings/improvements	(37,572,876)	(2,811,101)	635,578	-	(39,748,399)
Land improvements	(2,527,353)	(386,128)	-	-	(2,913,481)
Furniture and equipment	(7,122,035)	(424,957)	94,753	-	(7,452,239)
Total accumulated depreciation	<u>(47,222,264)</u>	<u>(3,622,186)</u>	<u>730,331</u>	<u>-</u>	<u>(50,114,119)</u>
Other capital assets, net	<u>63,203,730</u>	<u>(2,881,719)</u>	<u>(531,513)</u>	<u>(175,007)</u>	<u>59,615,491</u>
Total capital assets, net	<u>\$ 67,081,523</u>	<u>\$ 212,892</u>	<u>\$ (1,379,582)</u>	<u>\$ -</u>	<u>\$ 65,914,833</u>

Capital assets, net of accumulated depreciation, at June 30, 2016 appear in the Statement of Net Position and/or the Fund Statements Balance Sheets as follows:

Depreciation expense for the year ended June 30, 2016 was charged to governmental activities as follows:

Instruction	\$ 2,157,849
Support Services – Students	245,239
Support Services – Instruction	22,990
General Administration	91,965
School Administration	153,274
Central Services	123,234
Operation of plant	321,876
Food Services	157,471
Transportation	332,576
Capital Outlay	<u>15,712</u>
	<u>\$ 3,622,186</u>

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2016**

NOTE 7. LONG-TERM DEBT

During the year ended June 30, 2016, the following changes occurred in the liabilities reported in the government-wide statement of net position:

	Balance July 1, 2015	Additions	Refunding Transfer	Deletions	Balance July 30, 2016	Due in One Year
G.O. Bonds, series 2014	\$ 9,500,000	\$ -	\$ -	\$ (1,100,000)	\$ 8,400,000	\$ 700,000
G.O. Bonds, series 2003	600,000	-	-	(600,000)	-	-
Compensated absences payable	442,394	148,823	-	-	591,217	-
G.O. Bonds, series 2006	3,000,000	-	(2,500,000)	(500,000)	-	-
G.O. Bonds, series 2007	4,600,000	-	-	(400,000)	4,200,000	900,000
G.O. Bonds, series 2015	-	9,480,000	-	-	9,480,000	1,200,000
	<u>\$ 18,142,394</u>	<u>\$ 9,628,823</u>	<u>\$ (2,500,000)</u>	<u>\$ (2,600,000)</u>	<u>\$ 22,671,217</u>	<u>\$ 2,800,000</u>
Total long-term debt	<u>\$ 18,142,394</u>	<u>\$ 9,628,823</u>	<u>\$ (2,500,000)</u>	<u>\$ (2,600,000)</u>	<u>\$ 22,671,217</u>	<u>\$ 2,800,000</u>

April 15, 2003, the District issued \$5,700,000 in general obligation bonds with the interest rates at 2.5% and 3.45% for the purpose of building a new elementary school. The bonds matured August 1, 2015.

On May 15, 2006, the District issued \$5,000,000 in general obligation bonds series 2006 with interest rates 3.5% to 3.95% for the purpose of erecting, remodeling, making additions to and furnishing school building, or purchasing or improving school grounds and purchasing computer software and hardware for student use in public schools classrooms or any combination of these purposes. The bonds were paid in 2016 with series 2015 bonds.

On April 17, 2007, the District issued \$6,000,000 in general obligation bonds series 2007 with interest rates 3.55% to 5.00% for the purpose of erecting, remodeling, making additions to and furnishing school building, or purchasing or improving school grounds and purchasing computer software and hardware for student use in public schools classrooms or any combination of these purposes. Principal payments are due August 1st of each year. The interest payments are due on August 1st and February 1st. The bonds mature August 1, 2019. The bonds and bond interest for all bond issues are paid from property taxes levied. The general obligation bonds are direct obligations and pledge the full faith and credit of the District, and are to be retired through property tax levies.

During the year ended June 30, 2014, the District issued \$9,500,000 in general obligation bonds with interest rates ranging from 2.00% to 2.60% for the purpose of erecting, remodeling, making additions to and furnishing school buildings, or purchasing and improving school grounds. Principal payments are due August 1st of each year. Interest payments are due on August 1st and February 1st of each year. The bonds mature August 1, 2028. The bonds and bond interest for all bond issues are paid from property taxes levied for the repayment of the bonds. The general obligation bonds are direct obligations and pledge the full faith and credit of the District, and will be retired through property tax levies.

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2016**

NOTE 7. LONG-TERM DEBT (CONTINUED)

On August 4, 2015, \$9,480,000 in general obligation bonds series 2015 with interest rates ranging from 2.00% to 3.50% were issued to advance refund \$2,500,000 of outstanding bonds with an average interest rate of 3.5% to 3.95% and for the purpose of erecting, remodeling, making additions to and furnishing school buildings, or purchasing and improving school grounds. The net proceeds of \$6,980,000 were placed in the bond building fund for construction projects. As a result, the series 2006 general obligation bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements. This refunding decreases total debt service payments over the next 5 years by almost \$3,125,000 resulting in an economic gain. The series 2015 bonds mature February 1, 2030. Principal payments are due August 1st of each year. The interest payments are due on August 1st and February 1st. The bonds and bond interest for all bond issues are paid from property taxes levied. The general obligation bonds are direct obligations and pledge the full faith and credit of the District, and are to be retired through property tax levies.

The bonds and bond interest are paid from property tax levies enacted specifically for the debt retirement. The revenues pledged totaled \$20,298,450 at June 30, 2016, and equal 100% of the tax levies enacted to repay the bonded indebtedness. The bonds were sold to erect and furnish facilities for the District. Interest rates range from 2.00% to 5% for individually scheduled retirements, and maturity dates range from 2017 through 2029. The property tax levies expire when the related bond indebtedness is repaid.

During the year ended June 30, 2016, the District recognized \$3,425,421 in property taxes pledged to retire the bonded indebtedness, and retired \$ 3,145,264 in bond principal and interest.

The annual requirements to amortize the General Obligation Bonds and Bond Anticipation Notes as of June 30, 2016, including interest payments are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 2,800,000	\$ 536,325	\$ 3,336,325
2018	2,200,000	469,075	2,669,075
2019	2,450,000	403,250	2,853,250
2020	1,930,000	340,863	2,270,863
2021	1,450,000	298,000	1,748,000
2022-2026	4,150,000	1,050,063	5,200,063
2027-2031	5,900,000	223,749	6,123,749
2032-2036	1,200,000	-	1,200,000
	<u>\$ 22,080,000</u>	<u>\$ 3,321,325</u>	<u>\$ 25,401,325</u>

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 7. LONG-TERM DEBT (CONTINUED)

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, 2016, compensated absences increased \$148,823 from the prior year accrual.

Operating Leases – The District leases office equipment and buses under short-term cancelable operating leases. Rental cost for the year ended June 30, 2016 was \$496,790. The minimum lease payments for the year ended June 30, 2017 are \$452,448.

The District leases a school building to its component unit, Cesar Chavez High School Charter School. The lease is renegotiated annually, and currently requires payment annually of \$700 times the average full-time-equivalent enrollment on the eightieth and one hundred twentieth day of the prior school year. The District received \$93,291 in rent from its component unit during the year ended June 30, 2016.

NOTE 8. RISK MANAGEMENT

The District's is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors; errors and omissions; injuries to employees; and natural disasters. Because the District was unable to obtain general liability insurance at a cost it considered to be economically justifiable, it joined together with other school districts in the State and obtained insurance coverage with New Mexico Public Schools Insurance Authority, a public entity risk pool currently operating as a common risk management and insurance program for member school districts. The District pays an annual premium to New Mexico Public Schools Insurance Authority for its general insurance coverage, and all risk of loss is transferred. No losses exceeded insurance in the past three years.

The New Mexico Public Schools Insurance Authority is self-insured for property and liability losses below \$250,000 and purchases excess insurance above the self-insured retention aggregate for property is set at \$2,000,000 with a \$1,000,000 stop loss. The self-insured retention aggregate for liability is \$3,000,000 with a \$1,000,000 stop loss.

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

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2016**

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, 2016:

		<u>Total</u>
Major fund		
13000	Transportation	\$ (6,952)
Nonmajor funds		
22000	Athletics	(8,445)
24101	Title I- IASA	(32)
24103	Migrant Children Education	(3,788)
24106	Entitlement IDEA-B	(5,860)
27149	Pre-K Initiative	<u>(1,188)</u>
		<u>\$ (26,265)</u>

B. Excess of expenditures over appropriations. The following funds exceeded approved budgetary authority for the year ended June 30, 2016:

Student Activity Fund
 Support Services \$6,178
 Education Technology Fund
 Support Services \$360

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 10. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

Plan description. The Educational Retirement Board (ERB) was created by the state's Educational Retirement Act, Section 22-11-1 through 22-11-52, NMSA 1978, as amended, to administer the New Mexico Educational Employees' Retirement Plan (Plan). The Plan is a cost-sharing, multiple employer pension plan established to provide retirement and disability benefits for certified teachers and other employees of the state's public schools, institutions of higher learning, and state agencies providing educational programs. The Educational Retirement Act assigns the authority to establish and amend benefit provisions to the Board of Trustees; the state legislature has the authority to set or amend contribution rates and other terms of the Plan. The Plan is a pension trust fund of the State of New Mexico.

ERB issues a publicly available financial report and a comprehensive annual financial report that can be obtained at www.nmerb.org.

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

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

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

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

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

NOTE 10. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

All retired members and beneficiaries receiving benefits receive an automatic cost of living adjustment (COLA) to their benefit on July 1 following the later of 1) the year a member retires, or 2) the year a member reaches age 65 (Tier 1 and Tier 2) or age 67 (Tier 3). Tier 1 membership is comprised of employees who became members prior to July 1, 2010. Tier 2 membership is comprised of employees who became members after July 1, 2010, but prior to July 1, 2013. Tier 3 membership is comprised of employees who became members on or after July 1, 2013. As of July 1, 2013, for current and future retirees the COLA is immediately reduced until the Plan is 100% funded. The COLA reduction is based on the median retirement benefit of all retirees excluding disability retirements. Retirees with benefits at or below the median and with 25 or more years of service credit will have a 10% COLA reduction; their average COLA will be 1.6%. Once the funding is greater than 90%, the COLA reductions will decrease. The retirees with benefits at or below the median and with 25 or more years of service credit will have a 5% COLA reduction; their average COLA will be 1.8%. Members on disability retirement are entitled to a COLA commencing on July 1 of the third full year following disability retirement. A member on regular retirement who can prove retirement because of a disability may qualify for a COLA beginning July 1 in the third full year of retirement.

A member is eligible for a disability benefit provided (a) he or she has credit for at least 10 years of service, and (b) the disability is approved by ERB. The monthly benefit is equal to 2% of FAS times years of service, but not less than the smaller of (a) one-third of FAS or (b) 2% of FAS times year of service projected to age 60. The disability benefit commences immediately upon the member's retirement. Disability benefits are payable as a monthly life annuity, with a guarantee that, if the payments made do not exceed the member's accumulated contributions, determined as of the date of retirement, the balance will be paid in a lump sum to the member's surviving beneficiary. If the disabled member survives to age 60, the regular optional forms of payment are then applied. A member with five or more years of earned service credit on deferred status may retire on disability retirement when eligible under the Rule of 75 or when the member attains age 65.

Contributions. The contribution requirements of defined benefit plan members and the Deming Public Schools are established in state statute under 22-11-21 NMSA 1978. For the fiscal year ended June 30, 2016 employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from the District were \$4,000,590, for the year ended June 30, 2016.

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2016**

NOTE 10. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Contributions to the pension plan from the Component Unit for the year ended June 30, 2016 were as follows:

Cesar Chavez Charter High School	\$ 163,184
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Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and certain sensitivity information were based on an actuarial valuation performed as of June 30, 2015. The employer's proportionate share of these amounts, reported as of June 30, 2016, was established as of the measurement date June 30, 2015. At June 30, 2016, the District reported a liability of \$63,427,983 for its proportionate share of the net pension liability. The District's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. At June 30, 2015, the District's proportion was 0.97924% percent, which was a decrease of .00962 percent from its proportion measured as of June 30, 2014. The Component Unit reported the following for their proportionate share of the net pension liability:

	Proportionate Share	Proportion %
Cesar Chavez Charter High School	\$ 1,480,695	.02286%

For the year ended June 30, 2016, the Charter school recognized pension expense of \$4,430,205. The Component Unit recognized pension expense for the year ended June 30, 2016 of \$54,371.

At June 30, 2016, the District reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ (1,175,885)
Changes of assumptions	2,181,626	-
Net difference between projected and actual earnings on pension plan investments	-	(285,505)
Changes in proportion and differences between Deming Public Schools contributions and proportionate share of contributions	-	(905,948)
Deming Public Schools contributions subsequent to the measurement date	<u>4,000,590</u>	<u>-</u>
Total	<u>\$ 6,182,216</u>	<u>\$ (2,367,338)</u>

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2016**

NOTE 10. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

\$4,000,590 reported as deferred outflows of resources related to pensions resulting from the District contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ (539,397)
2018	(477,150)
2019	(50,129)
2020	880,953

Actuarial assumptions. As described above, the total ERB pension liability, net pension liability, and certain sensitivity information are based on an actuarial valuation performed as of June 30, 2015. The liabilities reflect the impact of Senate Bill 115, signed into law on March 29, 2013, and new assumptions adopted by the ERB Board of Trustees on June 12, 2015. Specifically, the liabilities measured as of June 30, 2015, incorporate the following assumptions:

1. All members with an annual salary of more than \$20,000 will contribute 10.70% during the fiscal year ending June 30, 2015 thereafter.
2. Members hired after June 30, 2013 will have an actuarially reduced retirement benefit if they retire before age 55 and their COLA will be deferred until age 67.
3. COLAs for most retirees are reduced until ERB attains a 100% funded status.
4. These assumptions were adopted by the ERB Board on June 12, 2015, in conjunction with the six-year experience study period ending June 30, 2014, and
5. For purposes of projecting future benefits, it is assumed that the full COLA is paid in all future years.

On June 12, 2015, the ERB Board of Trustees approves the following changes to economic and demographic assumptions used in the fiscal year 2015 actuarial calculation of the total pension liability:

1. Lower wage inflation from 4.25% to 3.75%.
2. Update the mortality tables to incorporate generational improvements.
3. Update demographic assumptions to use currently published tables, which may result in minor calculation changes.
4. Remove population growth assumption for projections.
5. Lower population growth from .50% to zero.

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2016**

NOTE 10. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

The actuarial methods and assumptions used to determine contribution rates included in the measurement are as follows:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll
Remaining Period	Amortized – closed 30 years from June 30, 2012 to June 30, 2042
Asset Valuation Method	5 year smoothed market for funding valuation (fair value for financial valuation)
Inflation	3.00%
Salary Increases	Composition: 3% inflation, plus 1.25% productivity increase rate, plus step rate promotional increases for members with less than 10 years of service
Investment Rate of Return	7.75%
Retirement Age	Experience based table of age and service rates
Mortality	90% of RP-2000 Combined Mortality Table with White Collar Adjustment projected to 2014 using Scale AA (one year setback for females)

The long-term expected rate of return on pension plan investments is determined annually using a building-block approach that includes the following: 1) rate of return projections are the sum of current yield plus projected changes in price (valuation, defaults, etc.), 2) application of key economic projections (inflation, real growth, dividends, etc.), and 3) structural themes (supply and demand imbalances, capital flows, etc.). These items are developed for each major asset class. Estimates of geometric 30-year expected rates of return by major asset class for 2015 are summarized in the following table:

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2016

NOTE 10. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Asset	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equities	20%	7.50-7.75%
International Equities	15%	8.00-9.25%
Fixed Income Securities	28%	3.75-6.75%
Alternative Assets	36%	6.50-9.50%
Cash	1%	3.25%
Total	100%	

Discount rate: A single discount rate of 7.75% was used to measure the total ERB pension liability as of June 30, 2015 and 2014. This discount rate was based on the expected rate of return on pension plan investments of 7.75%. Based on the assumptions described above and the projection of cash flows, the Plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current pension plan members. The long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The projection of cash flows used to determine this single discount rate assumed that Plan contributions will be made at the current statutory levels. Additionally, contributions received through the Alternative Retirement Plan (ARP), ERB's defined contribution plan, are included in the projection of cash flows. ARP contributions are assumed to remain at a level percentage of ERB payroll, where the percentage of payroll is based on the most recent five year contribution history.

Sensitivity of the District's and component unit's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2016. In particular, the table presents the District's net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Discount Rate (7.75%)	1% Increase (8.75%)
Deming Public Schools proportionate share of the net pension liability	\$ 85,346,588	\$ 63,427,983	\$ 45,014,072
Cesar Chavez High School Charter proportionate share of the net pension liability	\$ 1,992,385	\$ 1,480,695	\$ 1,050,837

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 10. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Pension plan fiduciary net position. Detailed information about the ERB's fiduciary net position is available in the separately issued audited financial statements as of and for June 30, 2015 and 2014 which are publicly available at www.nmerb.org.

Payables to the pension plan. The District remits the legally required employer and employee contributions on a monthly basis to ERB. The ERB requires that the contributions be remitted by the 15th day of the month following the month for which contributions are withheld. At June 30, 2016 the District owed the ERB \$1,181,224 for the contributions withheld in the month of June 2016. At June 30, 2016 the Component Unit owed the ERB \$39,538 for the contributions withheld in the month of June 2016.

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 dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

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

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

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

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

NOTE 11. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (CONTINUED)

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2015, the statutes 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, 2016, 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 Deming Public School's contributions to the RHCA for the years ended June 30, 2016, 2015 and 2014 were \$575,626, \$555,879, and \$545,131, 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, principally the federal government. 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 government expects such amounts, 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 the resolution of these matters will not have a material adverse effect on the financial condition of the District.

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2016**

NOTE 13. JOINT POWERS AGREEMENTS AND MEMORANDUM OF UNDERSTANDINGS

School District's purchase of turf grooming equipment

Participants	City of Deming Deming Public Schools District
Responsible party	City of Deming and Deming Public Schools District
Description	To purchase and maintain equipment necessary to groom artificial turf fields maintained by both the City of Deming and the Deming Public Schools District.
Term of agreement	Indefinite term beginning March 21, 2016.
Amount of Project	25% of total cost of grooming equipment of a onetime payment of \$4,168.83.
District contributions	None
Audit responsibility	Deming Public Schools

Supporting a 36-mile Corridor Project

Participants	Regional Collaboration Group Village of Columbus Trustee City of Deming Council Deming Public Schools Board of Education Luna County Board of Commissioners
Responsible party	Regional Collaboration Group
Description	The Regional Collaboration Group agree to work collaboratively towards a regional plan identifying potential actions needed to support the increased commercial traffic movement through a detailed corridor study.
Term of agreement	Indefinite term beginning September 29, 2016.
Amount of Project	-
District contributions	None
Audit responsibility	Deming Public Schools

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2016**

**NOTE 13. JOINT POWERS AGREEMENTS AND MEMORANDUM OF UNDERSTANDINGS
 (CONTINUED)**

Air Conditioner Equipment Maintenance and Repair for buses acquired by Haynes Bussing and M&T Buses

Participants	Deming Public Schools DeLloyd Haynes, Haynes Bussing and Russ Treadwell M&T Buses
Responsible party	Deming Public Schools
Description	Activity buses equipped with air conditioning units regarding maintenance and repair.
Term of agreement	Indefinite term beginning September 15, 2016.
Amount of Project	-
District contributions	None
Audit responsibility	Deming Public Schools

Chartered Activity Trips

Participants	Deming Public Schools DeLloyd Haynes, Haynes Bussing and Russ Treadwell M&T Buses
Responsible party	Deming Public Schools
Description	To define terms of a fair rotation of chartered activity trips by Deming Public Schools to both companies to help offset the funding deficits both companies have endured in funding reductions over the past few years.
Term of agreement	Indefinite term beginning September 15, 2016.
Amount of Project	-
District contributions	None
Audit responsibility	Deming Public Schools

Building Usage Agreement

Participants	Deming Public Schools Department of Student Nutrition Deming Luna County Commission on Aging, Deming Senior Center
Responsible party	Deming Public Schools Department of Student Nutrition
Description	Deming Public Schools Department of Student Nutrition has agreed to the use of the Central Cafeteria kitchen site, for the preparation and service of meals in the event of a catastrophe at the Deming Senior Center.
Term of agreement	To be reviewed every two years beginning August 19, 2016
Amount of Project	-
District contributions	None
Audit responsibility	Deming Public Schools

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 14. DEFERRED COMPENSATION PLAN

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 403(b). The plan, available to all District employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries.

NOTE 15. COMMITMENTS

The District has future construction commitments of approximately \$48,100,000, for projects underway at June 30, 2016. A substantial amount of this construction will be funded by the Public Schools Facilities Authority.

NOTE 16. SUBSEQUENT EVENT

On September 2, 2016, the District issued two additional G.O. Bonds. G.O. Bond, Series 2016A was issued for \$9,780,000, with an interest rate of 2.00-4.00% and maturity date of August 1, 2030. G.O. Bond, Series 2016B was issued for \$3,125,000, with an interest rate of 2.00-4.00% and maturity date of August 1, 2019. Interest payments due in 2017 on Series 2016A total \$134,066 and \$64,670 for Series 2016B. Principal of \$350,000 and \$1,040,000 on Series 2016 A and Series 2016B is due during 2018.

On December 16, 2016, the District sold land held for sale for total consideration in the amount of \$190,500.

NOTE 17. SUBSEQUENT PRONOUNCEMENTS

Statement 77- Tax Abatement Disclosures: Financial statement users need information about certain limitations on a government's ability to raise resources. This includes limitations on revenue-raising capacity resulting from government programs that use tax abatements to induce behavior by individuals and entities that is beneficial to the government or its citizens. Tax abatements are widely used by state and local governments, particularly to encourage economic development. For financial reporting purposes, this Statement defines a tax abatement as resulting from an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens.

Although many governments offer tax abatements and provide information to the public about them, they do not always provide the information necessary to assess how tax abatements affect their financial

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 17. SUBSEQUENT PRONOUNCEMENTS (CONTINUED)

position and results of operations, including their ability to raise resources in the future. This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. The requirements are effective for reporting periods beginning after December 15, 2015.

Statement 82 – *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73*: This Statement is to address certain issues that have been raised with respect to Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements are effective for reporting periods beginning after June 15, 2016.

Statement 84 – *Fiduciary Activities*: This Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reported purposes and how those activities should be reported. The focus of this criteria generally is on (1) whether a governmental is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements are effective for reporting periods beginning after December 15, 2018.

NOTE 18. RESTATEMENT

CORRECTION OF ERRORS

Incorrect prior year receivables

The District determined that its 2015 net position balance was overstated as a result an overstatement of 2015 receivable balances of nonmajor special revenue fund revenues recognized in fiscal years 2002 through 2014. As a result of the error, a net adjustment to the June 30, 2015 statement of net position for the District was recorded to decrease net position by \$1,046,302. The impact on previously recorded entity wide net position as of June 30, 2015 is a decrease of \$1,046,302 and there is no impact to the change in net position for the year then ended. In addition, this resulted in a net adjustment to the June 30, 2015 operational fund to decrease fund balance by \$1,042,683, to the instructional materials fund to decrease fund balance by \$5,000, to the food services fund to increase fund balance by \$1,039, and to the nonmajor special revenue funds to increase fund balance by \$246,601 and there is no impact to the change in fund balance for any of these funds for the year then ended.

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 18. RESTATEMENT (CONTINUED)

2015 revenue not accrued

The District determined that its 2015 net position balance was understated as a result of an understatement of 2015 revenues not properly recognized. As a result of the error, a net adjustment to the June 30, 2015 statement of net position for the District was recorded to increase net position and receivables by \$275,559. The impact on previously recorded entity wide net position as of June 30, 2015 is an increase of \$275,559 and the impact to the change in net position for the year then ended is an increase of \$275,559. In addition, this resulted in a net adjustment to the June 30, 2015 operational fund to increase fund balance by \$275,559. The impact on previously recorded fund balance as of June 30, 2015 is an increase of \$275,559 and the impact to the change in fund balance for the year then ended is an increase of \$275,559.

2015 revenue incorrectly deferred

The District determined that its 2015 fund balance in its nonmajor special revenues fund was understated as a result of an understatement of 2015 revenues in the PARCC Infrastructure fund not recognized as expenses were incurred. As a result of the error, a net adjustment to the June 30, 2015 nonmajor special revenue funds was made to increase fund balance by \$682,434. The impact on previously recorded fund balance as of June 30, 2015 is an increase of \$682,434 and the impact to the change in fund balance for the year then ended is \$682,434. There was no net adjustment to the June 30, 2015 statement of net position for the District and no impact to the District's change in net position for the year ended June 30, 2015.

Accounts payable corrections

The District determined that its 2015 net position balance was overstated as a result of an understatement of 2015 expenses not properly recognized, either because they were not accrued in the correct period or they were recognized in the incorrect fund. As a result of the error, a net adjustment to the June 30, 2015 statement of net position for the District was recorded to decrease net position by \$146,409. The impact on previously recorded entity wide net position as of June 30, 2015 is a decrease of \$146,409 and the impact to the change in net position for the year then ended is a decrease of \$149,409. In addition, this resulted in net adjustments as of June 30, 2015 to the operational fund to increase fund balance and change in fund balance for the year then ended by \$12,287, to the transportation fund to decrease fund balance and change in fund balance for the year then ended by \$2,521, to the instructional material fund to decrease fund balance and change in fund balance for the year then ended by \$2,778, to the bond building fund to decrease fund balance and change in fund balance for the year then ended by \$76,588, to the nonmajor special revenue funds to decrease fund balance and change in fund balance for the year then ended by \$6,988 and to the nonmajor capital project fund to decrease fund balance and change in fund balance for the year then ended by \$69,821.

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2016

NOTE 18. RESTATEMENT (CONTINUED)

Component unit

The Charter determined that its 2015 net position balance was overstated as a result of an overstatement of 2015 receivables balances of Title I IASA, School Improvement, IDEA-B Entitlement and Title I Stimulus revenues recognized in fiscal years 2013 and 2014. As a result of the error, a net adjustment to the June 30, 2015 statement of net position for the Charter was recorded to decrease net position by \$234,417. The impact on previously recorded entity wide net position as of June 30, 2015 is a decrease of \$234,417 and there is no impact to the change in net position for the year then ended. In addition, a net adjustment to the June 30, 2015 operational fund was recorded to decrease fund balance by \$234,417. The impact on previously recorded fund balance for the charter as of June 30, 2015 is a decrease of \$234,417 and there is no impact to the change in fund balance for the charter for the year then ended.

The following schedule reconciles June 30, 2015 net position/fund balance previously reported to beginning net position/fund balance, as restated:

	Net Position/Fund balance at June 30, 2015, as previously reported	Incorrect prior year receivables	2015 revenue not accrued	2015 revenue incorrectly deferred	Accounts payable corrections	Net Position/Fund balance at June 30, 2015, as restated	Impact on Change in Net Position/Fund balance for the year ended June 30, 2015
Governmental Activities	\$ 12,629,847	\$ (1,046,302)	\$ 275,559	\$ -	\$ (146,409)	\$ 11,712,695	\$ 129,150
Component Unit	251,480	(234,417)	-	-	-	17,063	-
Major Funds							
Operational Fund	2,333,572	(1,042,683)	275,559	-	12,287	1,578,735	287,846
Transportation Fund	1	-	-	-	(2,521)	(2,520)	(2,521)
Instructional Materials Fund	171,335	(5,000)	-	-	(2,778)	163,557	(2,778)
Food Services Fund	3,071,316	1,039	-	-	-	3,072,355	-
Bond Building Fund	9,758,278	-	-	-	(76,588)	9,681,690	(76,588)
Nonmajor Special Revenues	202,268	246,601	-	682,434	(6,988)	1,124,315	675,446
Nonmajor Capital Projects	3,045,245	-	-	-	(69,821)	2,975,424	(69,821)

NOTE 19. COMPONENT UNIT

The following charter school was formed under NMSA 22-8A and as such are presented here as discrete Component Unit of Deming Public Schools:

Cesar Chavez High School Charter School

District management has determined that the charter school is a Component Unit under GASB Statement No. 61 since their operating budget and charter are presented and approved by the District's board and a financial burden exists upon closure of a school or when the school is in need of financial assistance. The charter school is considered a legally separate entity and has a separate board from the District board. The District does not appoint members of the charter school board. The New Mexico State Auditor has determined that a charter school is a major Component Unit of their respective Districts. Refer to previous footnotes for significant policies of the charter schools, as they are subject to the same State and Federal regulations and follow the same policies as the District. Refer to Note 18 for the charter school restatement. The following are summarized details of the charter school balances and transactions as of June 30, 2016 and for the year then ended:

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2016

NOTE 19. COMPONENT UNIT (CONTINUED)

A. Cash and Temporary Investments

Deposits:

New Mexico 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. The schedule listed below will meet the State of New Mexico requirements in reporting the insured portion of the deposits.

	Cesar Chavez Charter High School
Total amounts of deposit	\$ 862,179
FDIC coverage	<u>(250,000)</u>
Total uninsured public funds	<u>\$ 612,179</u>
Collateral requirement (50% of uninsured public funds	\$ 306,090
Pledged security	<u>745,540</u>
Total under (over) collateralized	<u>\$ (439,450)</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, 2016, the Charter was not exposed to custodial credit risk.

B. Accounts Receivable

As of June 30, 2016, accounts receivable consists of the following:

	Cesar Chavez Charter High School
Due from other governments	\$ 270,802
Total	<u>\$ 270,802</u>

The above receivables are deemed 100% collectible.

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2016

NOTE 19. COMPONENT UNIT (CONTINUED)

C. Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2016, including those changes pursuant to the implementation of GASB Statement No. 34 follows:

	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016
Cesar Chavez Charter High School:				
Furniture, fixtures and equipment	\$ 155,435	-	-	155,435
Building and building improvements	303,725	206,789	-	510,514
Less: accumulated depreciation	<u>(112,855)</u>	<u>(30,733)</u>	-	<u>(143,588)</u>
Capital assets, net	<u>\$ 346,305</u>	<u>176,056</u>	-	<u>522,361</u>

Depreciation expense for the year ended June 30, 2016 was charged to governmental activities as follows:

School Administration	\$ 1,349
Maintenance and Operation of Plant	<u>29,384</u>
Total	<u>\$ 30,733</u>

D. Commitment and Liabilities

Cesar Chavez Charter High School– The charter leases their facility under short-term cancelable operating leases. Rental expense for the year ended June 30, 2016 was \$93,291.

Five Year Payout-For Footnote Disclosure for Rent Expense

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>Thereafter</u>
\$ 80,988	-	-	-	-	-

E. Educational Retirement Act (ERA), and Retiree Health Care (RHC) Contributions

Cesar Chavez Charter High School – Employer ERA contributions for the year ended June 30, 2016 totaled \$119,046. Employee portions totaled \$91,640. During fiscal year 2016 RHC remitted by the school was \$17,396 in employer contributions as well as \$8,698 in employee contributions.

F. Subsequent Event

Cesar Chavez Charter High School – The Charter evaluated subsequent events through February 13, 2017, the date which the financial statements were available to be issued.

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2016

NOTE 19. COMPONENT UNIT (CONTINUED)

G. Pension Plan – Educational Retirement Board (Deferred Inflows and Outflows)

Cesar Chavez Charter High School:

At June 30, 2016, the Charter reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 27,450
Changes of assumptions	50,929	-
Net difference between projected and actual earnings on pension plan investments	-	6,667
Changes in proportion and differences between the District contributions and proportionate share of contributions	88,498	307,430
The District's contributions subsequent to the measurement date	<u>163,184</u>	<u>-</u>
Total	<u>\$ 302,611</u>	<u>\$ 341,547</u>

\$163,184 reported as deferred outflows of resources related to pensions resulting from the Charter contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ (61,641)
2018	(66,481)
2019	(94,537)
2020	20,566

H. Joint Powers Agreements

Participants	Cooperative Education Services Deming Cesar Chavez Charter High School
Responsible party	Deming Cesar Chavez Charter High School
Description	Procurement services.
Term of agreement	Ongoing beginning November 11, 2009 (# 206)
Amount of Project	No stated limit
District contributions	Payment as quoted and authorized
Audit responsibility	Deming Cesar Chavez Charter High School

See Memorandum of Understanding with District in Note 13.

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2016

NOTE 19. COMPONENT UNIT (CONTINUED)

I. 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.

None

- B. Excess of expenditures over appropriations. The following funds exceed approved budgetary authority for the year ended June 30, 2016:

Major Funds:

Title I-instructional	\$	3,854
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Nonmajor Funds:

Title I School Improvement-instructional	\$	13,660
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- C. Receivables and payables from interfund transactions as of June 30, 2016, with funds which interfund transactions.

	Interfund Receivables	Interfund Payables
Major Funds:		
General Fund	\$ 181,569	-
Capital Outlay Funds	-	93,291
Title I IASA Funds	-	59,957
NonMajor Funds:		
IDEA-B Entitlement Funds	-	14,661
Title I School Improvement Funds	-	13,660
Total	<u>\$ 181,569</u>	<u>181,569</u>

SUPPLEMENTARY INFORMATION

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
FUND DESCRIPTIONS
JUNE 30, 2016**

SPECIAL REVENUE FUNDS

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

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

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

Non-Instructional Support (23000) – To account for budgeted revenues and expenditures which relate to student activities other than athletics.

Title I IASA (24101) – fund used to account for federal resources administered by the New Mexico State Department of Education to provide assistance to educationally deprived students in low-income areas of the District. Required by the New Mexico Department of Educational Manual of Procedures for New Mexico School Districts to be accounted for as a separate fund within the Special Revenue Funds (P.L. 103-382).

Javits Gifted and Talented Students (24102) – This program is dedicated to targeting capacity to improve gifted education service to students.

Migrant Children Education IASA (24103) – To account for federal resources administered by the State Public Education Department to provide for special educational needs of migratory agricultural workers (P.L. 100-297).

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

Preschool IDEA-B (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.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
FUND DESCRIPTIONS
JUNE 30, 2016**

Education of Homeless (24113) – To ensure that homeless children and youth have equal access to the same free, appropriate public education as other children; to provide activities for and services to ensure that these children enroll in, attend, and achieve success in school; to establish or designate an office in each State educational agency (SEA) for the coordination of education for homeless children and youth; to develop and implement programs for school personnel to heighten awareness of specific problems of homeless children and youth; and to provide grants to local educational agencies (LEAs). Authorized by McKinney-Vento Homeless Assistance Act, Title VII, Subtitle B.

IDEA-B Private School Share (24115) – A proportionate allocation subtracted from the total IDEA-B Entitlement (24106) award to the Private schools students with disabilities.

Title VII Emergency Immigrant Education (24116) – to account for federal resources to be used to improve immigrant education. Authorization is Elementary and Secondary Education Act of 1965.

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

Title I 1003g Grant (24124) – To account for funds administered through the State Public Education Department to assist schools identified for improvement, corrective actions, and restructuring.

Migrant Student Exchange Info (24127) – Supports projects to raise student achievement through direct educational services. The LEA may use grant funds to carry out activities authorized by the Elementary and Secondary Education Act of 1965, as amended (ESEA), including teacher training, curriculum development, the development or acquisition of instructional materials, and general school improvement and reform.

Goals 2000 Local EDreform (24131) – to account for federal resources received under the provisions of the Educate American Act (P.L. 103-227).

IDEA-B Results Plan (24132) – The purpose of this grant award is to support activities included in the school's Education Plan for Student Success, or areas in need of improvement, identified through the instructional audit. The program is funded by the United States government, under the Individuals with Disabilities Act, Public Law 108-446 Part B.

Enhancing Ed Through Tech (24133) – To account for a federal grant designated to strengthen teacher learning in the field of technology.

Comprehensive School Reform (24135) – fund used to account for federal resources administered by the New Mexico State Department of Education to the individual schools that are in need to substantially improving students achievement for the development of educational programs based on reliable research and effective practices. (P.L. 105-78).

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
FUND DESCRIPTIONS
JUNE 30, 2016**

Reading Excellence (24147) – to account for federal grant administered by New Mexico State Department of Education to help improve the reading skills of pre-kindergarten through third grade children (HR 2614).

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

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

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

Rural and Low Income Schools (24160) – created to provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. (Elementary and Secondary Education Act of 1965 (ESEA), Title VI, Part B, as amended).

Title I School Improvement (24162) – To provide supplemental educational opportunity for academically disadvantaged children in the area residing. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with a free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that 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 Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

Title III- Immigrant Funding (24163) – Implement district-wide bilingual education programs or special alternative instruction programs to improve, reform, and upgrade relevant programs and operations, within an entire local educational agency, that serve a significant number of children and youth limited English proficiency in local educational agencies with significant concentrations of such children and youth. The program is authorized by Title III, P.L. 107-116.

(24174 – Carl Perkins Secondary Current) (24176 – Carl Perkins Secondary Redistribution) – The objective of this grant is to provide secondary and post-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.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
FUND DESCRIPTIONS
JUNE 30, 2016**

USHHS/CDC School Health (24186) – New Mexico Public Education Department Intergovernmental Agreement Amendment #IGA#16-924-00266-A1 funding to carry out the Youth Resiliency Project in Deming Schools.

Entitlement IDEA-B Federal Stimulus IDEA-B (24206) – 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.

Child Nutrition Federal Stimulus (24218) – created by National School Lunch Authority, designed to initiate and maintain food service programs for children of the District.

Title XIX Medicaid 3/21 years (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. Authority for creation of this fund is the Public Education Department. (P.L. 105-33)

ROTC (25200) – To provide financial assistance to School Districts to reimburse a portion of the salaries paid to R.O.T.C. instructors. The funding is provided by the U.S. Marine Corps.

Teacher Quality Enhancement (25214) – to account for the federal resources to be used to improve teacher quality. Authorization is P.L. 105-244.

Emergency Food/Shelter National (25246) – fund used to account for federal resources administered by the New Mexico State Department of Education to provide for supportive services to the needy. (P.L. 100-77).

State Equalization Guarantee – Federal Stimulus (25250) – Funding for the support of public elementary, secondary, postsecondary and, as applicable, for early childhood programs and services.

PNM Foundation Inc. (26123) – To account for a grant received from Public Services Company of New Mexico for an educational project.

Reading is Fundamental (26137) – Funding received through the Reading is Fundamental Nonprofit to motivate children to read. Authority for the creation of this fund is the New Mexico Public Education Department.

A+ for Energy Grant (26179) – Grant from BP America that recognizes innovative energy education programs in the classroom. Awarded to purchase materials and supplies to implement the program entitled "Students-As-Teachers: An Energy Resource Project".

State Grant Funds (27000) – To provide funding for operations of District programs. Funds provided by the New Mexico Public Education.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
FUND DESCRIPTIONS
JUNE 30, 2016**

Community Based Org- PED (27102) – To provide funding for the unique needs of a new school’s first year of operation. Authority for the creation of this fund is the New Mexico Public Education Department.

Dual Credit Instructional Materials (27103) – A onetime appropriation for school year 2009-2011 for dual credit materials for fall and spring semesters.

2008 G.O. Bond Student Library Fund (27105) – Funds used to purchase library books and library supplies for all school sites.

2010 G.O. Bonds Student Library Fund (27106) – Funds used to purchase library books and library supplies for all school sites.

2012 G.O. Bond Student Library Fund (SB 66) (27107) – Funds used to purchase books, supplies and other media for school libraries. Laws of 2012.

PARCC Infrastructure (27108) – The purpose of this grant is to assist the District in preparing students for the new PARCC assessments. New Mexico students will be assessed on the Common Core State Standards through assessments provided by the Partnership for Assessment of Readiness for College and Careers (PARCC).

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

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

Physical Education Classes – PED (27121) – To account for monies received from the State of New Mexico to be used for Elementary Physical Education. Funds must be utilized for salary and benefits of a PED licensed physical education instructor.

Computerized Learning System (27123) – To account for funds received to purchase computer software. The fund was created by State grant provisions.

TANF Full Day Kinder (School-aged Child Care) (27136) – To account for federal funds administered by the State Public Education Department to provide after school programs, parent education classes and family support programs. (Authorization is a State Public education Department grant)

Incentives for School Improvement Act (27138) – To account for monies received from the Award for High Improving Schools provided by the State of New Mexico for the purpose of identifying special needs at awarded locations and to purchase items to improve those schools.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
FUND DESCRIPTIONS
JUNE 30, 2016**

Truancy CYFD (27139) – To reduce the number of truant children and adolescents because truancy can be a first step to a lifetime of unemployment, crime, and incarceration.

Family & Youth Resource Pro PED (27140) – To account for funds allocated to improve families' access to social and health care services to help students increase academic achievement by addressing non-academic barriers.

Truancy Initiative PED (27141) – To hire Truancy and Dropout Prevention Coaches with appropriate state licensure. The coaches will monitor and report on the performance of each school assigned a coach. The reporting will include information about truancy and dropout statistics, as well as documentation about various events and programming provided by the school as related to truancy and dropout prevention.

Libraries- G.O. Bond Laws of 2004 (27145) –Funding made available to update and expand library collections.

Pre-K Initiative (27149) – To provide high quality Pre-K services that align to NM Pre-K standards to underserved 4-year-olds in the District. To expand early childhood educational capacity so that all families of 4-year-olds in the district who want to enroll their child in a high quality Pre-K program can do regardless of income or ethnicity. Authorized through 32A-23-1 NMSA 1978.

Reading Improvement Initiative (27152) – To provide the cost of teachers and direct teaching expenses for reading initiative. Funding is by the Elementary and Secondary Education Act of 1965.

Mid-School Tutoring & Student Enhance (27153) – To account for funds used for tutoring students (NM Department of Education, PSAB Supp. 3).

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

Reading Materials (27158) – To ensure that every student can read at grade level or above by the end of third grade. The Reading First program provides assistance to States and districts in establishing reading programs for students in kindergarten through third grade that are based on scientifically based reading research. Reading First also focuses on teacher development and ensuring that all teachers, including special education teachers, have the tools they need to effectively help their students learn to read. The program provides assistance to States and districts in preparing teachers to identify specific reading barriers facing their students.

Technology Equity (27162) – To define and develop minimum educational technology adequacy standards to supplement the adequacy standards developed by the public school capital outlay council for school districts to use to identify outstanding serious deficiencies in educational technology infrastructure. Authority for the creation of this fund is Section 22-15A-11 NMSA 1978.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
FUND DESCRIPTIONS
JUNE 30, 2016**

School Improvement Framework (27164) – The grant was awarded as a result of meeting adequate yearly progress for two consecutive years. These funds are to be used for library materials.

Kindergarten – Three Plus (27166) – The funding is part of a pilot project for Kindergarten through third grade students at both Ann Parish Elementary and Desert View Elementary. Funds used for teachers, educational assistants, nurses, an academic coach, and PE coach at both schools. HB 198 Laws 2007 Parkinson/Paolillo.

Libraries SB301 G.O. BONDS- LAWS OF 2006 (27170) – In the November 2004 election, New Mexico voters approved GO bond C for \$6,156,000 to fund public school and juvenile detention libraries statewide. Statute specifies that the funds are available to acquire library books, equipment and library resources for public schools and juvenile detention libraries.

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

NM Grown Fresh Fruit Vegetables (27183) – Funds under this award are to be used to purchase locally grown New Mexico fresh fruits and vegetables, to be made available at no charge to students. 2013 HB2 Special Appropriation, Section 5, Page 217

Advanced Computers (27514) – To provide funding to provide students with additional resources for learning.

Crisis Intervention Training CYFD (28136) – To provide funding to assist with crisis intervention and conflict resolution.

Space Grant Consortium NMSU (28157) – To provide funding to develop competitive research and technology projects and programs for the solution of scientific and technical problems of importance to NASA.

GEAR UP (28178) – to account for the federal resources to be used to provide support, and maintain a commitment, to eligible low-in students, including students with disabilities, to help the students obtain a secondary school diploma. Authorization is the Higher Education Act of 1965, as amended, Title IV, Part A, Subpart 2, Chapter 2.

NM Grads Instructional (28190) – To provide grants to States, Territories, or Tribes to assist needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work, and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. Social security Act, Title IV, Part A, as amended; Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193.

Grads Plus (28203) – Program to provide GRADS PLUS: Making Connections for Success model services. Authority for creation of this fund are the Laws of 2014.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
FUND DESCRIPTIONS
JUNE 30, 2016**

Private Dir Grants (Categorical) (29102) – To account for local grants awarded to provide additional funding for specific projects.

City/County Grant (29107) – To provide support for a health education program within the school and to provide workbooks, materials for educational demonstrations and funds to support nutrition –focused event for the school.

Math, Engineering, Science & Achievement (29110) – To account for a grant awarded to provide funding for math, engineering and science projects.

School Based Health Centers (29130) – To account for funds administered by the Department of Health and Luna County in support of providing Primary Care and Mental Health Service on school campus.

Wind Farm Projects (29134) – This fund is used to account for wind farm payment in lieu of property taxes revenue. The fund was created by definition.

CAPITAL PROJECTS FUNDS

Capital Project 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 Project Funds:

Bond Building (31100) – to account for bond proceeds and any interest earned thereon. 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.

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

Education Technology Equipment Act Fund (31900) – To account for proceeds of Education Technology Notes. The proceeds are restricted to the purchase of technology equipment for use in school classrooms.

DEBT SERVICE FUNDS

Debt Service (41000) – These funds are used to account for the accumulation of resources for, and the payment of, GO Bond principal and interest.

Education Technology Debt Service (43000) – These funds are used to account for the accumulation of resources for, and the payment of, Educational Technology note principal and interest.

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STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2016

Statement A-1

	Special Revenue	Capital Projects	Debt Service	Total
ASSETS				
Cash and investments	\$ 1,130,768	\$ 4,445,542	\$ 166,513	\$ 5,742,823
Property taxes receivable	-	50,580	36,534	87,114
Prepaid expenses	45,884	-	-	45,884
Due from other governments	2,996,771	-	-	2,996,771
Interfund receivables	4,687	39,524	-	44,211
<i>Total assets</i>	<u>\$ 4,178,110</u>	<u>\$ 4,535,646</u>	<u>\$ 203,047</u>	<u>\$ 8,916,803</u>
LIABILITIES AND FUND BALANCES				
Accounts payable	\$ 63,332	\$ 118,127	\$ -	\$ 181,459
Accrued expenses	180,839	-	-	180,839
Unearned grant revenue	140,524	50,578	-	191,102
Unearned ad valorem tax revenue	-	-	36,535	36,535
Interfund payable	2,834,534	189,700	-	3,024,234
<i>Total liabilities</i>	<u>\$ 3,219,229</u>	<u>\$ 358,405</u>	<u>\$ 36,535</u>	<u>\$ 3,614,169</u>
<i>Fund balances</i>				
Fund Balance:				
Nonspendable	\$ 45,884	\$ -	\$ -	\$ 45,884
Restricted for:				
Education	199,565	-	-	199,565
Food service	-	-	-	-
Social services	287,398	-	-	287,398
Transportation	-	-	-	-
Capital projects	-	4,177,241	-	4,177,241
Debt service	-	-	166,512	166,512
Other	445,347	-	-	445,347
Unassigned (deficit)	(19,313)	-	-	(19,313)
<i>Total fund balances</i>	<u>958,881</u>	<u>4,177,241</u>	<u>166,512</u>	<u>5,302,634</u>
<i>Total liabilities and fund balances</i>	<u>\$ 4,178,110</u>	<u>\$ 4,535,646</u>	<u>\$ 203,047</u>	<u>\$ 8,916,803</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2016

Statement A-2

	Special Revenue	Capital Projects	Debt Service	Total
<i>Revenues:</i>				
Property taxes	\$ -	\$ 1,088,135	\$ 26,638	\$ 1,114,773
Fees and charges	218,635	-	-	218,635
Local aid	132,000	-	-	132,000
State aid	2,231,274	1,801,566	-	4,032,840
Federal aid	4,875,128	-	-	4,875,128
Earnings on investments	1,663,378	4,688	-	1,668,066
Bond proceeds	-	-	-	-
Miscellaneous	57,450	17,640	-	75,090
Total revenues	9,177,865	2,912,029	26,638.00	12,116,532
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	7,242,770	-	-	7,242,770
Support services - students	877,710	-	-	877,710
Support services - instruction	175,058	-	-	175,058
General administration	271,631	11,160	360	283,151
School administration	182,471	-	-	182,471
Central services	136,120	-	-	136,120
Operation of plant	312,304	-	-	312,304
Food services	140,130	-	-	140,130
Transportation	5,105	-	-	5,105
Other support services	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance Cost	-	-	-	-
Capital outlay	-	1,699,052	-	1,699,052
Total expenditures	9,343,299	1,710,212	360	11,053,871
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(165,434)</u>	<u>1,201,817</u>	<u>26,278</u>	<u>\$ 1,062,661</u>
<i>Other financing sources:</i>				
Debt proceeds	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>(165,434)</u>	<u>1,201,817</u>	<u>26,278</u>	<u>1,062,661</u>
<i>Fund balance (deficit), June 30, 2015 as previously reported</i>	202,268	3,045,245	140,234	3,387,747
<i>Adjustments to fund balance (Note 18)</i>	922,047	(69,821)	-	852,226
<i>Fund balance (deficit), June 30, 2015 as restated</i>	<u>1,124,315</u>	<u>2,975,424</u>	<u>140,234</u>	<u>4,239,973</u>
<i>Fund balance, end of year</i>	<u>\$ 958,881</u>	<u>\$ 4,177,241</u>	<u>\$ 166,512</u>	<u>\$ 5,302,634</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

Statement B-1
 (Page 1 of 10)

	Special Revenue Funds							
	Athletics 22000	Non-Instructional Support 23000	Title I IASA 24101	Javits Gifted and Talented 24102	Migrant Children Education 24103	Entitlement IDEA-B 24106	Preschool IDEA-B 24109	Education of Homeless 24113
ASSETS								
Cash and investments	\$ 548	\$ 350,221	\$ -	\$ 1,206	\$ -	\$ -	\$ -	\$ -
Prepaid expenses	-	-	-	-	-	-	-	-
Due from other governments	-	-	1,920,727	-	42,571	355,134	4,750	13,602
Interfund receivables	-	-	-	-	-	-	-	-
<i>Total assets</i>	<u>\$ 548</u>	<u>\$ 350,221</u>	<u>\$ 1,920,727</u>	<u>\$ 1,206</u>	<u>\$ 42,571</u>	<u>\$ 355,134</u>	<u>\$ 4,750</u>	<u>\$ 13,602</u>
LIABILITIES AND FUND BALANCES								
Accounts payable	\$ 8,477	\$ 4,502	\$ 2,397	\$ -	\$ 4,311	\$ 29,269	\$ -	\$ -
Accrued expenses	516	-	97,151	-	3,500	21,264	128	353
Due to government	-	-	-	-	-	-	-	-
Unearned grant revenue	-	-	-	-	-	-	-	-
Interfund payable	-	-	1,821,211	1,206	38,548	310,461	4,622	13,249
<i>Total liabilities</i>	<u>8,993</u>	<u>4,502</u>	<u>1,920,759</u>	<u>1,206</u>	<u>46,359</u>	<u>360,994</u>	<u>4,750</u>	<u>13,602</u>
<i>Fund balances</i>								
Fund Balance:								
Nonspendable	-	-	-	-	-	-	-	-
Restricted for:								
Education	-	-	-	-	-	-	-	-
Food service	-	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Other	-	345,719	-	-	-	-	-	-
Unassigned (deficit)	(8,445)	-	(32)	-	(3,788)	(5,860)	-	-
<i>Total fund balances</i>	<u>(8,445)</u>	<u>345,719</u>	<u>(32)</u>	<u>-</u>	<u>(3,788)</u>	<u>(5,860)</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balances</i>	<u>\$ 548</u>	<u>\$ 350,221</u>	<u>\$ 1,920,727</u>	<u>\$ 1,206</u>	<u>\$ 42,571</u>	<u>\$ 355,134</u>	<u>\$ 4,750</u>	<u>\$ 13,602</u>

	Special Revenue Funds						
	IDEA-B Private School Share 24115	Title VII Emergency Immigrant Education 24116	Fresh Fruit and Vegetables 24118	Title I 1003g Grant 24124	Migrant Student Exchange Info 24127	Goals 2000 Local EDreform 24131	IDEA-B Results Plan 24132
ASSETS							
Cash and investments	\$ 619	\$ 1,253	\$ -	\$ -	\$ 219	\$ 2,406	\$ 219
Prepaid expenses	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-
Interfund receivables	-	-	-	1,094	-	-	-
<i>Total assets</i>	<u>\$ 619</u>	<u>\$ 1,253</u>	<u>\$ -</u>	<u>\$ 1,094</u>	<u>\$ 219</u>	<u>\$ 2,406</u>	<u>\$ 219</u>
LIABILITIES AND FUND BALANCES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued expenses	-	-	-	1,094	-	-	-
Due to government	-	-	-	-	-	-	-
Unearned grant revenue	619	1,253	-	-	219	2,406	219
Interfund payable	-	-	-	-	-	-	-
<i>Total liabilities</i>	<u>619</u>	<u>1,253</u>	<u>-</u>	<u>1,094</u>	<u>219</u>	<u>2,406</u>	<u>219</u>
<i>Fund balances</i>							
Fund Balance:							
Nonspendable	-	-	-	-	-	-	-
Restricted for:							
Education	-	-	-	-	-	-	-
Food service	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balances</i>	<u>\$ 619</u>	<u>\$ 1,253</u>	<u>\$ -</u>	<u>\$ 1,094</u>	<u>\$ 219</u>	<u>\$ 2,406</u>	<u>\$ 219</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

	Special Revenue Funds						
	Enhancing Ed Through Tech 24133	Comprehensive School Reform 24135	Reading Excellence 24147	English Language Acquisition 24153	Teacher/Principal Training and Recruiting 24154	Title IV- Safe and Drug Free 24157	Rural and Low Income Schools 24160
ASSETS							
Cash and investments	\$ 28,806	\$ -	\$ 2,023	\$ -	\$ -	\$ 68,132	\$ -
Prepaid expenses	-	-	-	-	-	-	-
Due from other governments	-	-	-	16,121	172,238	-	-
Interfund receivables	-	358	-	-	-	3,134	101
<i>Total assets</i>	<u>\$ 28,806</u>	<u>\$ 358</u>	<u>\$ 2,023</u>	<u>\$ 16,121</u>	<u>\$ 172,238</u>	<u>\$ 71,266</u>	<u>\$ 101</u>
LIABILITIES AND FUND BALANCES							
Accounts payable	\$ -	\$ 358	\$ -	\$ 1,976	\$ -	\$ -	\$ 101
Accrued expenses	-	-	-	-	3,843	-	-
Due to government	-	-	-	-	-	-	-
Unearned grant revenue	28,806	-	2,023	-	-	71,266	-
Interfund payable	-	-	-	14,145	168,395	-	-
<i>Total liabilities</i>	<u>28,806</u>	<u>358</u>	<u>2,023</u>	<u>16,121</u>	<u>172,238</u>	<u>71,266</u>	<u>101</u>
<i>Fund balances</i>							
Fund Balance:							
Nonspendable	-	-	-	-	-	-	-
Restricted for:							
Education	-	-	-	-	-	-	-
Food service	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balances</i>	<u>\$ 28,806</u>	<u>\$ 358</u>	<u>\$ 2,023</u>	<u>\$ 16,121</u>	<u>\$ 172,238</u>	<u>\$ 71,266</u>	<u>\$ 101</u>

	Special Revenue Funds							
	Title I- School Improvement 24162	Title III- Immigrant Funding 24163	Carl D Perkins Secondary Current 24174	Carl D Perkins Redistribution 24176	USHHS/CDC School Health 24186	Entitlement IDEA- B Federal Stimulus 24206	Child Nutrition Federal Stimulus 24218	Title XIX Medicaid 25153
ASSETS								
Cash and investments	\$ -	\$ 4,716	\$ -	\$ 449	\$ -	\$ 79	\$ 26,244	\$ 67,709
Prepaid expenses	-	-	-	-	-	-	-	-
Due from other governments	16,130	-	2,756	6,351	5,385	-	-	-
Interfund receivables	-	-	-	-	-	-	-	-
<i>Total assets</i>	<u>\$ 16,130</u>	<u>\$ 4,716</u>	<u>\$ 2,756</u>	<u>\$ 6,800</u>	<u>\$ 5,385</u>	<u>\$ 79</u>	<u>\$ 26,244</u>	<u>\$ 67,709</u>
LIABILITIES AND FUND BALANCES								
Accounts payable	\$ -	\$ -	\$ 723	\$ 6,800	\$ -	\$ -	\$ -	\$ 140
Accrued expenses	335	-	-	-	83	-	-	5,074
Due to government	-	-	-	-	-	-	-	-
Unearned grant revenue	-	4,716	-	-	-	-	26,244	-
Interfund payable	15,795	-	2,033	-	5,302	79	-	-
<i>Total liabilities</i>	<u>16,130</u>	<u>4,716</u>	<u>2,756</u>	<u>6,800</u>	<u>5,385</u>	<u>79</u>	<u>26,244</u>	<u>5,214</u>
<i>Fund balances</i>								
Fund Balance:								
Nonspendable	-	-	-	-	-	-	-	-
Restricted for:								
Education	-	-	-	-	-	-	-	-
Food service	-	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-	62,495
Transportation	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,495</u>
<i>Total liabilities and fund balances</i>	<u>\$ 16,130</u>	<u>\$ 4,716</u>	<u>\$ 2,756</u>	<u>\$ 6,800</u>	<u>\$ 5,385</u>	<u>\$ 79</u>	<u>\$ 26,244</u>	<u>\$ 67,709</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

	Special Revenue Funds								
	ROTC 25200	Teacher Quality Enhancement 25214	Emergency Food/ Shelter National 25246	SEG- Federal Stimulus 25250	PNM Foundation 26123	Reading is Fundamental 26137	A+ for Energy 26179	State grant funds 27000	Community Based Org- PED 27102
ASSETS									
Cash and investments	\$ -	\$ 3	\$ 2,750	\$ 2,495	\$ 227	\$ 18	\$ 49	\$ 13,917	\$ -
Prepaid expenses	-	-	-	-	-	-	-	-	-
Due from other governments	2,358	-	-	-	-	-	-	-	-
Interfund receivables	-	-	-	-	-	-	-	-	-
<i>Total assets</i>	<u>\$ 2,358</u>	<u>\$ 3</u>	<u>\$ 2,750</u>	<u>\$ 2,495</u>	<u>\$ 227</u>	<u>\$ 18</u>	<u>\$ 49</u>	<u>\$ 13,917</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued expenses	202	-	-	-	-	-	-	-	-
Due to government	-	-	-	-	-	-	-	-	-
Unearned grant revenue	-	3	2,750	-	-	-	-	-	-
Interfund payable	2,156	-	-	2,495	227	18	49	13,917	-
<i>Total liabilities</i>	<u>2,358</u>	<u>3</u>	<u>2,750</u>	<u>2,495</u>	<u>227</u>	<u>18</u>	<u>49</u>	<u>13,917</u>	<u>-</u>
<i>Fund balances</i>									
Fund Balance:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted for:									
Education	-	-	-	-	-	-	-	-	-
Food service	-	-	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balances</i>	<u>\$ 2,358</u>	<u>\$ 3</u>	<u>\$ 2,750</u>	<u>\$ 2,495</u>	<u>\$ 227</u>	<u>\$ 18</u>	<u>\$ 49</u>	<u>\$ 13,917</u>	<u>\$ -</u>

	Special Revenue Funds							
	Dual Credit Instructional Mat 27103	2008 GO Bond Student Library 27105	2010 GO Bond Student Library 27106	2012 GO Bond Student Library 27107	PARCC Infrastructure 27108	New Mexico Leads to Read 27114	Technology for Education PED 27117	Physical Ed Classes- PED 27121
ASSETS								
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 142,170	\$ -
Prepaid expenses	-	-	-	-	-	45,884	-	-
Due from other governments	-	-	-	-	-	-	-	-
Interfund receivables	-	-	-	-	-	-	-	-
<i>Total assets</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,884</u>	<u>\$ 142,170</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued expenses	-	-	-	-	-	-	-	-
Due to government	-	-	-	-	-	-	-	-
Unearned grant revenue	-	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>								
Fund Balance:								
Nonspendable	-	-	-	-	-	45,884	-	-
Restricted for:								
Education	-	-	-	-	-	-	142,170	-
Food service	-	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,884</u>	<u>142,170</u>	<u>-</u>
<i>Total liabilities and fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,884</u>	<u>\$ 142,170</u>	<u>\$ -</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

	Special Revenue Funds							
	Computerized Learning System 27123	TANF- Full Day Kinder 27136	Incentives for School Improvement 27138	Truancy CYFD 27139	Family & Youth Resource Pro PED 27140	Truancy Initiative- PED 27141	Libraries- GO Bond Laws of 2004 27145	PreK Initiative 27149
ASSETS								
Cash and investments	\$ 109	\$ -	\$ -	\$ 1,381	\$ 8,021	\$ -	\$ -	\$ -
Prepaid expenses	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	230,194
Interfund receivables	-	-	-	-	-	-	-	-
<i>Total assets</i>	<u>\$ 109</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,381</u>	<u>\$ 8,021</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 230,194</u>
LIABILITIES AND FUND BALANCES								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,190
Accrued expenses	-	-	-	-	-	-	-	17,002
Due to government	-	-	-	-	-	-	-	-
Unearned grant revenue	-	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	8,021	-	-	213,190
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,021</u>	<u>-</u>	<u>-</u>	<u>231,382</u>
<i>Fund balances</i>								
Fund Balance:								
Nonspendable	-	-	-	-	-	-	-	-
Restricted for:								
Education	109	-	-	-	-	-	-	-
Food service	-	-	-	-	-	-	-	-
Social services	-	-	-	1,381	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-	(1,188)
<i>Total fund balances</i>	<u>109</u>	<u>-</u>	<u>-</u>	<u>1,381</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,188)</u>
<i>Total liabilities and fund balances</i>	<u>\$ 109</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,381</u>	<u>\$ 8,021</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 230,194</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

Statement B-1
 (Page 8 of 10)

	Special Revenue Funds						
	Reading Improvement Initiatives 27152	Mid-school Tutoring 27153	Beginning Teacher Mentoring 27154	Reading Materials 27158	Technology Equity 27162	School Improvement Framework 27164	Kindergarten Three Plus 27166
ASSETS							
Cash and investments	\$ 6	\$ 745	\$ 14,677	\$ -	\$ -	\$ 6,600	\$ -
Prepaid expenses	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	208,454
Interfund receivables	-	-	-	-	-	-	-
<i>Total assets</i>	<u>\$ 6</u>	<u>\$ 745</u>	<u>\$ 14,677</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,600</u>	<u>\$ 208,454</u>
LIABILITIES AND FUND BALANCES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued expenses	-	-	-	-	-	-	25,196
Due to government	-	-	-	-	-	-	-
Unearned grant revenue	-	-	-	-	-	-	-
Interfund payable	6	745	14,677	-	-	-	183,258
<i>Total liabilities</i>	<u>6</u>	<u>745</u>	<u>14,677</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>208,454</u>
<i>Fund balances</i>							
Fund Balance:							
Nonspendable	-	-	-	-	-	-	-
Restricted for:							
Education	-	-	-	-	-	6,600	-
Food service	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,600</u>	<u>-</u>
<i>Total liabilities and fund balances</i>	<u>\$ 6</u>	<u>\$ 745</u>	<u>\$ 14,677</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,600</u>	<u>\$ 208,454</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

	Special Revenue Funds							
	Libraries- SB 301 GO Bond- Law of 2006 27170	2010 GOB Instructional Mat 27171	NM Grown FFV 27183	Advanced Computers 27514	Crisis Intervention Training CYFD 28136	Space Grant Consortium NMSU 28157	GEAR UP 28178	GRADS Instruction 28190
ASSETS								
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 729	\$ -	\$ 25,665
Prepaid expenses	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-
Interfund receivables	-	-	-	-	-	-	-	-
<i>Total assets</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 729</u>	<u>\$ -</u>	<u>\$ 25,665</u>
LIABILITIES AND FUND BALANCES								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued expenses	-	-	-	-	-	-	-	-
Due to government	-	-	-	-	-	-	-	-
Unearned grant revenue	-	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	729	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>729</u>	<u>-</u>	<u>-</u>
Fund balances								
Fund Balance:								
Nonspendable	-	-	-	-	-	-	-	-
Restricted for:								
Education	-	-	-	-	-	-	-	25,665
Food service	-	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,665</u>
<i>Total liabilities and fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 729</u>	<u>\$ -</u>	<u>\$ 25,665</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

Statement B-1
 (Page 10 of 10)

	Special Revenue Funds						Total
	GRADS Plus 28203	Private Dir Grants (categorical) 29102	City/County Grants 29107	Math, Engineering, Science & Achievement 29110	School Based Health Center 29130	Wind Farm Projects 29134	
ASSETS							
Cash and investments	\$ 26,655	\$ 5,278	\$ 95,964	\$ 1,609	\$ 37,130	\$ 189,721	\$ 1,130,768
Prepaid expenses	-	-	-	-	-	-	45,884
Due from other governments	-	-	-	-	-	-	2,996,771
Interfund receivables	-	-	-	-	-	-	4,687
<i>Total assets</i>	<u>\$ 26,655</u>	<u>\$ 5,278</u>	<u>\$ 95,964</u>	<u>\$ 1,609</u>	<u>\$ 37,130</u>	<u>\$ 189,721</u>	<u>\$ 4,178,110</u>
LIABILITIES AND FUND BALANCES							
Accounts payable	\$ 3,088	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,332
Accrued expenses	155	-	1,614	-	-	3,329	180,839
Due to government	-	-	-	-	-	-	-
Unearned grant revenue	-	-	-	-	-	-	140,524
Interfund payable	-	-	-	-	-	-	2,834,534
<i>Total liabilities</i>	<u>3,243</u>	<u>-</u>	<u>1,614</u>	<u>-</u>	<u>-</u>	<u>3,329</u>	<u>3,219,229</u>
<i>Fund balances</i>							
Fund Balance:							
Nonspendable	-	-	-	-	-	-	45,884
Restricted for:							
Education	23,412	-	-	1,609	-	-	199,565
Food service	-	-	-	-	-	-	-
Social services	-	-	-	-	37,130	186,392	287,398
Transportation	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Other	-	5,278	94,350	-	-	-	445,347
Unassigned (deficit)	-	-	-	-	-	-	(19,313)
<i>Total fund balances</i>	<u>23,412</u>	<u>5,278</u>	<u>94,350</u>	<u>1,609</u>	<u>37,130</u>	<u>186,392</u>	<u>958,881</u>
<i>Total liabilities and fund balances</i>	<u>\$ 26,655</u>	<u>\$ 5,278</u>	<u>\$ 95,964</u>	<u>\$ 1,609</u>	<u>\$ 37,130</u>	<u>\$ 189,721</u>	<u>\$ 4,178,110</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

	Special Revenue Funds							
	Athletics 22000	Non-Instructional Support 23000	Title I IASA 24101	Javits Gifted and Talented 24102	Migrant Children Education 24103	Entitlement IDEA-B 24106	Preschool IDEA-B 24109	Education of Homeless 24113
<i>Revenues:</i>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and charges	28,704	189,931	-	-	-	-	-	-
Local aid	-	-	-	-	-	-	-	-
State aid	-	-	-	-	-	-	-	-
Federal aid	-	-	2,747,336	-	137,069	1,016,634	15,119	35,923
Earnings on investments	-	348	1,662,166	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	28,704	190,279	4,409,502	-	137,069	1,016,634	15,119	35,923
<i>Expenditures:</i>								
<i>Current:</i>								
Instruction	36,974	188,686	3,640,375	-	80,628	532,180	4,721	18,258
Support services - students	-	-	227,305	-	55,164	436,276	9,903	16,165
Support services - instruction	-	-	175,058	-	-	-	-	-
General administration	-	-	220,663	-	4,413	32,044	495	1,161
School administration	-	-	29,251	-	-	-	-	-
Central services	-	6,178	115,281	-	-	14,661	-	-
Operation of plant	-	-	241	-	652	7,333	-	189
Food services	-	-	-	-	-	-	-	-
Transportation	-	-	1,360	-	-	-	-	150
Other support services	-	-	-	-	-	-	-	-
<i>Debt service:</i>								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Bond issuance Cost	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	36,974	194,864	4,409,534	-	140,857	1,022,494	15,119	35,923
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(8,270)	(4,585)	(32)	-	(3,788)	(5,860)	-	-
<i>Other financing sources:</i>								
Debt proceeds	-	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-	-	-	-	-
<i>Net change in fund balances</i>	(8,270)	(4,585)	(32)	-	(3,788)	(5,860)	-	-
<i>Fund balance (deficit), June 30, 2015 as previously reported</i>	393	356,724	-	-	-	-	-	-
<i>Adjustments to fund balance (Note 18)</i>	(568)	(6,420)	-	-	-	-	-	-
<i>Fund balance (deficit), June 30, 2015 as restated</i>	(175)	350,304	-	-	-	-	-	-
<i>Fund balance (deficit), end of year</i>	\$ (8,445)	\$ 345,719	\$ (32)	\$ -	\$ (3,788)	\$ (5,860)	\$ -	\$ -

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

	Special Revenue Funds						
	IDEA-B Private School Share 24115	Title VII Emergency Immigrant Education 24116	Fresh Fruit and Vegetables 24118	Title I 1003g Grant 24124	Migrant Student Exchange Info 24127	Goals 2000 Local EDreform 24131	IDEA-B Results Plan 24132
<i>Revenues:</i>							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and charges	-	-	-	-	-	-	-
Local aid	-	-	-	-	-	-	-
State aid	-	-	-	-	-	-	-
Federal aid	-	-	134,338	-	-	-	-
Earnings on investments	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
<i>Total revenues</i>	-	-	134,338	-	-	-	-
<i>Expenditures:</i>							
Current:							
Instruction	-	-	-	-	-	-	-
Support services - students	-	-	-	-	-	-	-
Support services - instruction	-	-	-	-	-	-	-
General administration	-	-	-	-	-	-	-
School administration	-	-	-	-	-	-	-
Central services	-	-	-	-	-	-	-
Operation of plant	-	-	-	-	-	-	-
Food services	-	-	134,338	-	-	-	-
Transportation	-	-	-	-	-	-	-
Other support services	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Bond issuance Cost	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
<i>Total expenditures</i>	-	-	134,338	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-	-	-	-
<i>Other financing sources:</i>							
Debt proceeds	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-	-	-	-
<i>Fund balance (deficit), June 30, 2015 as previously reported</i>	-	-	1,039	-	-	-	-
<i>Adjustments to fund balance (Note 18)</i>	-	-	(1,039)	-	-	-	-
<i>Fund balance (deficit), June 30, 2015 as restated</i>	-	-	-	-	-	-	-
<i>Fund balance (deficit), end of year</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

	Special Revenue Funds						
	Enhancing Ed Through Tech 24133	Comprehensive School Reform 24135	Reading Excellence 24147	English Language Acquisition 24153	Teacher/Principal Training and Recruiting 24154	Title IV- Safe and Drug Free 24157	Rural and Low Income Schools 24160
<i>Revenues:</i>							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and charges	-	-	-	-	-	-	-
Local aid	-	-	-	-	-	-	-
State aid	-	-	-	-	-	-	-
Federal aid	-	-	-	38,435	297,203	-	89,780
Earnings on investments	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
<i>Total revenues</i>	-	-	-	38,435	297,203	-	89,780
<i>Expenditures:</i>							
Current:							
Instruction	-	-	-	40,099	287,973	-	86,882
Support services - students	-	-	-	-	(388)	-	-
Support services - instruction	-	-	-	-	-	-	-
General administration	-	-	-	(1,071)	9,618	-	2,898
School administration	-	-	-	(593)	-	-	-
Central services	-	-	-	-	-	-	-
Operation of plant	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Other support services	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Bond issuance Cost	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
<i>Total expenditures</i>	-	-	-	38,435	297,203	-	89,780
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-	-	-	-
<i>Other financing sources:</i>							
Debt proceeds	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-	-	-	-
<i>Fund balance (deficit), June 30, 2015 as previously reported</i>	-	-	-	-	-	-	-
<i>Adjustments to fund balance (Note 18)</i>	-	-	-	-	-	-	-
<i>Fund balance (deficit), June 30, 2015 as restated</i>	-	-	-	-	-	-	-
<i>Fund balance (deficit), end of year</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

	Special Revenue Funds						
	Title I- School Improvement 24162	Title III- Immigrant Funding 24163	Carl D Perkins Secondary Current 24174	Carl D Perkins Redistribution 24176	USHHS/CDC School Health 24186	Entitlement IDEA- B Federal Stimulus 24206	Child Nutrition Federal Stimulus 24218
<i>Revenues:</i>							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and charges	-	-	-	-	-	-	-
Local aid	-	-	-	-	-	-	-
State aid	-	-	-	-	-	-	-
Federal aid	149,796	-	49,586	10,896	5,385	-	-
Earnings on investments	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
<i>Total revenues</i>	<u>149,796</u>	<u>-</u>	<u>49,586</u>	<u>10,896</u>	<u>5,385</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>							
Current:							
Instruction	149,796	-	48,176	10,896	5,385	-	-
Support services - students	-	-	-	-	-	-	-
Support services - instruction	-	-	-	-	-	-	-
General administration	-	-	1,410	-	-	-	-
School administration	-	-	-	-	-	-	-
Central services	-	-	-	-	-	-	-
Operation of plant	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Other support services	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Bond issuance Cost	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
<i>Total expenditures</i>	<u>149,796</u>	<u>-</u>	<u>49,586</u>	<u>10,896</u>	<u>5,385</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources:</i>							
Debt proceeds	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance (deficit), June 30, 2015 as previously reported</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Adjustments to fund balance (Note 18)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance (deficit), June 30, 2015 as restated</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance (deficit), end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

	Special Revenue Funds							
	Title XIX	Teacher Quality	Emergency Food/	SEG- Federal	PNM	Reading is	A+ for	
	Medicaid 25153	ROTC 25200	Enhancement 25214	Shelter National 25246	Stimulus 25250	Foundation 26123	Fundamental 26137	Energy 26179
<i>Revenues:</i>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and charges	-	-	-	-	-	-	-	-
Local aid	-	-	-	-	-	-	-	-
State aid	-	-	-	-	-	-	-	-
Federal aid	118,602	25,526	-	3,500	-	-	-	-
Earnings on investments	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
<i>Total revenues</i>	<u>118,602</u>	<u>25,526</u>	<u>-</u>	<u>3,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>								
Current:								
Instruction	-	25,526	-	-	-	-	-	-
Support services - students	112,370	-	-	3,500	-	-	-	-
Support services - instruction	-	-	-	-	-	-	-	-
General administration	-	-	-	-	-	-	-	-
School administration	-	-	-	-	-	-	-	-
Central services	-	-	-	-	-	-	-	-
Operation of plant	1,144	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Other support services	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Bond issuance Cost	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
<i>Total expenditures</i>	<u>113,514</u>	<u>25,526</u>	<u>-</u>	<u>3,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>5,088</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources:</i>								
Debt proceeds	-	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>5,088</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance (deficit), June 30, 2015 as previously reported</i>	<u>57,407</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Adjustments to fund balance (Note 18)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance (deficit), June 30, 2015 as restated</i>	<u>57,407</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance (deficit), end of year</i>	<u>\$ 62,495</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

	Special Revenue Funds							
	State grant funds 27000	Community Based Org- PED 27102	Dual Credit Instructional Mat 27103	2008 GO Bond Student Library 27105	2010 GO Bond Student Library 27106	2012 GO Bond Student Library 27107	PARCC Infrastructure 27108	New Mexico Leads to Read 27114
<i>Revenues:</i>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and charges	-	-	-	-	-	-	-	-
Local aid	-	-	-	-	-	-	-	-
State aid	-	-	8,574	-	-	-	-	162,500
Federal aid	-	-	-	-	-	-	-	-
Earnings on investments	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
<i>Total revenues</i>	-	-	8,574	-	-	-	-	162,500
<i>Expenditures:</i>								
<i>Current:</i>								
Instruction	-	-	8,574	-	-	-	-	116,616
Support services - students	-	-	-	-	-	-	-	-
Support services - instruction	-	-	-	-	-	-	-	-
General administration	-	-	-	-	-	-	-	-
School administration	-	-	-	-	-	-	-	-
Central services	-	-	-	-	-	-	-	-
Operation of plant	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Other support services	-	-	-	-	-	-	-	-
<i>Debt service:</i>								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Bond issuance Cost	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
<i>Total expenditures</i>	-	-	8,574	-	-	-	-	116,616
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-	-	-	-	45,884
<i>Other financing sources:</i>								
Debt proceeds	-	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-	-	-	-	45,884
<i>Fund balance (deficit), June 30, 2015 as previously reported</i>	-	(7,289)	(5,000)	(18,134)	(2,608)	(28,471)	(685,197)	-
<i>Adjustments to fund balance (Note 18)</i>	-	7,289	5,000	18,134	2,608	28,471	685,197	-
<i>Fund balance (deficit), June 30, 2015 as restated</i>	-	-	-	-	-	-	-	-
<i>Fund balance (deficit), end of year</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,884

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

	Special Revenue Funds							
	Technology for Education PED 27117	Physical Ed Classes- PED 27121	Computerized Learning System 27123	TANF- Full Day Kinder 27136	Incentives for School Improvement 27138	Truancy CYFD 27139	Family & Youth Resource Pro PED 27140	Truancy Initiative- PED 27141
<i>Revenues:</i>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and charges	-	-	-	-	-	-	-	-
Local aid	-	-	-	-	-	-	-	-
State aid	-	-	-	-	-	-	-	-
Federal aid	-	-	-	-	-	-	-	-
Earnings on investments	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
<i>Total revenues</i>	-	-	-	-	-	-	-	-
<i>Expenditures:</i>								
Current:								
Instruction	-	-	-	-	-	-	-	-
Support services - students	-	-	-	-	-	-	-	-
Support services - instruction	-	-	-	-	-	-	-	-
General administration	-	-	-	-	-	-	-	-
School administration	-	-	-	-	-	-	-	-
Central services	-	-	-	-	-	-	-	-
Operation of plant	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Other support services	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Bond issuance Cost	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
<i>Total expenditures</i>	-	-	-	-	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-	-	-	-	-
<i>Other financing sources:</i>								
Debt proceeds	-	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-	-	-	-	-
<i>Fund balance (deficit), June 30, 2015 as previously reported</i>	142,170	(3,597)	109	(3)	(11,190)	1,381	-	(5,492)
<i>Adjustments to fund balance (Note 18)</i>	-	3,597	-	3	11,190	-	-	5,492
<i>Fund balance (deficit), June 30, 2015 as restated</i>	142,170	-	109	-	-	1,381	-	-
<i>Fund balance (deficit), end of year</i>	\$ 142,170	\$ -	\$ 109	\$ -	\$ -	\$ 1,381	\$ -	\$ -

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

	Special Revenue Funds							
	Libraries- GO Bond	PreK	Reading	Mid-school	Beginning	Reading	Technology	School Improvement
	Laws of 2004 27145	Initiative 27149	Improvement Initiatives 27152	Tutoring 27153	Teacher Mentoring 27154	Materials 27158	Equity 27162	Framework 27164
<i>Revenues:</i>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and charges	-	-	-	-	-	-	-	-
Local aid	-	-	-	-	-	-	-	-
State aid	-	857,662	-	-	-	-	-	-
Federal aid	-	-	-	-	-	-	-	-
Earnings on investments	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
<i>Total revenues</i>	-	857,662	-	-	-	-	-	-
<i>Expenditures:</i>								
Current:								
Instruction	-	766,450	-	-	-	-	-	-
Support services - students	-	-	-	-	-	-	-	-
Support services - instruction	-	-	-	-	-	-	-	-
General administration	-	-	-	-	-	-	-	-
School administration	-	92,400	-	-	-	-	-	-
Central services	-	-	-	-	-	-	-	-
Operation of plant	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Other support services	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Bond issuance Cost	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
<i>Total expenditures</i>	-	858,850	-	-	-	-	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	(1,188)	-	-	-	-	-	-
<i>Other financing sources:</i>								
Debt proceeds	-	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-	-	-	-	-
<i>Net change in fund balances</i>	-	(1,188)	-	-	-	-	-	-
<i>Fund balance (deficit), June 30, 2015 as previously reported</i>	(10,347)	-	-	-	-	(7,896)	(28,957)	6,600
<i>Adjustments to fund balance (Note 18)</i>	10,347	-	-	-	-	7,896	28,957	-
<i>Fund balance (deficit), June 30, 2015 as restated</i>	-	-	-	-	-	-	-	6,600
<i>Fund balance (deficit), end of year</i>	\$ -	\$ (1,188)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,600

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

	Special Revenue Funds							
	Kindergarten Three Plus 27166	Libraries- SB 301 GO Bond- Law of 2006 27170	2010 GOB Instructional Mat 27171	NM Grown FFV 27183	Advanced Computers 27514	Crisis Intervention Training CYFD 28136	Space Grant Consortium NMSU 28157	- GEAR UP 28178
<i>Revenues:</i>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and charges	-	-	-	-	-	-	-	-
Local aid	-	-	-	-	-	-	-	-
State aid	1,158,755	-	-	5,792	-	-	-	16,356
Federal aid	-	-	-	-	-	-	-	-
Earnings on investments	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
<i>Total revenues</i>	<u>1,158,755</u>	<u>-</u>	<u>-</u>	<u>5,792</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,356</u>
<i>Expenditures:</i>								
Current:								
Instruction	1,063,464	-	-	-	-	-	-	-
Support services - students	17,415	-	-	-	-	-	-	-
Support services - instruction	-	-	-	-	-	-	-	-
General administration	-	-	-	-	-	-	-	-
School administration	61,413	-	-	-	-	-	-	-
Central services	-	-	-	-	-	-	-	-
Operation of plant	12,868	-	-	-	-	-	-	-
Food services	-	-	-	5,792	-	-	-	-
Transportation	3,595	-	-	-	-	-	-	-
Other support services	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Bond issuance Cost	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
<i>Total expenditures</i>	<u>1,158,755</u>	<u>-</u>	<u>-</u>	<u>5,792</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-	-	-	-	16,356
<i>Other financing sources:</i>								
Debt proceeds	-	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-	-	-	-	16,356
<i>Fund balance (deficit), June 30, 2015 as previously reported</i>	-	(41,527)	(44,812)	-	(9,300)	(12,588)	-	(24,022)
<i>Adjustments to fund balance (Note 18)</i>	-	41,527	44,812	-	9,300	12,588	-	7,666
<i>Fund balance (deficit), June 30, 2015 as restated</i>	-	-	-	-	-	-	-	(16,356)
<i>Fund balance (deficit), end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

Statement B-2
 (Page 10 of 10)

	Special Revenue Funds							Total
	GRADS	GRADS	Private Dir	City/County	Math, Engineering,	School Based	Wind Farm	
	Instruction	Plus	Grants (categorical)	Grants	Science & Achievement	Health Center	Projects	
28190	28203	29102	29107	29110	29130	29134		
<i>Revenues:</i>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and charges	-	-	-	-	-	-	-	218,635
Local aid	-	-	-	132,000	-	-	-	132,000
State aid	-	21,635	-	-	-	-	-	2,231,274
Federal aid	-	-	-	-	-	-	-	4,875,128
Earnings on investments	-	-	-	864	-	-	-	1,663,378
Miscellaneous	-	-	-	-	-	-	57,450	57,450
Total revenues	-	21,635	-	132,864	-	-	57,450	9,177,865
<i>Expenditures:</i>								
Current:								
Instruction	-	17,387	-	113,724	-	-	-	7,242,770
Support services - students	-	-	-	-	-	-	-	877,710
Support services - instruction	-	-	-	-	-	-	-	175,058
General administration	-	-	-	-	-	-	-	271,631
School administration	-	-	-	-	-	-	-	182,471
Central services	-	-	-	-	-	-	-	136,120
Operation of plant	-	-	-	-	-	-	289,877	312,304
Food services	-	-	-	-	-	-	-	140,130
Transportation	-	-	-	-	-	-	-	5,105
Other support services	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Bond issuance Cost	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	-	17,387	-	113,724	-	-	289,877	9,343,299
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	4,248	-	19,140	-	-	(232,427)	(165,434)
<i>Other financing sources:</i>								
Debt proceeds	-	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-	-	-	-	-
<i>Net change in fund balances</i>	-	4,248	-	19,140	-	-	(232,427)	(165,434)
<i>Fund balance (deficit), June 30, 2015 as previously reported</i>	25,665	19,164	5,278	75,210	1,609	37,130	418,819	202,268
<i>Adjustments to fund balance (Note 18)</i>	-	-	-	-	-	-	-	922,047
<i>Fund balance (deficit), June 30, 2015 as restated</i>	25,665	19,164	5,278	75,210	1,609	37,130	418,819	1,124,315
<i>Fund balance (deficit), end of year</i>	\$ 25,665	\$ 23,412	\$ 5,278	\$ 94,350	\$ 1,609	\$ 37,130	\$ 186,392	\$ 958,881

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - ATHLETICS (22000)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-1

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Local sources	\$ -	\$ -	\$ -	\$ -
Charges for services	101,012	101,012	28,704	(72,308)
<i>Total revenues</i>	<u>101,012</u>	<u>101,012</u>	<u>28,704</u>	<u>(72,308)</u>
<i>Expenditures:</i>				
Current:				
Instruction	101,012	101,012	29,065	71,947
<i>Total expenditures</i>	<u>101,012</u>	<u>101,012</u>	<u>29,065</u>	<u>71,947</u>
Net change in fund balance	-	-	(361)	(144,255)
Fund balance, July 1, 2015 as restated	-	-	393	393
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32</u>	<u>\$ (143,862)</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>(7,909)</u>	
Change in fund balance			<u>\$ (8,270)</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND- NON-INSTRUCTIONAL SUPPORT (23000)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-2

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Charges for services	\$ 360,000	\$ 360,000	\$ 189,931	\$ -
Earnings on investments	1,000	1,000	347	(653)
<i>Total revenues</i>	<u>361,000</u>	<u>361,000</u>	<u>190,278</u>	<u>(653)</u>
<i>Expenditures:</i>				
Current:				
Instruction	851,005	851,005	190,603	660,402
Central Services	-	-	6,178	(6,178)
<i>Total expenditures</i>	<u>851,005</u>	<u>851,005</u>	<u>196,781</u>	<u>654,224</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(490,005)</u>	<u>(490,005)</u>	<u>(6,503)</u>	<u>(654,877)</u>
<i>Other financing sources (uses):</i>				
Designated cash	490,005	490,005		490,005
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>490,005</u>	<u>490,005</u>	<u>-</u>	<u>490,005</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(6,503)</u>	<u>(164,872)</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	356,724	356,724
Fund balance, June 30, 2016	<u>-</u>	<u>-</u>	<u>350,221</u>	<u>\$ 516,985</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>1,918</u>	
Change in fund balance			<u>\$ (4,585)</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND- TITLE I IASA (24101)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-3

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ 4,067,893	\$ 5,107,344	\$ 3,012,455	\$ (2,094,889)
Earnings on investments	-	-	1,662,166	1,662,166
<i>Total revenues</i>	<u>4,067,893</u>	<u>5,107,344</u>	<u>4,674,621</u>	<u>(432,723)</u>
<i>Expenditures:</i>				
Current:				
Instruction	3,303,493	4,302,944	3,640,339	662,605
Support services				
Students	176,200	176,200	227,305	(51,105)
Instruction	158,290	158,290	175,058	(16,768)
General Administration	131,096	171,096	220,663	(49,567)
School Administration	237,440	237,440	29,251	208,189
Central services	61,374	61,374	115,281	(53,907)
Operations & Maintenance of Plant	-	-	241	(241)
Student Transportation	-	-	1,360	(1,360)
<i>Total expenditures</i>	<u>4,067,893</u>	<u>5,107,344</u>	<u>4,409,498</u>	<u>697,846</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>265,123</u>	<u>(1,130,569)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>265,123</u>	<u>(1,130,569)</u>
Fund balance, July 1, 2015 (deficit), as restated	<u>-</u>	<u>-</u>	<u>(2,185,850)</u>	<u>(2,185,850)</u>
Fund balance, June 30, 2016 (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,920,727)</u>	<u>\$ (4,446,988)</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ (265,119)	
Expenditure accruals			<u>(36)</u>	
Change in fund balance			<u>\$ (32)</u>	

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND- JAVITS GIFTED AND TALENTED (24102)
 FOR THE YEAR ENDING JUNE 30, 2016**

Statement C-4

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ -	\$ -	-
Earnings on investments	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central services	-	-	-	-
Operations & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>1,206</u>	<u>1,206</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,206</u>	<u>\$ 1,206</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND- MIGRANT CHILDREN EDUCATION (24103)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-5

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ 184,331	\$ 184,331	\$ 199,744	\$ 15,413
Earnings on investments	-	-	-	-
<i>Total revenues</i>	<u>184,331</u>	<u>184,331</u>	<u>199,744</u>	<u>15,413</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	121,533	116,488	76,840	39,648
Support services				
Students	61,548	66,593	55,164	11,429
Instruction	-	-	-	-
General Administration	-	-	4,413	(4,413)
School Administration	-	-	-	-
Central services	-	-	-	-
Operations & Maintenance of Plant	1,250	1,250	652	598
Student Transportation	-	-	-	-
<i>Total expenditures</i>	<u>184,331</u>	<u>184,331</u>	<u>137,069</u>	<u>47,262</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>62,675</u>	<u>(31,849)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>62,675</u>	<u>(31,849)</u>
Fund balance, July 1, 2015 (deficit), as restated	<u>-</u>	<u>-</u>	<u>(105,246)</u>	<u>(105,246)</u>
Fund balance, June 30, 2016 (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (42,571)</u>	<u>\$ (168,944)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			\$ (62,675)	
Expenditure accruals			<u>(3,788)</u>	
Change in fund balance			<u>\$ (3,788)</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND- ENTITLEMENT IDEA-B (24106)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-6

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ 954,697	\$ 1,660,848	\$ 973,225	\$ (687,623)
Earnings on investments	-	-	-	-
<i>Total revenues</i>	<u>954,697</u>	<u>1,660,848</u>	<u>973,225</u>	<u>(687,623)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	496,930	982,635	529,918	452,717
Support services				
Students	385,631	562,512	433,247	129,265
Instruction	-	-	-	-
General Administration	34,465	58,065	32,044	26,021
School Administration	-	-	-	-
Central services	21,671	37,687	14,661	23,026
Operations & Maintenance of Plant	16,000	19,949	6,764	13,185
Student Transportation	-	-	-	-
<i>Total expenditures</i>	<u>954,697</u>	<u>1,660,848</u>	<u>1,016,634</u>	<u>644,214</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(43,409)</u>	<u>(1,331,837)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(43,409)</u>	<u>(1,331,837)</u>
Fund balance, July 1, 2015 (deficit), as restated	<u>-</u>	<u>-</u>	<u>(311,725)</u>	<u>(311,725)</u>
Fund balance, June 30, 2016 (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (355,134)</u>	<u>\$ (2,975,399)</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ 43,409	
Expenditure accruals			<u>(5,860)</u>	
Change in fund balance			<u>\$ (5,860)</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - PRESCHOOL IDEA-B (24109)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-7

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ 20,049	\$ 34,774	\$ 14,198	\$ (20,576)
<i>Total revenues</i>	<u>20,049</u>	<u>34,774</u>	<u>14,198</u>	<u>(20,576)</u>
<i>Expenditures:</i>				
Current:				
Instruction	10,049	23,692	4,721	18,971
Support Services	-	-	-	-
Students	10,000	10,000	9,903	97
General Administration	-	1,082	495	587
School Administration	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>20,049</u>	<u>34,774</u>	<u>15,119</u>	<u>19,655</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>(921)</u>	<u>(40,231)</u>
Fund balance, July 1, 2015 (deficit), as restated	<u>-</u>	<u>-</u>	<u>(3,829)</u>	<u>(3,829)</u>
Fund balance, June 30, 2016 (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,750)</u>	<u>\$ (44,060)</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ 921	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - EDUCATION OF THE HOMELESS (24113)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-8

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ 29,502	\$ 36,091	\$ 27,335	\$ -
<i>Total revenues</i>	<u>29,502</u>	<u>36,091</u>	<u>27,335</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	12,000	18,352	18,258	94
Support Services				
Students	16,427	16,427	16,165	262
General administration	1,075	1,312	1,161	151
Operations & Maintenance of Plant	-	-	189	(189)
Student Transportation	-	-	150	(150)
<i>Total expenditures</i>	<u>29,502</u>	<u>36,091</u>	<u>35,923</u>	<u>168</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>(8,588)</u>	<u>-</u>
Fund balance, July 1, 2015 (deficit), as restated	<u>-</u>	<u>-</u>	<u>(5,014)</u>	<u>(5,014)</u>
Fund balance, June 30, 2016 (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (13,602)</u>	<u>\$ (5,014)</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ 8,588	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - IDEA-B PRIVATE SCHOOL SHARE (24115)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-9

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
General Administration	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>619</u>	<u>619</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 619</u>	<u>\$ 619</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - TITLE VII EMERGENCY IMMIGRANT EDUCATION (24116)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-10

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance				
Fund balance, July 1, 2015	-	-	1,253	1,253
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,253</u>	<u>\$ 1,253</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - FRESH FRUITS AND VEGETABLES (24118)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-11

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ 134,375	\$ 141,269	\$ (6,894)
<i>Total revenues</i>	<u>-</u>	<u>134,375</u>	<u>141,269</u>	<u>(6,894)</u>
<i>Expenditures:</i>				
Current:				
Food services	-	134,375	134,338	37
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>134,375</u>	<u>134,338</u>	<u>37</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>6,931</u>	<u>(6,931)</u>
Fund balance, July 1, 2015 (deficit), as restated	<u>-</u>	<u>-</u>	<u>(6,931)</u>	<u>6,931</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ (6,931)	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - TITLE I 1003G GRANT (24124)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-12

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instructional	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance				
Fund balance, July 1, 2015, as restated	-	-	-	-
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - MIGRANT STUDENT EXCHANGE INFO (24127)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-13

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance				
Fund balance, July 1, 2015	-	-	219	219
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 219</u>	<u>\$ 219</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - GOALS 2000 LOCAL EDREFORM (24131)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-14

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>2,406</u>	<u>2,406</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,406</u>	<u>\$ 2,406</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - IDEA-B RESULTS PLAN (24132)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-15

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instructional	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance				
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>219</u>	<u>219</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 219</u>	<u>\$ 219</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - ENHANCING ED THROUGH TECH (24133)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-16

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instructional	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance				
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>28,806</u>	<u>28,806</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,806</u>	<u>\$ 28,806</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - COMPREHENSIVE SCHOOL REFORM (24135)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-17

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - READING EXCELLENCE (24147)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-18

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance				
Fund balance, July 1, 2015	-	-	2,023	2,023
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,023</u>	<u>\$ 2,023</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - ENGLISH LANGUAGE ACQUISITION (24153)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-19

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ 145,212	\$ 225,554	\$ 70,251	\$ (155,303)
<i>Total revenues</i>	<u>145,212</u>	<u>225,554</u>	<u>70,251</u>	<u>(155,303)</u>
<i>Expenditures:</i>				
Current:				
Instruction	142,366	221,133	40,099	181,034
Support services				
Students	-	-	-	-
General administration	2,846	4,421	(1,071)	5,492
School administration	-	-	(593)	593
<i>Total expenditures</i>	<u>145,212</u>	<u>225,554</u>	<u>38,435</u>	<u>187,119</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>31,816</u>	<u>-</u>
Fund balance, July 1, 2015 (deficit), as restated	<u>-</u>	<u>-</u>	<u>(47,937)</u>	<u>(47,937)</u>
Fund balance, June 30, 2016 (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (16,121)</u>	<u>\$ (47,937)</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ (31,816)	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - TEACHER/PRINCIPAL TRAINING & RECRUITING (24154)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-20

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ 298,489	\$ 552,346	\$ 214,243	\$ -
<i>Total revenues</i>	<u>298,489</u>	<u>552,346</u>	<u>214,243</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	289,164	534,136	287,973	246,163
Support Services				
Students	-	-	(388)	388
General Administration	9,325	18,210	9,618	8,592
<i>Total expenditures</i>	<u>298,489</u>	<u>552,346</u>	<u>297,203</u>	<u>255,143</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>(82,960)</u>	<u>(255,143)</u>
Fund balance, July 1, 2015 (deficit), as restated	<u>-</u>	<u>-</u>	<u>(89,278)</u>	<u>(89,278)</u>
Fund balance, June 30, 2016 (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (172,238)</u>	<u>\$ (344,421)</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ 82,960	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - TITLE IV- SAFE AND DRUG FREE SCHOOLS (24157)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-21

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services - students	-	-	-	-
General administration				
Central services	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance				
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>71,266.00</u>	<u>71,266.00</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71,266</u>	<u>\$ 71,266</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - RURAL AND LOW INCOME SCHOOLS (24160)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-22

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ 89,780	\$ 89,780	\$ 89,780	\$ -
<i>Total revenues</i>	<u>89,780</u>	<u>89,780</u>	<u>89,780</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	86,781	86,781	86,781	-
Support Services				
Students	-	-	-	-
General Administration	2,999	2,999	2,898	101
<i>Total expenditures</i>	<u>89,780</u>	<u>89,780</u>	<u>89,679</u>	<u>101</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>101</u>	<u>(101)</u>
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 101</u>	<u>\$ (101)</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>(101)</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - TITLE I SCHOOL IMPROVEMENT (24162)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-23

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ 221,000	\$ 133,666	\$ -
<i>Total revenues</i>	<u>-</u>	<u>221,000</u>	<u>133,666</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	221,000	149,796	71,204
Support Services				
Students	-	-	-	-
General Administration	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>221,000</u>	<u>149,796</u>	<u>71,204</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>(16,130)</u>	<u>(71,204)</u>
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2016 (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (16,130)</u>	<u>\$ (71,204)</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ 16,130	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND -TITLE III IMMIGRANT FUNDING (24163)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-24

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
General administration	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>4,716</u>	<u>4,716</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,716</u>	<u>\$ 4,716</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - CARL D. PERKINS SECONDARY- CURRENT (24174)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-25

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ 45,000	\$ 60,920	\$ 81,592	\$ -
<i>Total revenues</i>	<u>45,000</u>	<u>60,920</u>	<u>81,592</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	42,751	58,671	48,176	10,495
General administration	2,249	2,249	1,410	839
School administration	-	-	-	-
<i>Total expenditures</i>	<u>45,000</u>	<u>60,920</u>	<u>49,586</u>	<u>11,334</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>32,006</u>	<u>(11,334)</u>
Fund balance, July 1, 2015 (deficit), as restated	<u>-</u>	<u>-</u>	<u>(34,762)</u>	<u>(34,762)</u>
Fund balance, June 30, 2016 (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,756)</u>	<u>\$ (46,096)</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ (32,006)	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - CARL D. PERKINS REDISTRIBUTION (24176)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-26

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ 4,545	\$ 15,916	\$ 4,545	\$ -
<i>Total revenues</i>	<u>4,545</u>	<u>15,916</u>	<u>4,545</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	4,345	15,716	10,896	-
General administration	200	200	-	200
School administration	-	-	-	-
<i>Total expenditures</i>	<u>4,545</u>	<u>15,916</u>	<u>10,896</u>	<u>200</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>(6,351)</u>	<u>(200)</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2016 (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,351)</u>	<u>\$ (200)</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ 6,351	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - USHHS/CDC SCHOOL HEALTH (24186)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-27

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ 7,500	\$ 1,499	\$ (6,001)
<i>Total revenues</i>	<u>-</u>	<u>7,500</u>	<u>1,499</u>	<u>(6,001)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	7,500	5,385	2,115
<i>Total expenditures</i>	<u>-</u>	<u>7,500</u>	<u>5,385</u>	<u>2,115</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>(3,886)</u>	<u>(8,116)</u>
Fund balance, July 1, 2015 (deficit)	<u>-</u>	<u>-</u>	<u>(1,499)</u>	<u>(1,499)</u>
Fund balance, June 30, 2016 (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,385)</u>	<u>\$ (9,615)</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ 3,886	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - ENTITLEMENT IDEA-B FEDERAL STIMULUS (24206)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-28

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
General administration	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance				
Fund balance, July 1, 2015, as restated	-	-	79	79
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 79</u>	<u>\$ 79</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - CHILD NUTRITION FEDERAL STIMULUS (24218)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-29

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
General administration	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance				
Fund balance, July 1, 2015	-	-	26,244	26,244
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,244</u>	<u>\$ 26,244</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - TITLE XIX MEDICAID (25153)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-30

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ 113,474	\$ 113,474	\$ 118,602	\$ 5,128
<i>Total revenues</i>	<u>113,474</u>	<u>113,474</u>	<u>118,602</u>	<u>5,128</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services - students	114,909	114,909	112,370	2,539
General administration	-	-	-	-
Operation of plant	-	-	1,003	(1,003)
<i>Total expenditures</i>	<u>114,909</u>	<u>114,909</u>	<u>113,373</u>	<u>1,536</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,435)</u>	<u>(1,435)</u>	<u>5,229</u>	<u>3,592</u>
<i>Other financing sources (uses):</i>				
Designated cash	1,435	1,435	-	1,435
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,435</u>	<u>1,435</u>	<u>-</u>	<u>1,435</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>5,229</u>	<u>5,027</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>57,407</u>	<u>57,407</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,636</u>	<u>\$ 68,896</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>(141)</u>	
Change in fund balance			<u>\$ 5,088</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - ROTC (25200)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-31

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ 53,641	\$ 53,641	\$ 28,045	\$ (25,596)
<i>Total revenues</i>	<u>53,641</u>	<u>53,641</u>	<u>28,045</u>	<u>(25,596)</u>
<i>Expenditures:</i>				
Current:				
Instruction	53,641	53,641	25,526	28,115
<i>Total expenditures</i>	<u>53,641</u>	<u>53,641</u>	<u>25,526</u>	<u>28,115</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>2,519</u>	<u>(53,711)</u>
Fund balance, July 1, 2015 (deficit), as restated	<u>-</u>	<u>-</u>	<u>(4,877)</u>	<u>(4,877)</u>
Fund balance, June 30, 2016 (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,358)</u>	<u>\$ (58,588)</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ (2,519)	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - TEACHER QUALITY ENHANCEMENT (25214)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-32

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance				
Fund balance, July 1, 2015	-	-	3	3
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 3</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - EMERGENCY FOOD/SHELTER FOOD (25246)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-33

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Support services - students	-	6,250	3,500	2,750
<i>Total expenditures</i>	<u>-</u>	<u>6,250</u>	<u>3,500</u>	<u>2,750</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(6,250)</u>	<u>(3,500)</u>	<u>(2,750)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	6,250	-	6,250
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>6,250</u>	<u>-</u>	<u>6,250</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(3,500)</u>	<u>3,500</u>
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>6,250</u>	<u>6,250</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,750</u>	<u>\$ 9,750</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ 3,500	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - SEG-FEDERAL STIMULUS (25250)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-34

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Operation of plant	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
Net change in fund balance				
Fund balance, July 1, 2015	-	-	2,495	2,495
Fund balance, June 30, 2016	\$ -	\$ -	\$ 2,495	\$ 2,495
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			-	
Change in fund balance			\$ -	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - PNM FOUNDATION (26123)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-35

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>227</u>	<u>227</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 227</u>	<u>\$ 227</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - READING IS FUNDAMENTAL (26137)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-36

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>18</u>	<u>18</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18</u>	<u>\$ 18</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - A+ FOR ENERGY (26179)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-37

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Federal sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>49</u>	<u>49</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49</u>	<u>\$ 49</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - STATE GRANT FUNDS (27000)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-38

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	13,917	13,917
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,917</u>	<u>\$ 13,917</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - COMMUNITY BASED ORG- PED (27102)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-39

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - DUAL CREDIT INSTRUCTIONAL MATERIALS (27103)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-40

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ 10,087	\$ 10,139	\$ 52
<i>Total revenues</i>	<u>-</u>	<u>10,087</u>	<u>10,139</u>	<u>52</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	10,087	8,574	1,513
<i>Total expenditures</i>	<u>-</u>	<u>10,087</u>	<u>8,574</u>	<u>1,513</u>
<i>Excess (deficiency) of revenues under (over) expenditures</i>	<u>-</u>	<u>-</u>	<u>1,565</u>	<u>(1,461)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>1,565</u>	<u>(1,461)</u>
Fund balance, July 1, 2015 (deficit), as restated	<u>-</u>	<u>-</u>	<u>(1,565)</u>	<u>(1,565)</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,026)</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ (1,565)	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - 2008 GO BOND STUDENT LIBRARY (27105)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-41

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - 2010 GO BOND STUDENT LIBRARY (27106)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-42

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND -2012 GO BOND STUDENT LIBRARY (27107)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-43

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2016	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u><u>\$ -</u></u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - PARCC INFRASTRUCTURE (27108)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-44

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015, as restated, (deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2016	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u><u>\$ -</u></u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - NEW MEXICO LEADS TO READ (27114)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-45

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ 162,500	\$ 162,500	\$ 162,500	\$ -
<i>Total revenues</i>	<u>162,500</u>	<u>162,500</u>	<u>162,500</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	162,500	162,500	162,500	-
<i>Total expenditures</i>	<u>162,500</u>	<u>162,500</u>	<u>162,500</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balance, July 1, 2015	-	-	-	-
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>(45,884)</u>	
Change in fund balance			<u>\$ 45,884</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - TECHNOLOGY FOR EDUCATION PED (27117)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-46

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	142,170	142,170
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 142,170</u>	<u>\$ 142,170</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - PHYSICAL ED CLASSES- PED (27121)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-47

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - COMPUTERIZED LEARNING SYSTEM (27123)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-48

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>109</u>	<u>109</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 109</u>	<u>\$ 109</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - TANF-FULL DAY KINDER (27136)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-49

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - INCENTIVES FOR SCHOOL IMPROVEMENT (27138)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-50

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2016	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u><u>\$ -</u></u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - TRUANCY CYFD (27139)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-51

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>1,381</u>	<u>1,381</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,381</u>	<u>\$ 1,381</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - FAMILY AND YOUTH RESOURCE PRO PED (27140)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-52

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>8,021</u>	<u>8,021</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,021</u>	<u>\$ 8,021</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - TRUANCY INITIATIVE PED (27141)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-53

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - LIBRARIES- GO BOND LAWS OF 2004 (27145)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-54

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - PRE-K INITIATIVE (27149)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-55

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ 785,364	\$ 1,003,386	\$ 806,474	\$ (196,912)
<i>Total revenues</i>	<u>785,364</u>	<u>1,003,386</u>	<u>806,474</u>	<u>(196,912)</u>
<i>Expenditures:</i>				
Current:				
Instruction	682,486	900,508	765,260	135,248
Support services				
School administration	102,878	102,878	92,400	10,478
<i>Total expenditures</i>	<u>785,364</u>	<u>1,003,386</u>	<u>857,660</u>	<u>145,726</u>
Net change in fund balance	-	-	(51,186)	(342,638)
Fund balance, July 1, 2015 (deficit)	-	-	(170,620)	(170,620)
Fund balance, June 30, 2016 (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (221,806)</u>	<u>\$ (513,258)</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ 51,188	
Expenditure accruals			<u>1,190</u>	
Change in fund balance			<u>\$ (1,188)</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - READING IMPROVEMENT INITIATIVE (27152)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-56

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>6</u>	<u>6</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6</u>	<u>\$ 6</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - MID-SCHOOL TUTORING (27153)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-57

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>745</u>	<u>745</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 745</u>	<u>\$ 745</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - BEGINNING TEACHER MENTORING (27154)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-58

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>14,677</u>	<u>14,677</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,677</u>	<u>\$ 14,677</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - READING MATERIALS (27158)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-59

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2016	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u><u>\$ -</u></u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - TECHNOLOGY EQUITY (27162)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-60

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - SCHOOL IMPROVEMENT FRAMEWORK (27164)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-61

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>6,600</u>	<u>6,600</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,600</u>	<u>\$ 6,600</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - KINDERGARTEN THREE PLUS (27166)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-62

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ 1,418,411	\$ 1,216,014	\$ 1,242,696	\$ 26,682
<i>Total revenues</i>	<u>1,418,411</u>	<u>1,216,014</u>	<u>1,242,696</u>	<u>26,682</u>
<i>Expenditures:</i>				
Current:				
Instruction	1,319,102	1,116,705	1,063,467	53,238
Support services				
Students	45,797	45,797	17,415	28,382
School administration	39,018	39,018	61,413	(22,395)
Operation of plant	14,494	14,494	12,868	1,626
Transportation	-	-	3,595	(3,595)
<i>Total expenditures</i>	<u>1,418,411</u>	<u>1,216,014</u>	<u>1,158,758</u>	<u>57,256</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>83,938</u>	<u>(30,574)</u>
Fund balance, July 1, 2015 (deficit), as restated	<u>-</u>	<u>-</u>	<u>(292,392)</u>	<u>(292,392)</u>
Fund balance, June 30, 2016 (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (208,454)</u>	<u>\$ (322,966)</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ (83,938)	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - LIBRARIES- SB 301 GO BOND LAW OF 2006 (27170)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-63

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - 2010 GOB INSTRUCTIONAL MATERIALS (27171)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-64

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - NM GROWN FFV (27183)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-65

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ 5,806	\$ 5,792	\$ (14)
<i>Total revenues</i>	<u>-</u>	<u>5,806</u>	<u>5,792</u>	<u>(14)</u>
<i>Expenditures:</i>				
Current:				
Food services	-	5,806	5,792	14
<i>Total expenditures</i>	<u>-</u>	<u>5,806</u>	<u>5,792</u>	<u>14</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - ADVANCED COMPUTERS (27514)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-66

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - CRISIS INTERVENTION TRAINING CYFD (28136)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-67

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - SPACE GRANT CONSORTIUM NMSU (28157)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-68

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Food services	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>729</u>	<u>729</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 729</u>	<u>\$ 729</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - GEAR UP (28178)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-69

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ 16,356	\$ 16,356
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>16,356</u>	<u>16,356</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>16,356</u>	<u>16,356</u>
Fund balance, July 1, 2015 (deficit), as restated	<u>-</u>	<u>-</u>	<u>(16,356)</u>	<u>(16,356)</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ 16,356</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - GRADS INSTRUCTION (28190)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-70

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>25,665</u>	<u>25,665</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,665</u>	<u>\$ 25,665</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - GRADS PLUS (28203)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-71

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ 15,000	\$ 21,635	\$ 6,635
<i>Total revenues</i>	<u>-</u>	<u>15,000</u>	<u>21,635</u>	<u>6,635</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	15,000	14,299	701
<i>Total expenditures</i>	<u>-</u>	<u>15,000</u>	<u>14,299</u>	<u>701</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>7,336</u>	<u>5,934</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>19,164</u>	<u>19,164</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,500</u>	<u>\$ 25,098</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>3,088</u>	
Change in fund balance			<u>\$ 4,248</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - PRIVATE DIRECT GRANTS CATEGORICAL (29102)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-72

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Food services	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>5,278</u>	<u>5,278</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,278</u>	<u>\$ 5,278</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND- CITY COUNTY GRANTS (29107)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-73

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Local grants	\$ -	\$ -	\$ 132,000	\$ -
Earnings on investments	-	-	864	864
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>132,864</u>	<u>864</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	38,738	113,948	113,724	224
Central Services	-	-	-	-
<i>Total expenditures</i>	<u>38,738</u>	<u>113,948</u>	<u>113,724</u>	<u>224</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(38,738)</u>	<u>(113,948)</u>	<u>19,140</u>	<u>640</u>
<i>Other financing sources (uses):</i>				
Designated cash	38,738	113,948		113,948
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>38,738</u>	<u>113,948</u>	<u>-</u>	<u>113,948</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>19,140</u>	<u>114,588</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>75,210</u>	<u>75,210</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 94,350</u>	<u>\$ 418,334</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ 19,140</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - MATH, ENGINEERING, SCIENCE & ACHIEVEMENT (29110)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-74

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Food services	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>1,609</u>	<u>1,609</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,609</u>	<u>\$ 1,609</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - SCHOOL BASED HEALTH CENTER (29130)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-75

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
State sources	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Food services	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>37,130</u>	<u>37,130</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,130</u>	<u>\$ 37,130</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 SPECIAL REVENUE FUND - WIND FARM PROJECTS (29134)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-76

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Local sources	\$ 232,400	\$ 232,400	\$ 57,450	\$ (174,950)
<i>Total revenues</i>	<u>232,400</u>	<u>232,400</u>	<u>57,450</u>	<u>(174,950)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services -				
Operation of plant	617,492	617,492	289,877	327,615
<i>Total expenditures</i>	<u>617,492</u>	<u>617,492</u>	<u>289,877</u>	<u>327,615</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(385,092)</u>	<u>(385,092)</u>	<u>(232,427)</u>	<u>(502,565)</u>
<i>Other financing sources (uses):</i>				
Designated cash	385,092	385,092	-	385,092
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>385,092</u>	<u>385,092</u>	<u>-</u>	<u>385,092</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(232,427)</u>	<u>(117,473)</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>418,819</u>	<u>418,819</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 186,392</u>	<u>\$ 301,346</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ (232,427)</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2016

Statement D-1

	Capital Projects Funds		Capital Project Funds
	Capital Improvements	Educational Technology	Total
	SB-9 31700	Equipment Act 31900	
ASSETS			
Cash and investments	\$ 3,002,480	\$ 1,443,062	\$ 4,445,542
Property taxes receivable	50,580	-	50,580
Interest receivable	-	-	-
Inventory	-	-	-
Prepaid expenses	-	-	-
Due from other governments	-	-	-
Interfund receivables	39,524	-	39,524
<i>Total assets</i>	<u>\$ 3,092,584</u>	<u>\$ 1,443,062</u>	<u>\$ 4,535,646</u>
LIABILITIES AND FUND BALANCES			
Accounts payable	\$ -	\$ 118,127	\$ 118,127
Accrued expenses	-	-	-
Due to government	-	-	-
Unearned grant revenue	50,578	-	50,578
Unearned ad valorem tax revenue	-	-	-
Interfund payable	-	189,700	189,700
<i>Total liabilities</i>	<u>50,578</u>	<u>307,827</u>	<u>358,405</u>
<i>Fund balances</i>			
Fund Balance:			
Nonspendable	-	-	-
Inventories	-	-	-
Restricted for:	-	-	-
Education	-	-	-
Food service	-	-	-
Social services	-	-	-
Transportation	-	-	-
Capital projects	3,042,006	1,135,235	4,177,241
Debt service	-	-	-
Unassigned (deficit)	-	-	-
<i>Total fund balances</i>	<u>3,042,006</u>	<u>1,135,235</u>	<u>4,177,241</u>
<i>Total liabilities and fund balances</i>	<u>\$ 3,092,584</u>	<u>\$ 1,443,062</u>	<u>\$ 4,535,646</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2016

Statement D-2

	Capital Projects Funds		Capital Projects Funds
	Capital Improvements	Educational Technology	Total
	SB-9 31700	Equipment Act 31900	
<i>Revenues:</i>			
Property taxes	\$ 1,088,135	\$ -	\$ 1,088,135
Fees and charges	-	-	-
Local aid	-	-	-
State aid	1,801,566	-	1,801,566
Federal aid	-	-	-
Earnings on investments	4,688	-	4,688
Bond proceeds	-	-	-
Miscellaneous	17,640	-	17,640
<i>Total revenues</i>	<u>2,912,029</u>	<u>-</u>	<u>2,912,029</u>
<i>Expenditures:</i>			
<i>Current:</i>			
Instruction	-	-	-
Support services - students	-	-	-
Support services - instruction	-	-	-
General administration	11,160	-	11,160
School administration	-	-	-
Central services	-	-	-
Operation of plant	-	-	-
Food services	-	-	-
Transportation	-	-	-
Other support services	-	-	-
<i>Debt service:</i>			
Principal	-	-	-
Interest	-	-	-
Bond issuance Cost	-	-	-
Capital outlay	1,325,353	373,699	1,699,052
<i>Total expenditures</i>	<u>1,336,513</u>	<u>373,699</u>	<u>1,710,212</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>1,575,516</u>	<u>(373,699)</u>	<u>1,201,817</u>
<i>Other financing sources:</i>			
Debt proceeds	-	-	-
Transfers in (out)	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>1,575,516</u>	<u>(373,699)</u>	<u>1,201,817</u>
<i>Fund balance, June 30, 2015 as previously reported</i>	1,568,605	1,476,640	3,045,245
<i>Adjustments to fund balance (Note 18)</i>	<u>(102,115)</u>	<u>32,294</u>	<u>(69,821)</u>
<i>Fund balance, June 30, 2015 as restated</i>	<u>1,466,490</u>	<u>1,508,934</u>	<u>2,975,424</u>
<i>Fund balance, end of year</i>	<u>\$ 3,042,006</u>	<u>\$ 1,135,235</u>	<u>\$ 4,177,241</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 CAPITAL PROJECTS FUND - BOND BUILDING (31100)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement D-3

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Earnings on investments	-	-	69,150	69,150
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>69,150</u>	<u>69,150</u>
<i>Expenditures:</i>				
Current:				
Capital outlay	16,893,009	16,893,009	859,719	15,988,996
<i>Total expenditures</i>	<u>16,893,009</u>	<u>16,893,009</u>	<u>859,719</u>	<u>15,988,996</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(16,893,009)</u>	<u>(16,893,009)</u>	<u>(790,569)</u>	<u>(15,919,846)</u>
<i>Other financing sources (uses):</i>				
Designated cash	16,893,009	16,893,009	-	16,893,009
Bond proceeds	-	-	7,000,000	7,000,000
<i>Total other financing sources (uses)</i>	<u>16,893,009</u>	<u>16,893,009</u>	<u>7,000,000</u>	<u>23,893,009</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>6,209,431</u>	<u>7,973,163</u>
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>9,610,143</u>	<u>9,610,143</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,819,574</u>	<u>\$ 17,583,306</u>
Reconciliation to GAAP Basis:				
Revenue accruals			\$ -	
Expenditure accruals			<u>(881,677)</u>	
Change in fund balance			<u>\$ 5,327,754</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 CAPITAL IMPROVEMENTS SENATE BILL 9 (31700)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement D-4

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Property taxes	\$ 1,090,295	\$ 1,090,295	\$ 1,116,023	\$ 25,728
State sources	-	-	1,801,566	1,801,566
Earnings on investments	20,000	20,000	4,688	(15,312)
Miscellaneous	-	-	17,640	17,640
<i>Total revenues</i>	<u>1,110,295</u>	<u>1,110,295</u>	<u>2,939,917</u>	<u>1,829,622</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General administration	23,000	23,000	11,162	11,838
Capital outlay	3,746,625	3,746,625	1,329,441	2,417,184
<i>Total expenditures</i>	<u>3,769,625</u>	<u>3,769,625</u>	<u>1,340,603</u>	<u>2,429,022</u>
Excess (deficiency) of revenues under (over) expenditures	<u>(2,659,330)</u>	<u>(2,659,330)</u>	<u>1,599,314</u>	<u>(599,400)</u>
<i>Other financing sources (uses):</i>				
Designated cash	2,659,330	2,659,330	-	2,659,330
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,659,330</u>	<u>2,659,330</u>	<u>-</u>	<u>2,659,330</u>
<i>Change in fund balance</i>	<u>-</u>	<u>-</u>	<u>1,599,314</u>	<u>2,059,930</u>
Fund balance, July 1, 2015, as restated	<u>-</u>	<u>-</u>	<u>1,403,166</u>	<u>1,403,166</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,002,480</u>	<u>\$ 3,463,096</u>
Reconciliation to GAAP Basis				
Revenue accruals			\$ (27,888)	
Expenditure accruals			<u>4,090</u>	
Change in fund balance			<u>\$ 1,575,516</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 CAPITAL PROJECTS FUND - EDUCATION TECH EQUIPMENT GRANT (31900)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement D-5

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Operation of plant	-	-	-	-
Bond issue costs	-	-	-	-
Capital outlay	1,509,788	1,509,788	290,867	1,218,921
<i>Total expenditures</i>	<u>1,509,788</u>	<u>1,509,788</u>	<u>290,867</u>	<u>1,218,921</u>
Revenues over (under) expenditures	(1,509,788)	(1,509,788)	(290,867)	(1,218,921)
Other financing sources (uses)				
Designated cash	1,509,788	1,509,788	-	1,509,788
Net change in fund balance	<u>-</u>	<u>-</u>	<u>(290,867)</u>	<u>290,867</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>1,733,929</u>	<u>1,733,929</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,443,062</u>	<u>\$ 2,315,663</u>
Reconciliation to GAAP Basis				
Revenue accruals			\$ -	
Expenditure accruals			<u>(82,832)</u>	
Change in fund balance			<u>\$ (373,699)</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING BALANCE SHEET
 NONMAJOR DEBT SERVICE FUNDS
 JUNE 30, 2016

Statement E-1

Education Technology
 Debt Service
43000

ASSETS

Cash and investments	\$	166,513
Property taxes receivable		36,534
Interest receivable		-
Inventory		-
Prepaid expenses		-
Due from other governments		-
Interfund receivables		-
<i>Total assets</i>	\$	<u>203,047</u>

LIABILITIES AND FUND BALANCES

Accounts payable	\$	-
Accrued expenses		-
Due to government		-
Unearned grant revenue		-
Unearned ad valorem tax revenue		36,535
Interfund payable		-
<i>Total liabilities</i>		<u>36,535</u>

Fund balances

Fund Balance:		
Nonspendable		-
Inventories		-
Restricted for:		-
Education		-
Food service		-
Social services		-
Transportation		-
Capital projects		-
Debt service		166,512
Unassigned (deficit)		-
<i>Total fund balances</i>		<u>166,512</u>
<i>Total liabilities and fund balances</i>	\$	<u>203,047</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR DEBT SERVICE FUNDS
 JUNE 30, 2016

Statement E-2

	Education Technology Debt Service <u>43000</u>
<i>Revenues:</i>	
Property taxes	\$ 26,638
Fees and charges	-
Local aid	-
State aid	-
Federal aid	-
Earnings on investments	-
Bond proceeds	-
Miscellaneous	-
<i>Total revenues</i>	<u>26,638</u>
<i>Expenditures:</i>	
<i>Current:</i>	
Instruction	-
Support services - students	-
Support services - instruction	-
General administration	360
School administration	-
Central services	-
Operation of plant	-
Food services	-
Transportation	-
Other support services	-
<i>Debt service:</i>	
Principal	-
Interest	-
Bond issuance Cost	-
Capital outlay	-
<i>Total expenditures</i>	<u>360</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>26,278</u>
<i>Other financing sources:</i>	
Debt proceeds	-
Transfers in (out)	-
<i>Total other financing sources (uses)</i>	<u>-</u>
<i>Net change in fund balances</i>	<u>26,278</u>
<i>Fund balance, beginning of year</i>	<u>140,234</u>
<i>Fund balance, end of year</i>	<u>\$ 166,512</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 DEBT SERVICE FUND (41000)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement E-3

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Property taxes	\$ 3,171,544	\$ 3,171,544	\$ 3,425,421	\$ 253,877
Miscellaneous	-	-	125,729	125,729
Earnings on investments	2,000	2,000	1,767	(233)
<i>Total revenues</i>	<u>3,173,544</u>	<u>3,173,544</u>	<u>3,552,917</u>	<u>379,373</u>
<i>Expenditures:</i>				
Current:				
Administration	44,401	44,401	34,254	10,147
Debt service	4,985,664	4,985,664	3,148,480	1,837,184
<i>Total expenditures</i>	<u>5,030,065</u>	<u>5,030,065</u>	<u>3,182,734</u>	<u>1,847,331</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,856,521)</u>	<u>(1,856,521)</u>	<u>370,183</u>	<u>(1,467,958)</u>
<i>Other financing sources (uses):</i>				
Designated cash	1,856,521	1,856,521	-	1,856,521
Bond proceeds	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,856,521</u>	<u>1,856,521</u>	<u>-</u>	<u>1,856,521</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>370,183</u>	<u>388,563</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>3,116,033</u>	<u>3,116,033</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,486,216</u>	<u>\$ 3,504,596</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			\$ 2,429,243	
Expenditure accruals			<u>(2,500,802)</u>	
Change in fund balance			<u>\$ 298,624</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 DEBT SERVICE FUND - EDUCATION TECHNOLOGY (43000)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement E-4

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ 19,016	\$ 19,016
Earnings on investments	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>19,016</u>	<u>19,016</u>
<i>Expenditures:</i>				
Current:				
General Administration	-	-	360	(360)
Debt service	1,318,429	1,318,429	-	1,318,429
<i>Total expenditures</i>	<u>1,318,429</u>	<u>1,318,429</u>	<u>360</u>	<u>1,318,069</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,318,429)</u>	<u>(1,318,429)</u>	<u>18,656</u>	<u>(1,299,053)</u>
<i>Other financing sources (uses):</i>				
Designated cash	1,318,429	1,318,429	-	-
Bond proceeds	-	-	-	-
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,318,429</u>	<u>1,318,429</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>18,656</u>	<u>(1,299,053)</u>
Fund balance, July 1, 2015	<u>-</u>	<u>-</u>	<u>147,857</u>	<u>147,857</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 166,513</u>	<u>\$ (2,450,249)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			\$ 7,622	
Expenditure accruals			<u>-</u>	
Change in fund balance			<u>\$ 26,278</u>	

OTHER SUPPLEMENTAL DATA

REQUIRED SUPPLEMENTAL INFORMATION

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY OF THE EDUCATIONAL
 RETIREMENT BOARD (ERB) PLAN
 LAST 10 FISCAL YEARS*
 JUNE 30, 2016**

	Measurement Date	
	June 30, 2015	June 30, 2014
Deming Public Schools' proportion of the net pension liability	0.97924%	0.98886%
Deming Public Schools' proportionate share of the net pension liability	\$ 63,427,983	\$ 56,421,681
Deming Public Schools' covered employee payroll	\$ 26,736,389	\$ 27,836,551
Deming Public Schools' proportionate share of the net pension liability as a percentage of its covered employee payroll	237%	203%
Plan fiduciary net position as a percentage of total pension liability	63.97%	66.54%

*This schedule is presented prospectively beginning with information pertaining to the fiscal year ended June 30, 2015.

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF CONTRIBUTIONS
 EDUCATIONAL RETIREMENT BOARD (ERB) PENSION PLAN
 LAST 10 FISCAL YEARS*
 JUNE 30, 2016**

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Contractually required contributions	\$ 4,000,590	\$ 3,869,274
Contributions in relation to contractually required contributions	<u>4,000,590</u>	<u>3,869,274</u>
Contribution deficiency (excess)	\$ -	\$ -
Deming Public Schools' covered employee payroll	\$ 28,779,050	\$ 27,836,551
Contributions as a percentage of covered employee payroll	13.90%	13.90%

*This schedule is presented prospectively beginning with information pertaining to the fiscal year ended June 30, 2015.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
JUNE 30, 2016**

Changes in Benefit Terms. The COLA and retirement eligibility benefits changes in recent years are described in the *Benefits Provided* subsection of financial statement Note 10 – Pension Plan.

Changes of Assumptions.

The ERB conducts an actuarial experience study for the Plan on a biennial basis. Based on the six-year actuarial experience study presented to the ERB Board of Trustees on June 12, 2015, ERB implemented the following changes in assumptions for fiscal year 2015:

1. Lower wage inflation from 4.25% to 3.75%
2. Update the mortality tables to incorporate generational improvements
3. Update demographic assumptions to use currently published tables, which may result in minor calculation changes
4. Remove population growth assumption for projections
5. Lower population growth from .50% to zero

See also the *Actuarial Assumptions* subsection of financial statement Note 10 – Pension Plan.

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
 AGENCY FUNDS
 JUNE 30, 2016

Schedule I

	<u>Balance July 1, 2015</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance June 30, 2016</u>
ASSETS				
<i>Cash and cash equivalents</i>	\$ 167,465	\$ 473,511	\$ 446,097	\$ 194,879
<i>Total assets</i>	<u>\$ 167,465</u>	<u>\$ 473,511</u>	<u>\$ 446,097</u>	<u>\$ 194,879</u>
LIABILITIES				
<i>Deposits held for others:</i>	\$ 167,465	\$ 473,511	\$ 446,097	\$ 194,879
<i>Total liabilities</i>	<u>\$ 167,465</u>	<u>\$ 473,511</u>	<u>\$ 446,097</u>	<u>\$ 194,879</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY FOR PUBLIC FUNDS
 JUNE 30, 2016

	1st Savings Bank	Wells Fargo Bank/Brokerage	1st NM Bank	Total
Checking and CD's	\$ 4,192,690	\$ 6,554,219	\$ 12,688,391	\$ 23,435,300
Total on deposit	4,192,690	6,554,219	12,688,391	23,435,300
Less: FDIC insurance	(250,000)	(250,000)	(250,000)	(750,000)
Total uninsured public funds	<u>\$ 3,942,690</u>	<u>\$ 6,304,219</u>	<u>\$ 12,438,391</u>	<u>\$ 22,685,300</u>
102% collateralization requirement	\$ 4,021,544	\$ 6,430,303	\$ 12,687,159	\$ 23,139,006
50% collateralization requirement (Section 6-10-17 NMSA)	<u>1,971,345</u>	<u>3,152,110</u>	<u>6,219,196</u>	<u>11,342,650</u>
Total collateralization requirement	<u>\$ 1,971,345</u>	<u>\$ 3,152,110</u>	<u>\$ 6,219,196</u>	<u>\$ 11,342,650</u>

	1st Savings Bank	Wells Fargo	1st NM Bank	Wells Fargo Brokerage	Total
Pledged Securities:					
Gallup 364010PJ1 8-1-22 ADD INTEREST RATE	\$ -	\$ -	\$ 602,015	\$ -	\$ 602,015
3138WGPD0 FNMA FNMS 02/01/31	-	-	-	2,955,190	2,955,190
Dulce 264430JT7 6-1-17	-	-	206,111	-	206,111
Hobbs 433866CN8 7-15-17	-	-	524,165	-	524,165
FFCB 31331XNQ1 2-6-17	-	-	2,100,856	-	2,100,856
Pena 706593AP5 9-1-24	-	-	170,315	-	170,315
FFCB 3133EC4Q4 11-23-22	-	-	2,035,376	-	2,035,376
FED 31418ADU9 3/1/22	468,210	-	-	-	468,210
FED 31418AEC8 4/1/22	395,550	-	-	-	395,550
FED 36202FYY6 11/20/26	1,173,145	-	-	-	1,173,145
FED 38376YEL1 3/16/38	374,369	-	-	-	374,369
FED 38374VPS2 6/20/39	5,628	-	-	-	5,628
FED 31398SN66 4/25/40	94,486	-	-	-	94,486
FED 31417ATN9 1-1-22	194,742	-	-	-	194,742
FED 31307BJW1 3-1-23	365,906	-	-	-	365,906
USBK 778550JG9 8-1-23	221,104	-	-	-	221,104

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY FOR PUBLIC FUNDS (CONTINUED)
 JUNE 30, 2016

	1st Savings Bank	Wells Fargo	1st NM Bank	Wells Fargo Brokerage	Total
FED 31404NHR0 07-19-2019 5%	\$ 88,976	\$ -	\$ -	\$ -	88,976
FED 31404CXG1 12-20-2020 5%	148,587	-	-	-	148,587
FED 38377U5F1 10-20-40	3,273	-	-	-	3,273
FED 38377UMA3 12-20-40	135,254	-	-	-	135,254
FFCB 313EFX44 10/5/22	-	-	1,005,580	-	1,005,580
3128MJTQ3 11/1/43	-	2,306,918	-	-	2,306,918
TOTAL	<u>\$ 3,669,230</u>	<u>\$ 2,306,918</u>	<u>\$ 6,644,418</u>	<u>\$ 2,955,190</u>	<u>\$ 15,575,756</u>

Securities pledged for Wells Fargo are held by the Wells Fargo trust department in Minneapolis, Minnesota for First Savings Bank by the Federal Home Loan Bank in Dallas, Texas, and for First NM by the Independent Bankers Bank in Dallas, Texas, and for First NM by the Independent Bankers Bank in Dallas, Texas. Safekeeping receipts are held by the District.

Wells Fargo Brokerage has CD's invested in different banks across the country, all FDIC insured.

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF INDIVIDUAL DEPOSIT ACCOUNTS AND INVESTMENTS
 June 30, 2016

Schedule III

Bank Account Type	Wells Fargo Bank	First Savings Bank	First NM Bank	Total
Checking - Operational	\$ -	\$ 4,192,690	\$ -	\$ 4,192,690
Checking - Transportation			90,654	90,654
Checking - Payroll Account	121,546	-	17,298	138,844
Checking - SB-9	-	-	2,971,808	2,971,808
Checking - SB-9	-	-	613,063	613,063
Checking - General	-	-	206,652	206,652
Checking - Gate receipts	-	-	318,330	318,330
Checking - Cafeteria fund	-	-	3,204,880	3,204,880
Checking - Building Fund 1991	4,000,000	-	-	4,000,000
Checking - Sweep	2,432,673	-	-	2,432,673
Checking - Debt service	-	-	3,689,449	3,689,449
Checking - Federal Project	-	-	1,054,123	1,054,123
Checking - Special grants	-	-	522,134	522,134
Total on Deposit	6,554,219	4,192,690	12,688,391	23,435,300
Reconciling Items	483,042	(1,046,747)	(4,384,504)	(4,948,209)
Reconciled Balance June 30, 2016	\$ 7,037,261	\$ 3,145,943	\$ 8,303,887	18,487,091
Investments with State of New Mexico Treasurer's Office				11,063,681
Subtotal				29,550,772
Less: Fiduciary Funds Cash				(194,879)
Cash and Investments per Government-wide Financial Statements				\$ 29,355,893

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 CASH RECONCILIATION SCHEDULE
 JUNE 30, 2016

Schedule IV
 (Page 1 of 3)

	Operational Fund 11000	Transportation Fund 13000	Instructional Materials 14000	Food Services 21000	Athletics Fund 22000	Non-Instruct. Fund 23000	Federal Flow Through Fund 24000
Cash, June 30, 2015	\$ 2,356,979	\$ -	\$ 171,355	\$ 2,978,282	\$ 393	\$ 356,724	\$ (3,000,183)
Add:							
2015-16 revenues	38,729,111	2,124,707	376,087	4,396,390	28,704	190,279	6,625,962
Prior year warrants voided	-	-	-	-	-	-	(150)
Total cash available	41,086,090	2,124,707	547,442	7,374,672	29,097	547,003	3,625,629
Less:							
2015-16 expenditures	(38,170,923) *	(2,124,707)	(426,699)	(3,456,024)	(29,064)	(196,656) *	(6,351,804) *
Adjustments	-	-	-	-	-	(154)	-
Receivables/Payables	-	-	-	-	-	-	-
Cash, June 30, 2016	<u>\$ 2,915,167</u> *	<u>\$ -</u>	<u>\$ 120,743</u>	<u>\$ 3,918,648</u>	<u>\$ 33</u>	<u>\$ 350,193</u> *	<u>\$ (2,726,175)</u> *
Fund Balance Reconciliation to GAAP Basis:							
Unreconciled difference	\$ (695)	\$ -	\$ -	\$ -	\$ -	\$ 28	\$ (23,026)
Audit reclassifications to cash	(2,813,499)	12,191	-	(353,876)	515	-	2,885,572
Cash per Books	<u>\$ 100,973</u>	<u>\$ 12,191</u>	<u>\$ 120,743</u>	<u>\$ 3,564,772</u>	<u>\$ 548</u>	<u>\$ 350,221</u>	<u>\$ 136,371</u>
Fund Balance Reconciliation to GAAP Basis:							
Modified Accrual Adjustments	\$ (819,503)	\$ (6,952)	\$ (5,000)	\$ 183,247	\$ (8,478)	\$ (4,474)	\$ 2,716,495
Fund Balance, Modified Accrual Basis	<u>\$ 2,095,664</u>	<u>\$ (6,952)</u>	<u>\$ 115,743</u>	<u>\$ 4,101,895</u>	<u>\$ (8,445)</u>	<u>\$ 345,719</u>	<u>\$ (9,680)</u>

*Does not agree to General Ledger

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 CASH RECONCILIATION SCHEDULE
 JUNE 30, 2016

Schedule IV
 (Page 2 of 3)

	Federal Direct Fund 25000	Local Grants Fund 26000	State Flow Through Fund 27000	State Direct Fund 28000	Local/State Fund 29000	Bond Building Fund 31100
Cash, June 30, 2015	\$ (31,077)	\$ 294	\$ (1,202,109)	\$ 8,947	\$ 538,046	\$ 9,654,437
Add:						
2015-16 revenues	162,218	-	2,935,236	37,991	190,315	6,879,450
Prior year warrants voided	-	-	-	-	-	-
Total cash available	131,141	294	1,733,127	46,938	728,361	16,533,887
Less:						
2015-16 expenditures	(156,533)	-	(2,193,632)	(14,299)	(403,602)	(904,011)
Adjustments	-	-	-	-	-	-
Receivables/Payables	-	-	-	-	-	-
Cash, June 30, 2016	<u>\$ (25,392)</u>	<u>\$ 294</u>	<u>\$ (460,505)</u>	<u>\$ 32,639</u>	<u>\$ 324,759</u>	<u>\$ 15,629,876</u>
Fund Balance Reconciliation to GAAP Basis						
Unreconciled difference	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit reclassifications to cash	98,349	-	648,131	20,410	4,943	(10,157,291)
Cash per Books	<u>\$ 72,957</u>	<u>\$ 294</u>	<u>\$ 187,626</u>	<u>\$ 53,049</u>	<u>\$ 329,702</u>	<u>\$ 5,472,585</u>
Fund Balance Reconciliation to GAAP Basis:						
Modified Accrual Adjustments	\$ 87,887	\$ (294)	\$ 655,461	\$ 16,438	\$ -	\$ (620,432)
Fund Balance, Modified Accrual Basis	<u>\$ 62,495</u>	<u>\$ -</u>	<u>\$ 194,956</u>	<u>\$ 49,077</u>	<u>\$ 324,759</u>	<u>\$ 15,009,444</u>

*Does not agree to General Ledger

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 CASH RECONCILIATION SCHEDULE
 JUNE 30, 2016

Schedule IV
 (Page 3 of 3)

	Capital Improvements SB 9 31700	Ed. Tech Equip Act Fund 31900	Debt Service Fund 41000	Ed Tech Debt Service Fund 43000	Total
Cash, June 30, 2015	\$ 1,505,281	\$ 1,733,929	\$ 3,116,033	\$ 147,857	\$ 18,335,188
Add:					
2015-16 revenues	2,944,399	-	3,552,917	35,997	69,209,763
Prior year warrants voided	-	-	-	-	(150)
Total cash available	4,449,680	1,733,929	6,668,950	183,854	87,544,801
Less:					
2015-16 expenditures	(1,442,717)	(290,867)	(3,182,734)	(360)	(59,344,632)
Adjustments	-	-	-	-	(154)
Receivables/Payables	-	-	-	-	-
Cash, June 30, 2016	<u>\$ 3,006,963</u>	<u>\$ 1,443,062</u>	<u>\$ 3,486,216</u>	<u>\$ 183,494</u>	<u>\$ 28,200,015</u>
Fund Balance Reconciliation to GAAP Basis					
Unreconciled difference	\$ -	\$ -	\$ -	\$ -	\$ (23,693)
Audit reclassifications to cash	(4,483)	-	-	(16,981)	(9,676,019)
Cash per Books	<u>\$ 3,002,480</u>	<u>\$ 1,443,062</u>	<u>\$ 3,486,216</u>	<u>\$ 166,513</u>	<u>\$ 18,500,303</u>
Fund Balance Reconciliation to GAAP Basis:					
Modified Accrual Adjustments	\$ 35,043	\$ (307,827)	\$ (86,858)	\$ (16,982)	\$ 1,817,771
Fund Balance, Modified Accrual Basis	<u>\$ 3,042,006</u>	<u>\$ 1,135,235</u>	<u>\$ 3,399,358</u>	<u>\$ 166,512</u>	<u>\$ 30,017,786</u>

*Does not agree to General Ledger

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2016

Schedule V

<u>Federal Grantor or Pass-Through Grantor / Program Title</u>	<u>Federal CFDA</u>	<u>Passthrough Number</u>	<u>Federal Expenditures</u>	<u>Expenditures to Subrecipient</u>
United States Department of Education				
<i>Pass-through from Utah State University</i>				
NM Extended School Year K-3 Validation Study	84.396B	101008009	\$ 27,738	
<i>Total pass-through from Utah State University</i>			27,738	
<i>Pass-through from State of New Mexico Department of Education</i>				
Special Education Cluster (IDEA)				
Special Education_Grants To States	84.027	24106	1,022,494	\$ 14,661
Total Special Education_Grants to States			1,022,494	14,661
Special Education-Preschool Grants				
Total Special Education Cluster (IDEA)	84.173	24109	15,119	
			1,037,613	14,661
Title I Grants to Local Educational Agencies				
Title I Grants to Local Educational Agencies	84.010	24101	4,409,534	65,228
Title I Grants to Local Educational Agencies	84.010	24162	149,796	13,660
Total Title I Grants to Local Educational Agencies			4,559,330	78,888
Migrant Education_State Grant Program				
	84.011	24103	140,857	
Career and Technical Education-Basic Grants to States				
Career and Technical Education-Basic Grants to States	84.048	24174	49,586	
Career and Technical Education-Basic Grants to States	84.048	24176	10,896	
Total Career and Technical Education-Basic Grants to States			60,482	
Education for Homeless Children and Youth				
English Language AcquisitionState Grants	84.196	24113	35,923	
Improving Teacher Quality State Grants	84.365	24153	38,435	
Improving Teacher Quality State Grants	84.367	24154	297,203	
Rural Education	84.358	24160	89,780	
<i>Total pass-through from State of New Mexico Department of Education</i>			6,259,623	93,549
Total United States Department of Education			6,287,361	93,549
United States Department of Agriculture				
<i>Pass-through State of New Mexico Department of Education</i>				
Child Nutrition Cluster				
National School Lunch Program	10.555	21000	2,869,431	
National School Lunch Program-Commodities	10.555	21000	278,667	
Total CDFR			3,148,098	
School Breakfast Program	10.553	21000	1,400,594	
Summer Food Service Program for Children	10.559	21000	191,462	
Total Child Nutrition Cluster			4,740,154	
Fresh Fruit and Vegetable Program				
	10.582	24118	134,338	
<i>Total Pass-through State of New Mexico Department of Education</i>			4,874,492	
Total United States Department of Agriculture			4,874,492	
United States Department of Health and Human Services				
<i>Pass-through State of New Mexico Department of Health and Human Services</i>				
Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance				
	93.079	24186	5,385	
<i>Total Pass-through State of New Mexico Department of Health and Human Services</i>			5,385	
Total United States Department of Health and Human Services			5,385	
United States Department of Homeland Security				
<i>Direct Programs</i>				
Emergency Food and Shelter National Board Program	97.024	25246	3,500	
Total United States Department of Homeland Security and direct programs			3,500	
United States Department of Defense				
<i>Direct Programs</i>				
R.O.T.C.	12.000	25200	25,526	
Total United States Department of Defense and direct programs			25,526	
Total Expenditures of Federal Awards			\$ 11,196,264	
Total Expenditures of Federal Awards to Subrecipients				\$ 93,549

See accompanying notes to schedule of federal awards.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the Deming Public Schools (District) under programs of the federal government for the year ended June 30, 2016. The information in this Schedule is presented in accordance with the requirements of the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments, and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), where certain types of expenditures are not allowable or are limited as to reimbursement. District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

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OTHER INFORMATION

Agency Number	Agency Name	Agency Type	RFB#/RFPI# (if applicable)	Type of Procurement	Vendor Name	Did Vendor Win Contract?	\$ Amount of Awarded Contract	\$ Amount of Amended Contract	Physical address of vendor (City, State)	Did the Vendor provide documentation of eligibility for in-state preference?	Did the Vendor provide documentation of eligibility for veterans preference?	Brief Description of the Scope of Work	If the procurement is attributable to a Component Unit, Name of Component Unit
7021	Deming Public Schools	Schools	16-12	Competitive (RFP or RFB)	Myra Keschaw	Winner	\$109,179.00		Las Cruces, NM	No	No	Psychological Services	
7021	Deming Public Schools	Schools	16-12	Competitive (RFP or RFB)	Gonaro Kirker	Winner	\$108,864.00		Silver City, NM	No	No	Psychological Services	
7021	Deming Public Schools	Schools	16-12	Competitive (RFP or RFB)	Liz Black	Winner	\$102,555.31		Las Cruces, NM	No	No	Psychological Services	
7021	Deming Public Schools	Schools	16-12	Competitive (RFP or RFB)	Ardor Health Solutions	Loser			Coral Springs, FL	No	No	Psychological Services	
7021	Deming Public Schools	Schools	16-12	Competitive (RFP or RFB)	John Mein	Winner	\$107,730.00		El Paso, TX	No	No	Psychological Services	
7021	Deming Public Schools	Schools	16-12	Competitive (RFP or RFB)	Barry Christian	Loser			Silver City, NM	No	No	Psychological Services	
7021	Deming Public Schools	Schools	16-12	Competitive (RFP or RFB)	Jeremy Baldlitz	Loser			Las Cruces, NM	No	No	Psychological Services	
7021	Deming Public Schools	Schools	16-13	Competitive (RFP or RFB)	Barbara Reedy	Winner	\$60,952.50		Deming, NM	No	No	Physical Therapy Services	
7021	Deming Public Schools	Schools	16-13	Competitive (RFP or RFB)	Ardor Health Solutions	Loser			Coral Springs, FL	No	No	Physical Therapy Services	
7021	Deming Public Schools	Schools	16-15	Competitive (RFP or RFB)	Mesilla Valley Therapy	Winner	\$251,793.36		Las Cruces, NM	No	No	Evaluations	
7021	Deming Public Schools	Schools	16-16	Competitive (RFP or RFB)	Ardor Health Solutions	Loser			Coral Springs, FL	No	No	Occupational Therapy Group	
7021	Deming Public Schools	Schools	16-16	Competitive (RFP or RFB)	Amplified Therapy, Inc	Loser	\$209,727.79		Cliff, NM	No	No	Occupational Therapy Group	
7021	Deming Public Schools	Schools	16-04	Competitive (RFP or RFB)	Bradbury Stamm	Winner	\$47,159,000.00		Albuquerque, NM	Yes	No	New High School Construction	
7021	Deming Public Schools	Schools	16-04	Competitive (RFP or RFB)	Jaynes Corporation	Loser			Albuquerque, NM	Yes	No	New High School Construction	
7021	Deming Public Schools	Schools	16-04	Competitive (RFP or RFB)	Smidt Construction, Inc	Loser			Tempe, AZ	No	No	New High School Construction	
7021	Deming Public Schools	Schools	16-04	Competitive (RFP or RFB)	HB Construction, Inc	Loser			Albuquerque, NM	Yes	No	New High School Construction	
7021	Deming Public Schools	Schools	16-04	Competitive (RFP or RFB)	Flintco, LLC	Loser			Albuquerque, NM	Yes	No	New High School Construction	
7021	Deming Public Schools	Schools	16-06	Competitive (RFP or RFB)	Valley Telecom Group	Winner	\$775,120.00		Willcox, AZ	No	No	WAN Fiber Services for Columbus Elementary	
7021	Deming Public Schools	Schools	16-06	Competitive (RFP or RFB)	Centurylink	Loser			Albuquerque, NM	No	No	WAN Fiber Services for Columbus Elementary	
7021	Deming Public Schools	Schools	16-06	Competitive (RFP or RFB)	Network Cabling	Loser			Kirtland, NM	No	No	WAN Fiber Services for Columbus Elementary	

COMPONENT UNIT

APPENDIX A

CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL

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STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL
 STATEMENT OF NET POSITION
 JUNE 30, 2016

Exhibit A-1

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 836,214
Accounts receivable	270,802
Total current assets	<u>1,107,016</u>
Capital assets	
Building improvements	510,514
Furniture, fixtures and equipment	155,435
Less: accumulated depreciation	<u>(143,588)</u>
Total noncurrent assets	<u>522,361</u>
Total assets	<u><u>\$ 1,629,377</u></u>
DEFERRED OUTFLOW OF RESOURCES	
Deferred outflow of resources related to pensions have	<u>\$ 302,611</u>
LIABILITIES	
Accrued salaries and benefits	\$ 77,839
Accounts payable	284
Unspent grant funds	<u>36,208</u>
Total current liabilities	<u>114,331</u>
Noncurrent liabilities	
Net pension liability	<u>1,480,695</u>
Total liabilities	<u>1,595,026</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflow of resources related to pensions	<u>\$ 341,547</u>
NET POSITION	
Net investment in capital assets	522,361
Restricted	24,253
Unrestricted (deficit)	<u>(551,199)</u>
Total net position (deficit)	<u><u>\$ (4,585)</u></u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2016

Exhibit A-2

<u>Functions/Programs</u>	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 712,213	\$ -	\$ 102,388	\$ -	\$ (609,825)
Support services:					
Students	143,345	-	-	-	(143,345)
Instruction	-	-	-	-	-
General Administration	47,352	-	-	-	(47,352)
School Administration	384,417	-	-	-	(384,417)
Central Services	116,533	-	-	-	(116,533)
Operation & Maintenance of Plant	164,955	-	-	-	(164,955)
Student Transportation	-	-	-	-	-
Food Services Operation	-	-	-	-	-
Non-Instructional Support	-	-	-	-	-
Facilities Materials, Supplies & Other Services	93,291	-	-	93,291	-
Total governmental activities	\$ 1,662,106	\$ -	\$ 102,388	\$ 93,291	(1,466,427)
			General Revenues:		
			State Equalization Guarantee	1,356,141	
			Interest income	4,676	
			Miscellaneous	83,962	
			Total general revenues	1,444,779	
			Change in net position	(21,648)	
			Net position - beginning as previously reported	251,480	
			Restatement (see Note 18)	(234,417)	
			Net position-beginning, as restated	17,063	
			Net position - ending (deficit)	\$ (4,585)	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016

Exhibit B-1
(Page 1 of 3)

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	TANF/ GRADS 25162
ASSETS				
<i>Current Assets</i>				
Cash	\$ 775,753	\$ 9,029	\$ -	\$ 31,937
Accounts receivable	83,962	-	65,228	-
Due from other funds	181,569	-	-	-
<i>Total assets</i>	<u>1,041,284</u>	<u>9,029</u>	<u>65,228</u>	<u>31,937</u>
LIABILITIES AND FUND BALANCES				
<i>Current Liabilities:</i>				
Accrued salaries and benefits	72,596	-	5,243	-
Accounts payable	256	-	28	-
Unspent grant funds	-	-	-	31,937
Due to other funds	-	-	59,957	-
<i>Total liabilities</i>	<u>72,852</u>	<u>-</u>	<u>65,228</u>	<u>31,937</u>
<i>Fund balances</i>				
Fund Balance:				
Restricted	-	9,029	-	-
Unassigned	968,432	-	-	-
<i>Total fund balance</i>	<u>968,432</u>	<u>9,029</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ 1,041,284</u>	<u>\$ 9,029</u>	<u>\$ 65,228</u>	<u>\$ 31,937</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016

Exhibit B-1
(Page 2 of 3)

	Public School Capital Outlay 31200	Total NonMajor Funds	Total Primary Government
ASSETS			
<i>Current Assets</i>			
Cash	\$ -	\$ 19,495	\$ 836,214
Accounts receivable	93,291	28,321	270,802
Due from other funds	-	-	181,569
Total assets	93,291	47,816	1,288,585
LIABILITIES AND FUND BALANCES			
<i>Current Liabilities:</i>			
Accrued salaries and benefits	-	-	77,839
Accounts payable	-	-	284
Unspent grant funds	-	4,271	36,208
Due to other funds	93,291	28,321	181,569
Total liabilities	93,291	32,592	295,900
<i>Fund balances</i>			
Fund Balance:			
Restricted	-	15,224	24,253
Unassigned	-	-	968,432
Total fund balance	-	15,224	992,685
Total liabilities and fund balance	\$ 93,291	\$ 47,816	\$ 1,288,585

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL
GOVERNMENTAL FUNDS
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2016

Exhibit B-1
 (Page 3 of 3)

	Governmental Funds
Amounts reported for governmental activities in the statement of net position are different because:	
Fund balances - total governmental funds	\$ 992,685
Pension liability	(1,480,695)
Deferred outflow of resources related to pensions	302,611
Deferred inflow of resources related to pensions	(341,547)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	522,361
Net Position-total Governmental Activities (deficit)	\$ (4,585)

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

Exhibit B-2
 (Page 1 of 3)

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	TANF/ GRADS 25162
<i>Revenues:</i>				
Interest income	\$ 4,676	\$ -	\$ -	\$ -
State grant	1,356,141	7,366	-	1,473
Federal grant	-	-	65,228	-
Miscellaneous income	83,962	-	-	-
<i>Total revenues</i>	<u>1,444,779</u>	<u>7,366</u>	<u>65,228</u>	<u>1,473</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	718,552	-	65,228	1,473
Support Services				
Students	143,345	-	-	-
Instruction	-	-	-	-
General Administration	47,352	-	-	-
School Administration	383,068	-	-	-
Central Services	116,533	-	-	-
Operation & Maintenance of Plant	342,360	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Community Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>1,751,210</u>	<u>-</u>	<u>65,228</u>	<u>1,473</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(306,431)</u>	<u>7,366</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>(306,431)</u>	<u>7,366</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning, as previously reported</i>	<u>1,509,280</u>	<u>1,663</u>	<u>-</u>	<u>-</u>
<i>Restatement (see Note 18)</i>	<u>(234,417)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning, as restated</i>	<u>1,274,863</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 968,432</u>	<u>\$ 9,029</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

Exhibit B-2
 (Page 2 of 3)

	Public School Capital Outlay 31200	Total Nonmajor Funds	Total Primary Government
<i>Revenues:</i>			
Interest income	\$ -	\$ -	\$ 4,676
State grant	93,291	-	1,458,271
Federal grant	-	28,321	93,549
Miscellaneous income	-	-	83,962
<i>Total revenues</i>	<u>93,291</u>	<u>28,321</u>	<u>1,640,458</u>
<i>Expenditures:</i>			
<i>Current:</i>			
Instruction	-	35,773	821,026
Support Services			
Students	-	-	143,345
Instruction	-	-	-
General Administration	-	-	47,352
School Administration	-	-	383,068
Central Services	-	-	116,533
Operation & Maintenance of Plant	-	-	342,360
Student Transportation	-	-	-
Other Support Services	-	-	-
Community Services Operations	-	-	-
Food Services Operations	-	-	-
Capital outlay	93,291	-	93,291
<i>Total expenditures</i>	<u>93,291</u>	<u>35,773</u>	<u>1,946,975</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(7,452)</u>	<u>(306,517)</u>
<i>Other financing sources (uses):</i>			
Operating transfers	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>(7,452)</u>	<u>(306,517)</u>
<i>Fund balances - beginning, as previously reported</i>	<u>-</u>	<u>22,676</u>	<u>1,533,619</u>
<i>Restatement (see Note 18)</i>	<u>-</u>	<u>-</u>	<u>(234,417)</u>
<i>Fund balances - beginning, as restated</i>	<u>-</u>	<u>-</u>	<u>1,274,863</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ 15,224</u>	<u>\$ 992,685</u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL
 GOVERNMENTAL FUNDS

Exhibit B-2
 (Page 4 of 4)

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Governmental Funds</u>
Amounts reported for governmental activities in the statement of activities are different because:	
Net change in fund balances - total governmental funds	\$ (306,517)
Current year employer pension contributions deferred	163,184
Pension expense	(54,371)
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.	
Depreciation expense	(30,733)
Capital outlays	<u>206,789</u>
Net Position-total Governmental Activities	<u><u>\$ (21,648)</u></u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS

Exhibit C-1

CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
 OPERATING FUND
 FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
<i>Revenues:</i>				
Interest income	\$ 3,600	\$ 3,600	\$ 4,676	\$ 1,076
State grants	1,352,782	1,356,141	1,356,141	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,356,382</u>	<u>1,359,741</u>	<u>1,360,817</u>	<u>1,076</u>
<i>Expenditures:</i>				
Current:				
Instruction	1,140,500	1,140,500	716,333	424,167
Support Services				
Students	196,400	196,400	143,345	53,055
Instruction	-	-	-	-
General Administration	113,000	113,000	47,352	65,648
School Administration	504,500	504,500	383,068	121,432
Central Services	149,500	149,500	116,533	32,967
Operation & Maintenance of Plant	477,214	477,214	342,360	134,854
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services Operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>2,581,114</u>	<u>2,581,114</u>	<u>1,748,991</u>	<u>832,123</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,224,732)</u>	<u>(1,221,373)</u>	<u>(388,174)</u>	<u>833,199</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Designated Cash	1,224,732	1,221,373	-	(1,221,373)
<i>Total other financing sources (uses)</i>	<u>1,224,732</u>	<u>1,221,373</u>	<u>-</u>	<u>(1,221,373)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(388,174)</u>	<u>(388,174)</u>
<i>Cash or fund balance, beginning of year, as restated</i>	<u>-</u>	<u>-</u>	<u>1,356,606</u>	<u>1,356,606</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 968,432</u>	<u>\$ 968,432</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 83,962	
Adjustments to expenditures			(2,219)	
NET CHANGE IN FUND BALANCE			<u>\$ (306,431)</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
 INSTRUCTIONAL MATERIALS FUND
 FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
<i>Revenues:</i>				
Local and county grants	\$ -	\$ -	\$ -	\$ -
State grants	5,540	5,540	7,366	1,826
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>5,540</u>	<u>5,540</u>	<u>7,366</u>	<u>1,826</u>
<i>Expenditures:</i>				
Current:				
Instruction	5,540	5,540	-	5,540
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services Operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>5,540</u>	<u>5,540</u>	<u>-</u>	<u>5,540</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>7,366</u>	<u>7,366</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>7,366</u>	<u>7,366</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,663</u>	<u>1,663</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,029</u>	<u>\$ 9,029</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 7,366</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
 TITLE I IASA FUND
 FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
<i>Revenues:</i>				
Local and county grants	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	61,374	61,374	-	(61,374)
<i>Total revenues</i>	<u>61,374</u>	<u>61,374</u>	<u>-</u>	<u>(61,374)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	61,374	61,374	65,228	(3,854)
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services Operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>61,374</u>	<u>61,374</u>	<u>65,228</u>	<u>(3,854)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(65,228)</u>	<u>(65,228)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Designated Cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(65,228)</u>	<u>(65,228)</u>
<i>Cash or fund balance, beginning of year, as restated</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance, end of year (deficit)</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (65,228)</u>	<u>\$ (65,228)</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 65,228	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS

Exhibit C-4

CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
 TANF /GRADS FUNDS
 FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
<i>Revenues:</i>				
Local and county grants	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	33,409	33,409	1,473	31,936
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services Operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>33,409</u>	<u>33,409</u>	<u>1,473</u>	<u>31,936</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(33,409)</u>	<u>(33,409)</u>	<u>(1,473)</u>	<u>31,936</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Designated Cash	33,409	33,409	-	(33,409)
<i>Total other financing sources (uses)</i>	<u>33,409</u>	<u>33,409</u>	<u>-</u>	<u>(33,409)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(1,473)</u>	<u>(1,473)</u>
<i>Cash or fund balance, beginning of year</i>	<u>-</u>	<u>-</u>	<u>33,410</u>	<u>33,410</u>
<i>Cash or fund balance, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,937</u>	<u>\$ 31,937</u>
<i>Reconciliation to GAAP Basis:</i>				
Adjustments to revenues			\$ 1,473	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

Exhibit D-1

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 1,811
Total Assets	<u>\$ 1,811</u>
 LIABILITIES	
Deposits held in the trust for others	\$ 1,811
Total Liabilities	<u>\$ 1,811</u>

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

Schedule I

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash	\$ 1,538	\$ 1,957	\$ 1,684	\$ 1,811
Total assets	<u>\$ 1,538</u>	<u>\$ 1,957</u>	<u>\$ 1,684</u>	<u>\$ 1,811</u>
 LIABILITIES				
Deposits held for others	\$ 1,538	\$ 1,957	\$ 1,684	\$ 1,811
Total liabilities	<u>\$ 1,538</u>	<u>\$ 1,957</u>	<u>\$ 1,684</u>	<u>\$ 1,811</u>

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL
SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY
FOR PUBLIC FUNDS
JUNE 30, 2016

Schedule II

Name of Depository	Description of Pledged Collateral	Fair / Par Market Value June 30, 2016	Name and Location of Safekeeper
First New Mexico Bank	MORA 616412EJ7 7/1/16	\$ 250,000	First New Mexico Bank
First New Mexico Bank	843789EH7 8/1/2021	269,888	First New Mexico Bank
First New Mexico Bank	899172HF0 9/15/2017	225,652	First New Mexico Bank
		<u>\$ 745,540</u>	

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL
SCHEDULE OF INDIVIDUAL DEPOSIT ACCOUNTS
JUNE 30, 2016

Schedule III

<u>Bank Account Type</u>	<u>Amount</u>
Checking - Operational	<u>\$ 862,179</u>
Reconciling Items	<u>(24,154)</u>
Reconciled Balance June 30, 2016	838,025
Less Agency Funds	<u>1,811</u>
Total governmental funds	<u><u>\$ 836,214</u></u>

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL
 SCHEDULE OF CASH RECONCILIATION
 JUNE 30, 2016

Schedule IV
 (Page 1 of 2)

	Operational Account 11000	Instructional Materials Account 14000	Non Instructional Account 23000	Federal Flowthrough Account 24000
Cash, June 30, 2015	\$ 1,509,280 *	\$ 1,663	\$ -	\$ (234,417)
Add:				
2015-16 revenues	1,360,817	7,366		-
Total cash available	2,870,097	9,029	-	(234,417)
Less:				
2015-16 expenditures	(1,749,098) *	-	-	(75,573)
Loans to other funds	-	-	-	-
Receivables/Payables	-	-	-	-
Cash, June 30, 2016	1,120,999 *	9,029	-	(309,990) *
Fund Balance Reconciliation to GAAP Basis:				
Audit reclassifications to cash	(345,246)	-	1,811	309,990
Cash per Books	775,753	9,029	1,811	-
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	192,679	-	(1,811)	-
Fund Balance, Modified Accrual Basis	\$ 968,432	\$ 9,029	\$ -	\$ -

*Did not reconcile to the general ledger.

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL
 SCHEDULE OF CASH RECONCILIATION
 JUNE 30, 2016

Schedule IV
 (Page 2 of 2)

	Federal Direct Account 25000	Local Grants 26000	State Flowthrough 27000	Public School Capital Outlay Account 31200	Total
Cash, June 30, 2015	\$ 33,410	\$ 22,676	\$ 4,271	\$ -	\$ 1,336,883
Add:					
2015-16 revenues	-	-	-	-	1,368,183
Total cash available	33,410	22,676	4,271	-	2,705,066
Less:					
2015-16 expenditures	(1,473)	(7,452)	-	*	(1,833,596)
Loans to other funds	-	-	-	-	-
Receivables/Payables	-	-	-	-	-
Cash, June 30, 2016	<u>31,937</u>	<u>15,224</u>	<u>4,271</u>	<u>-</u>	<u>* 871,470</u>
Fund Balance Reconciliation to GAAP Basis:					
Audit reclassifications to cash	-	-	-	-	(33,445)
Cash per Books	<u>31,937</u>	<u>15,224</u>	<u>4,271</u>	<u>-</u>	<u>\$ 838,025</u>
				Less Activity Fund Exhibit B-1	1,811
					<u>\$ 836,214</u>
Fund Balance Reconciliation to GAAP Basis:					
Modified Accrual Adjustments	(31,937)	-	(4,271)	-	154,660
Fund Balance, Modified Accrual Basis	<u>\$ -</u>	<u>\$ 15,224</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 992,685</u>

*Did not reconcile to the general ledger.

STATE OF NEW MEXICO
 CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY OF
 THE EDUCATIONAL RETIREMENT BOARD PENSION PLAN
 LAST 10 FISCAL YEARS*

Schedule V

	Measurement Date	
	June 30, 2015	June 30, 2014
Cesar Chavez High School Charter' proportion of the net pension liability	0.02286%	0.02939%
Cesar Chavez High School Charter' proportionate share of the net pension liability	\$ 1,480,695	\$ 1,676,905
Cesar Chavez High School Charter' covered employee payroll	\$ 624,151	\$ 810,205
Cesar Chavez High School Charter' proportionate share of the net pension liability as a percentage of its covered employee payroll	237%	207%
Plan fiduciary net position as a percentage of total pension liability	63.97%	66.54%

*This schedule is presented prospectively beginning with information pertaining to the fiscal year ended June 30, 2015.

STATE OF NEW MEXICO
 CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL
 SCHEDULE OF CONTRIBUTIONS TO THE
 EDUCATIONAL RETIREMENT BOARD PENSION PLAN
 LAST 10 FISCAL YEARS*

Statement VI

	June 30, 2016	June 30, 2015
Contractually required contributions	\$ 163,184	\$ 90,334
Contributions in relation to contractually required contributions	<u>163,184</u>	<u>90,334</u>
Contribution deficiency (excess)	\$ -	\$ -
Cesar Chavez High School Charter' covered employee payroll	\$ 624,151	\$ 810,205
Contributions as a percentage of covered employee payroll	26.14%	11.15%

*This schedule is presented prospectively beginning with information pertaining to the fiscal year ended June 30, 2015.

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ADDITIONAL REPORTING REQUIREMENTS

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

To the Board of Education
Deming Public Schools, New Mexico
and
Timothy Keller,
New Mexico State Auditor

We have audited, 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, the financial statements of the governmental activities, the discretely presented component unit, each major fund, the aggregate remaining fund information, and the budgetary comparisons of the general fund and major special funds, of the Deming Public Schools, New Mexico (the "District") as of and for the year ended *June 30, 2016*, and the related notes to the financial statements, which collectively comprise Deming Public Schools, New Mexico'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 February 13, 2017.

Internal Control Over Financial Reporting

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

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

The Board of Education
Deming Public Schools, New Mexico
and
Timothy Keller,
New Mexico State Auditor

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying *schedule of findings and questioned costs* as items 2016-009, 2016-013, 2016-017, and 2016-11A to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying *schedule of findings and questioned costs* as items 2016-002, 2016-007, 2016-008, 2016-011, 2016-021, and 2016-001A to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying *schedule of findings and questioned costs* as items 2016-001, 2016-003, 2016-004, 2016-005, 2016-006, 2016-010, 2016-012, 2016-014, 2016-015, 2016-016, 2013-001A, 2013-004A, 2016-002A, 2016-003A, 2016-004A, 2016-005A, 2016-006A, 2016-007A, 2016-2008A, 2016-009A, 2016-010A, 2016-012A.

Deming Public School's Response to Findings

The District's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Deming Public Schools, New Mexico's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

The Board of Education
Deming Public Schools, New Mexico
and
Timothy Keller,
New Mexico State Auditor

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. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mess Adams LLP

Albuquerque, New Mexico
February 13, 2017

**REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

The Board of Education
Deming Public Schools, New Mexico
and
Timothy Keller
New Mexico State Auditor

Report on Compliance for Each Major Federal Program

We have audited Deming Public Schools, New Mexico's (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Deming Public School's major federal programs for the year ended *June 30, 2016*. 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 federal statutes, regulations, and the terms and conditions of its federal awards 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

The Board of Education
 Deming Public Schools, New Mexico
 and
 Timothy Keller
 New Mexico State Auditor

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.

Basis for Qualified Opinion on Improving Teacher Quality State Grants and the Child Nutrition Cluster

As described in the accompanying schedule of findings and questioned costs, the District did not comply with requirements regarding the following:

Finding #	CFDA #	Program (or Cluster) Name	Compliance Requirement
2016-022	84.367	Improving Teacher Quality State Grants	Special Tests and Provisions
2016-019	10.555,10.553, 10.569	Child Nutrition Cluster	Special Tests and Provisions

Compliance with such requirements is necessary, in our opinion, for the District to comply with the requirements applicable to that program.

Qualified Opinion on Improving Teacher Quality State Grants and the Child Nutrition Cluster

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, 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 Improving Teacher Quality State Grants and the Child Nutrition Cluster for the year ended *June 30, 2016*.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2016-020 and 2016-023. Our opinion on each major federal program is not modified with respect to these matters.

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

The Board of Education
Deming Public Schools, New Mexico
and
Timothy Keller
New Mexico State Auditor

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 the Uniform Guidance, 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.

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2016-019, 2016-022 to be material weaknesses.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2016-018, 2016-020, 2016,021, 2016-023 to be significant deficiencies.

The Board of Education
Deming Public Schools, New Mexico
and
Timothy Keller
New Mexico State Auditor

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

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Mess Adams LLP

Albuquerque, New Mexico
February 13, 2017

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Section I - Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported
- Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major federal programs and type of auditor's report issued on compliance for major federal programs:

<i>CFDA Number(s)</i>	<i>Name of Federal Program or Cluster</i>	<i>Type of Auditor's Report Issued on Compliance for Major Federal Programs</i>
84.367	Improving Teacher Quality State Grants	Qualified
10.555, 10.553, 10.559	Child Nutrition Cluster	Qualified

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? Yes No

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS

DEMING PUBLIC SCHOOLS

2016-001 Procurement Code, (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: During our procurement test work, we noted the District did not go out to bid for tangible items purchased from 1 out of 5 vendors tested in the amount of \$86,516.

Criteria: Per NMAC 6.20.2.17 PURCHASING: A. Each school district shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. Purchasing policies and procedures for grant funding shall comply with requirements established within the grant and the Procurement Code. An internal control structure over purchasing shall be established and maintained to assure compliance with school district policy, and state and federal regulations.

Effect: The School could be overpaying for tangible items purchased.

Cause: Management made multiple purchases during the year for materials from the vendor. They were unaware that the total of all purchases during the year are subject to the state procurement code threshold. Management previously only considered individual purchases over the threshold subject to the procurement code.

Auditor's Recommendation: We recommend that the District's procurement agent be updated on the State's procurement policies and ensure they are being implemented and followed for every vendor.

Management's Response: We agree with the finding and believe this finding was caused as smaller purchases were made during the year from the same vendor that eventually exceeded the \$60,000 state procurement threshold.

Current Status/Plan of Action: The Chief Procurement Officer received a Certified Procurement Officer license in September 2016. Beginning September 7, 2016, all purchase orders are sent to the Chief Procurement Officer for review prior to issuance. She reviews each purchase order for compliance with the State's procurement policy. The Chief Procurement Officer has received a copy of the State's procurement policy and has provided a signed confirmation of receipt dated September 7, 2016. She also attends training and recertifies every 2 years to ensure she is up to date on the most recent requirements of the State's procurement policy.

Person Responsible: Chief Procurement Officer

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-002 Monitoring of Grant Expenses, Significant Deficiency

Condition: During our receipts testwork of reimbursement basis grants, it was noted that there is a lack of oversight of expenses being coded to certain grants and a lack of monitoring of allowable costs for these grants. We noted there is no review of the RFR's prior to submission to the OBMS system.

We noted the following disallowed expenditures by the PED that the operating fund may be required to absorb:

Fund 24101 Title I	\$	7,123
Fund 24106 IDEA B		17,831
Fund 24113 Education for Homeless		79
Fund 24153 Title III English Language		39,381
Fund 24154 Teacher Principal Training		56
Fund 24174 Carl Perkins		8,513
Fund 24186 USHHS/CDC School Health		2,115
Fund 27166 Kindergarten Three Plus		55,842

Due to the lack of monitoring of grant expenditures, the District did not spend all available grant funds. We noted the following grant funds that were considered lost funding in the current year as these are not allowed to carryover:

Fund 24153 Title III English Language Acquisition	\$	23,932
Fund 24186 USHHS/CDC School Health		2,115
Fund 27166 Kindergarten Three Plus		202,397

We noted the following RFR's were submitted after the date in the grant award:

24113 Homeless Children & Youth

Due to lack of monitoring of grant expenditures, an adjustment was required to the following fund as the grant did not cover all expenditures posted:

25200 ROTC	\$	14,134
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**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-002 Monitoring of Grant Expenses, Significant Deficiency (continued)

Criteria: According to New Mexico Manual of Procedures for Public School Accounting and Budgeting (PSAB) Supplement 4-Federal and State Grants: those districts receiving federal and state grants that are awarded by NMPED must have a proper financial reporting system in place in order to receive and expend funds in accordance with certain mandated standards including but not limited to:

- Fiscal control and accounting procedures that are sufficient to prepare required reports pertaining to grants;
- Accurate, current and complete disclosure of the financial results of each grant program;
- Accounting records that identify source (by CFDA number and grantor agency);
- Effective control and accountability for all grants, property and other assets;
- Source documentation such as receipts, cancelled checks, paid bills, payroll records, time and effort records, contract and sub grant award documents must be readily available and support accounting records;
- Cash management procedures to minimize the time elapsing between expenditure of funds and requests for reimbursements.
- Process for determining reasonableness, allowability and allocability of grant costs in accordance with OMB Circulars, EDGAR, and New Mexico Public Education Department regulations, and the terms of the grant agreements.

Effect: The general fund had to absorb expenditures that were not allowed under the grants.

Cause: Management has not adequately reviewed expenses that are being coded to certain reimbursement grants and therefore have allowed items to be expensed which are considered unallowable.

Auditor's Recommendation: We recommend that the District conduct training on monitoring and oversight of reimbursable grants. In addition, we recommend that all RFR's be reviewed by the District prior to submission and that all adjustments be made prior to the 4th quarter report submittal to the PED.

Management's Response: We agree with the finding, disallowed expenditures, unexpended grants, and RFR submitted outside of the grant dates were due to lack of training. ROTC adjustment was due to an incorrect budget amount.

Current Status/Plan of Action: Beginning November 2016, monthly RFR review packets are being prepared and reviewed prior to submittal to the PED.

The Accounts Payable Specialist puts together RFR review packets for each grant with a reimbursement request that month. The RFR review packets include a listing of expenditures charged to the grant and backup supporting the expenditures. Backup support includes receipts, cancelled checks, paid bills, payroll records, time and effort records, contract and sub grant award documents.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-002 Monitoring of Grant Expenses, Significant Deficiency (continued)

The review packets are sent to the respective director of the grant for review. The Grant Director is responsible to review the expenditures for allowability, accuracy, complete and adequate backup support, and timeliness of reimbursement within the grant award. The respective director is required to reply in writing their approval of the review packet by e-mail. The approval e-mail is attached to the review packet and maintained in the fund folder.

Once The Accounts Payable Specialist receives all of the review packet approvals, she prepares the RFR Form for the month. The Director of Accounting performs a second review of the RFR form and submits the RFR Form to the NMPED for reimbursement.

If reimbursement adjustments are required the Director of Accounting will submit them prior to the 4th Quarter Report Submittal to the NMPED.

Person Responsible: Accounts Payable Specialist, Director of Accounting and Grant Directors as noted on the following page.

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Fund	Fund Name	Director
24101	Title I - IASA	M. Chavez, Director of Federal Programs
24103	Migrant Children Education	M. Chavez, Director of Federal Programs
24106	Entitlement IDEA-B	E. Boggs, Director of Special Education
24109	Preschool IDEA-B	E. Boggs, Director of Special Education
24113	Education of Homeless	M. Chavez, Director of Federal Programs
24118	Fresh Fruit and Vegetables	G. Jones, Director of Student Nutrition
24153	English Language Acquisition	M. Chavez, Director of Federal Programs
24154	Teacher/Principal Training & Recruiting	N. Patterson, Executive Director of Human Resources
24160	Rural & Low-Income Schools	M. Chavez, Director of Federal Programs
24162	Title I School Improvement	M. Chavez, Director of Federal Programs
24174	Carl D Perkins Secondary - Current	M. Chavez, Director of Federal Programs, and S. Coker, Assistant Principal at Deming High School
24176	Carl D Perkins Secondary - Redistribution	M. Chavez, Director of Federal Programs, and S. Coker, Assistant Principal at Deming High School
24186	USHHS/CDC School Health	F. Parker, Executive Director of Instruction and Curriculum
27103	2009 Dual Credit Instructional Materials/HB2	F. Parker, Executive Director of Instruction and Curriculum
27114	New Mexico Reads to Lead K-3	F. Parker, Executive Director of Instruction and Curriculum
27149	PreK Initiative	R. Acosta, Pre-K Principal
27166	Kindergarten-Three Plus	F. Parker, Executive Director of Instruction and Curriculum
27183	NM Grown FVV	G. Jones, Director of Student Nutrition

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-003 PED Reporting, (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: During our audit testing we noted the following:

- When testing of the budgets, we noted that the actual amounts reported to the NM PED did not agree to the amounts in the trial balance.
- We noted one expense account posted to the trial balance and reported to the PED that did not meet the PED Uniform Chart of Accounts (account 24106-0000-56118).
- We noted all the fund balance accounts numbers in the trial balance did not agree to the PED Uniform Chart of Accounts.
- When testing fund 24101 revenue, we noted that the District posted amounts of \$756,820.60 and \$905,345.86 to interest revenue account 41500 instead of the correct account 44500. These amounts have been reported to PED in accounts 41500.
- When testing fund 21000 grant expenditures, we noted \$63.00 of expenditures posted to food expenditure account 56116. This amount should have been posted to non-food expenditure account 56117.
- Funds 24153 and 24154 had negative expenditures posted to general administration, school administration and support services-instruction in the amounts of \$1,071, 593 and \$388, respectively.
- Cash reports submitted to the PED did not agree to the general ledger.

Criteria: Per NMAC 6.20.2.13C all school districts shall prepare, maintain, and report budget and financial information utilizing a standard and uniform chart of accounts.

Per NMAC 6.20.2.10 school districts shall submit periodic financial reports to the department using the department-approved format.

Per Cash Control Standards MAP 7 the cash report should flow directly from the General Ledger. Before completing the cash report districts should first reconcile all bank accounts and properly record any adjusting items such as interest or deductions for banking supplies, or for loans made by the district operational fund to other funds. The cash balance on the final line of the cash report should tie directly to the general ledger cash account total. Any differences must be found and corrected prior to submitting the report.

Effect: PED does not have accurate reporting of the District's financial activity. In addition, the District has an expenditure that does not appear to have budget approval.

Cause: Adjustments were made to the trial balance after reports were submitted to the PED. In addition, the District has not reviewed its chart of accounts on an annual basis.

Auditor's Recommendation: We recommend that the District complete an annual review of the chart of accounts. In addition, we recommend that the District complete all adjustments and reconciliations prior to reporting to the PED.

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-003 PED Reporting, (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency) (continued)

Management's Response: Lack of review and training on use of PED uniform chart of accounts led to the finding.

Current Status/Plan of Action: In order to comply with NMAC 6.20.2.13C, the District's chart of accounts will be reviewed annually by the finance department after the annual Budget Conference to ensure all changes proposed are incorporated and that the District's chart of accounts meets the NMPED Uniform Chart of Accounts. The Director of Accounting will be responsible for the annual review of the chart of accounts and training the District's financial staff in its proper use.

In order to ensure compliance with MAP 7, which states the cash report should flow directly from the general ledger, monthly bank reconciliations are prepared by the Director of Accounting and reviewed by the Executive Director of Finance. The bank reconciliation form has been revised effective September 2016 to begin with the bank balance and end with the general ledger balance. All adjustments will be recorded to the general ledger prior to filing the quarterly cash report to the NMPED. This will ensure that reported actuals tie to the trial balance and that the cash balance on the final line of the cash report will tie directly to the general ledger account total.

Person Responsible: Director of Accounting

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-004 Posting of Financial Reporting, (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: The District has not posted the financial reports on the District's website.

Criteria: Per NMSA 22-8-13.2. Financial reporting. (A) Each local superintendent or person in charge of the fiscal management of a charter school shall provide quarterly reports on the financial position of the school district or charter school, as applicable, to the local school board of the school district or the governing body of the charter school for use in reviewing the financial status of the school district or charter school. The department shall develop the forms to be used for the financial reporting required under this section. The forms shall provide for at least the following: (1) a report on the budget status of the local school district or charter school, including the approved operating budget for revenues and expenses compared with year-to-date actual revenue and expenses; (2) a statement of any budget adjustment requests; (3) cash reports, including revenue, expenses, temporary loans and cash balances for operational, state and federal grants, capital outlay and debt service funds; (4) voucher reports, including a list of issued warrants or checks; (5) reports listing procurement, travel or gas card expenses; and (6) investment reports. (B) School districts and charter schools shall post the reports required under Subsection A of this section on the school district's or charter school's web site.

Effect: There is a lack of transparency related to public information.

Cause: The District was unaware of this requirement.

Recommendation: We recommend that the District ensure that all of the required reports that are reviewed by the governing body be posted on the District's website once approved.

Management's Response: We were not aware of the requirement for posting quarterly reports to the District's web site.

Current Status/Plan of Action: The approved financial reports are now posted to the District's website and can be found at <http://www.demingps.org/financial-services-division-05a9eb9e>.

Person Responsible: Executive Director of Finance

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-005 – Monthly Meal Counts-Reporting, (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

<i>CFDA Number</i>	<i>Federal Agency/Pass-through Entity – Program Name</i>	<i>Award Number</i>	<i>Award Year</i>	<i>Questioned Costs</i>
10.555, 10.553, 10.559	United States Department of Agriculture/ Child Nutrition Cluster	n/a	2016	None

Condition: For one of three months tested, one lunch meal was excluded from the monthly meal counts submitted to the New Mexico Public Education Department (PED).

Criteria: Under 7 U.S. Code of Federal Regulations part 210.8, School Food Authorities shall establish internal controls which ensure the accuracy of meal counts prior to the submission of the monthly Claim for Reimbursement to the State agency (PED).

Effect: The District was undercompensated from PED by one lunch meal.

Cause: A typo was made when entering meal count data into the PED online claims form.

Recommendation: We recommend the District improve review procedures to ensure that accurate meal count data is submitted to PED.

Management Response: One of 596,633 meals were under claimed due to an oversight/typing error.

Current Status/Plan of Action: Currently, five USDA/PED and three department procedures are completed and performed daily/monthly to account for accurate daily student meal counts. The Director of Student Nutrition will review all procedures and make any necessary changes to the meal counting procedures.

Person Responsible: Director of Student Nutrition

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-006 Charter school agreement, (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: The District did not have a contract with the charter school for fiscal year 2016 but a conditions agreement. We noted that the conditions agreement did not describe how the two percent state equalization guarantee (SEG) funds withheld by the District will be spent. In addition, we noted the conditions agreement did not describe the process or criteria that the District will use to evaluate the fiscal, overall governance and student performance of the charter. The District is not accounting for the two percent SEG funds are spent and whether they have properly spent all funds at year-end or whether they have carryover funds related to the oversight of the charter school.

Criteria: Per NMSA 22-8B-9. Charter School Contract. The charter school contract shall include (8) a detailed description of how the chartering authority will use the two percent of the school-generated program cost as provided in Section 22-8B-13. (11) the process and criteria that the chartering authority intends to use to annually monitor and evaluate the fiscal, overall governance and student performance of the charter school; including the method that the chartering authority intends to use to conduct the evaluation as required by Section 22-8B-12 NMSA 1978.

Effect: The District is not accounting for the two percent SEG funds or whether the funds are being properly spent for the oversight of the charter school.

Cause: The District was unaware of the requirement to properly track the expenditures related to the two percent SEG funds.

Recommendation: We recommend that the District review the current charter school contract effective July 1, 2016 to ensure that all required elements related to NMSA-8B-9 are properly included. In addition, we recommend that the District separately track the two percent SEG money received and show that the expenditures are in line with the contract agreement effective July 1, 2016.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-006 Charter school agreement, (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency) (continued)

Management's Response: We were unaware of the need to track the adequacy of the 2% withheld for charter school oversight.

Current Status/Plan of Action: The District will present the following to both the Deming School Board and the Governing Council for the Charter School for approval in the February 2017 meetings;

Deming Public Schools, the chartering authority for the charter school, withholds up to 2% of the state funding allocated to the charter school. Those funds are used for the following purposes;

1. Fund district expenses for providing payroll services for the charter school
2. Administrative Consultations, including but not limited to:
 - a. Educational legal issues
 - b. Building maintenance and construction consulting
 - c. Staff professional development service
 - d. Preparation of document such as Memorandums of Understanding
 - e. Issues related to administration of district services;
 - i. Transportation
 - ii. Special Education
 - iii. Maintenance of property
 - iv. Food service
 - v. Technology

These funds will be tracked by the Finance Department of Deming Public Schools and will be reported to the School Board of Education on a quarterly basis. This report will be presented at the same time as the Charter School's quarterly report to the Deming School Board.

Person Responsible: Dr. Dan Lere, Superintendent

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-007 IT General, Operations, and Security and Access Controls, Significant Deficiency

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

- (a) No contract exists between the District and its financial system vendor at this time for financial system support. This includes maintenance of the physical server; any update programming or deployment; user additions, terminations, and change of access; backups and restoration of data; monitoring of batch processes; server security configurations; and disaster recovery for the core applications and data. No assurance is obtained by the District over controls employed by the vendor, and no District users maintain administrator access to the financial system server.
- (b) No disaster recovery plan that will provide guidance to the District in a recovery effort in case of a disaster.
- (c) Both the financial system server and the domain systems are maintained in unsecure locations. The domain systems in particular are kept in an unlocked room during business hours which is frequented by non-IT staff for the purpose of using the printer.
- (d) No security incident response plan exists outlining procedures for responding to security incidents that affect the entity as well as criteria for notifying affected individuals in the event of a data breach.

Criteria: In accordance with ISACA's Control Objectives for Information and related Technology (COBIT) 4.1, framework ME2 (Monitor and Evaluate Internal Control), establishing an effective internal control program for IT requires a well-defined monitoring process in order to provide assurance regarding effective and efficient operations and compliance with applicable laws and regulations. As part of this framework, entities should assess the status of external service providers' internal controls and confirm that external service providers comply with legal and regulatory requirements as well as contractual obligations.

In accordance with COBIT 4.1, framework DS4 (Ensure Continuous Service), a Disaster Recovery Plan needs to be developed and tested to reduce impact of a major disruption on key business functions and processes.

In accordance with COBIT 4.1, framework DS12 (Manage the Physical Environment), protection for computer equipment and personnel requires well-designed and well-managed physical facilities. Effective management of the physical environment reduces business interruptions from damage to computer equipment and personnel.

Effect: The lack of a contract with the District's financial system vendor creates a significant risk of data loss in the event of a vendor dispute or other, unforeseeable event. The lack of a disaster recovery plan creates an additional significant risk of data loss and a risk of impeded or unrecoverable operations due to unforeseeable events. The lack of secure server and domain system locations significantly increases the risk of damage, theft, and compromise of IT systems.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-007 IT General, Operations, and Security and Access Controls, Significant Deficiency (continued)

Cause: The District relied on the vendor to assist with the IT functions and have not updated their policies with them for over 20 years.

Recommendation: We recommend the following:

- (a) Immediate drafting of a contract between the financial system vendor and the District; the performance of a risk assessment to identify the risks associated with this vendor relationship, to be performed annually; and the establishment of mitigating controls in the event of a vendor failure.
- (b) Drafting of a comprehensive disaster recovery plan that outlines the steps necessary to recover lost systems and data as well as recovery point objectives and recovery time objectives agreed upon by the IT department and upper management. We recommend that the disaster recovery plan be tested at least annually.
- (c) Physical security of IT systems be reevaluated, including an evaluation of fire suppression, environmental, and access controls.
- (d) Drafting of a comprehensive security incident response plan that includes District information and personally identifiable information and notifying those affected as necessary.

Management's Response: We agree with the finding and were relying on the proximity of the finance department to the file server for security. Contract with the vendor had lapsed. Disaster recovery and security incident response plans had not been written.

Current Status/Plan of Action: As of February 1, 2017, the District has obtained a contract with Triadic. The Executive Director of Finance and the Director of Technology are working together to perform a risk assessment of the vendor relationship, which will be completed before the end of the 2016-2017 school year. This risk assessment will be updated annually. Controls will be established and documented to mitigate any risks identified in this review.

As of January 2017, the server which houses the financial accounting system has been moved to a locked room, which is temperature controlled with a 1 hour fire door. A backup of the system is performed daily and kept in a vault with a 1 hour fire door. In the case of an unforeseen disaster to the server housing the financial accounting system, the backup will be taken to Triadic and uploaded on their server.

At this time the District does not have a written disaster recovery plan or a security incident response plan; therefore, the Executive Director of Finance and the Director of Technology will work together to write a plan and have it reviewed by the IT department and the Superintendent prior to the end of the 2016-2017 school year. The Disaster Recovery Plan will be tested annually.

Person Responsible: Executive Director of Finance and the Director of Technology

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-008 Improper Cash Account Controls and Cash Reconciliation, Significant Deficiency

Condition: During our review of the cash reconciliation we identified several instances where proper procedures are not being maintained, such as:

- Cash reconciliations are not signed off and reviewed by two individuals.
- Gate receipts and federal/special bank account beginning balances from 2015 were not properly rolling forward in the Triatic software.
- Bank reconciliations did not balance at year-end causing a \$500,000 difference in the bond fund reconciliation.
- The payroll bank reconciliations, we noted 441 checks which were dated June 30, 2015 or earlier, the earliest dated being in 2002, and were not properly cancelled. The total amount of these checks was \$213,736.

Criteria: Per NMAC 6.20.2.14 cash control standards: (k) All bank accounts shall be reconciled on a monthly basis. Reconciled bank statements are to be reviewed by the business manager and/or assistance superintendent for business administration. (I)(1) Whenever a warrant or check is unpaid for one year, the fiscal officer shall cancel it in accordance with Section 6-10-57(A), NMSA 1978.

Effect: General ledger accounts are in essence misstated when stale dated items are not removed. Additionally, when cash accounts aren't reviewed, errors (either accidental or intentional), can go undetected for significant amounts of time which can affect proper cash planning.

Cause: The District was not monitoring outstanding checks to ensure compliance with state statute. Lack of review caused errors in bank reconciliations to go undetected.

Recommendation: We recommend that management implement a procedure to monitor outstanding checks for all bank accounts and that monthly cash reconciliations are properly reviewed and signed off by two individuals.

Management's Response: We agree with the finding. Bank reconciliations are now being reviewed and signed off. Software roll forwards are corrected. A temporary transfer between bank accounts was not reversed. Outstanding payroll checks from prior years were not canceled.

Current Status/Plan of Action: Monthly bank reconciliations are prepared by the Director of Accounting and are now reviewed by the Executive Director of Finance. The bank reconciliation form has been revised effective September 2016 to require signatures and dates of both the preparer and the reviewer.

As part of the monthly bank reconciliation process, all checks or warrants that are outstanding for more than one year will be canceled in accordance with Section 6-10-57(A), NMSA 1978. The Director of Accounting will maintain a register of all canceled showing the date, amount, person payable and the date of cancelation. The amount of the check or warrant canceled shall revert and be credited to the fund it was drawn against.

Person Responsible: Director of Accounting and Executive Director of Finance

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-009 Lack of Internal Controls, Material Weakness

Condition: During our audit procedures over financial close and reporting processes, we noted the following:

- There is no secondary review of manual journal entries being posted.
- For long-term debt held, the District relies on the bonding agent to ensure that principal and interest payments on outstanding bonds are correctly remitted from District funds. The District does not perform an internal reconciliation of debt payments made to bond issuance documents and amortization schedules and does not keep documentation of all the bond details on file.
- When testing revenue, we noted that the District posted an amount of \$1,725.00 to fund 24124 instead of fund 24174. This amount has been reported to PED in fund 24124.
- We noted two transcript reimbursements were overpaid in the amounts of \$20 and \$787.47.
- We noted that a purchase order was not issued for a purchase in the amount of \$3,722.18 per policy guidelines.
- We noted the amount of employer health premium was not properly pro-rated to each fund based on the salary amount allocated. We noted an unallowable amount of \$345 that incorrectly charged to fund 24154 Title IIA grant.
- We noted that the fair market value per the 2005 bond fund investment had a difference of \$10,743 from the general ledger.
- District does not have a policy adopted for purchase cards and accounting for student activity monies.
- We noted three individuals had the ability to create vendors and print checks within the system.

Criteria: Per NMAC 6.20.2.11 (A) Internal Control Structure Standards, "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. 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."

Good accounting procedures require that all manual journal entries should have proper supporting documentation and be reviewed by at least two individuals who should sign and date the journal entry. This should be performed in order to detect errors and to prevent improper movement of funds. This provides an internal deterrent to errors, fraud and misappropriation of assets.

Long-Term Debt reconciliations are an important element of internal control, facilitating timely detection of differences between anticipated and actual debt payments so that they can be investigated and resolved.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-009 Lack of Internal Controls, Material Weakness (continued)

Effect: The absence of a proper review and approval of expenses could allow for unauthorized expenses being charged to the District. While we noted that debt payments made were in accordance with debt issuance documents, the District could be unaware of differences between scheduled and actual debt payments.

Cause: The District did not have proper controls in place for review and approval of journal entries.

Recommendation: We recommend that the District create policies and procedures to ensure that all journal entries are being properly reviewed and approved. We recommend that the District implement procedures to ensure that debt payment schedules are reconciled to cash payments made in a timely manner and that all documentation is kept by the District. We recommend that policies and procedures be updated to include purchase cards and student activity funds. In addition, controls should be implemented to ensure that purchases and receipts are posted to the correct funds and accounts.

Management's Response: We agree with the findings and have implemented proper controls for review and approval of journal entries.

Current Status/Plan of Action: The District has reviewed its accounting procedures and implemented the following changes to enhance its internal control structure.

- Journal Entries – All manual journal entries are prepared by the Director of Accounting, and reviewed by the Executive Director of Finance. Each manual journal entry form is printed and attached with appropriate back-up to support the entry. Effective October 2016, the journal entry form was updated to require signatures and dates of the preparer and reviewer.
- Long-Term Debt – When the District receives the bond principal and interest payment requests from the Bonding Agent, the Executive Director of Finance will agree the amount of principal and interest to the amortization schedule, evidenced by a note and signature on the payment request. A copy of the payment request will be maintained in the bond file. In addition, once the payment for interest or principal has been recorded, the Executive Director of Finance will review the general ledger balances to ensure that the balances agree to the amortization schedules.
- Fund Balance and Activity Review - Beginning February 2017, a monthly report showing the fund revenues, expenditures, and fund balance will be sent to the respective director of the grant for review. The Grant Director is responsible to review the revenues and expenditures for allowability, accuracy, complete and adequate backup support, and compliance with the grant term. They will also review the fund transactions to ensure they are posted to the correct fund and accounts.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

2016-009 Lack of Internal Controls, Material Weakness (continued)

- Reconciling Trial Balance and Recording Adjusting Journal Entries - On a monthly basis, the District's trial balance is maintained on the Cash basis of accounting. In order to comply with year-end reporting requirements, adjusting entries must be booked to adjust the trial balance to an Accrual basis of accounting. These entries include, but are not limited to, recording accounts payable, recording accounts receivable, reviewing fund balances for prepaid funds, recording the fair market value adjustments on investments and recording commodities inventory. These entries will be prepared by the Director of Accounting and reviewed by the Executive Director of Finance prior to the start of the 2016-2017 annual audit.
- Transcript reimbursements are prepared four times a year at semester end by the Human Resources Administrative Assistant. When the requests for reimbursement are received by the finance department, the request and supporting documentation will be reviewed for accuracy and allowability prior to payment.
- At this time, the district does not have a specific policy on purchase cards or accounting for student activities money. Therefore, the Executive Director of Finance, will work to write a policy and have it approved by Deming School Board before the beginning of the 2017-2018 school year. The policies will be presented to the Board for a first reading at the March 2017 Board Meeting and will be presented for approval at the April 2017 Board Meeting.
- Segregation of Duties - Beginning February 2017, the District implemented a procedure that limited individual's ability to create vendors and print checks within the system. Chief Procurement Officer and the Director of Accounting have access within the system to set-up new vendors. The two Accounting Specialists will have access to issue checks. The Executive Director of Finance will perform an annual review of the finance department employee's system access to ensure that there is proper segregation of duties.

Person Responsible: Director of Accounting, Executive Director of Finance, Human Resources Administrative Assistant, Grant Director

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-010 Activity Cash Receipts, (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: During the testing of the Athletics fund we noted the following (fund 22000):

- The District did not have documentation for 6 out of 18 cash receipts tested in the amounts of \$314, \$462, \$2,149, \$991, \$2,240 and \$7,767. In addition, we could not verify funds were deposited within the required 24 hours.
- We noted on 7 out of 18 cash receipts tested, that there was no documentation for additional amounts deposited in the amounts of \$3, \$2, \$8, \$10, \$74, \$50 and \$85.
- We noted on 8 out of 18 cash receipts tested, amounts of \$1,885, \$544, \$440, \$255, \$806, \$340, \$316 and \$786 were not deposited within the required 24 hours.
- We noted on 5 out of 18 cash receipts tested, there was \$11, \$8, \$8, \$64 and \$12 less deposited than what was calculated on the count forms.
- We noted 4 out of 18 count forms were completed incorrectly.

During our testwork of the Student Activity funds we noted the following (fund 23000):

- We noted 4 out of 34 cash receipts tested amounts of \$616, \$1,100, \$2,000, and \$526 were not deposited within 24 hours.
- We could not verify on 26 out of 34 cash receipts tested, amounts of \$501, \$102, \$8,532, \$6,615, \$105, \$620, \$1,343, \$4,772, \$9,649, \$3,682, \$1,161, \$2,085, \$62, \$1,027, \$700, \$3,110, \$8,862, \$1,416, \$12,499, \$5,330, \$700, \$4,532, \$1,950, \$4,752, \$3,819, \$3,245 were deposited within 24 hours.
- On out 15 of 34 cash receipts tested, we could not agree the support to the deposit made.

During our testwork on the Student Activity funds we noted the following (Agency funds):

- We could not verify on 53 out of 55 cash receipts that amounts were deposited within 24 hours. Total amount of receipts tested was \$53,185.
- Support was not provided on 23 out of 55 cash receipts tested. Total amount of receipts were support could not be provided was \$32,045.
- Support could not be provided for difference in deposits to actual amounts posted to general ledger. Difference of \$3864.

Criteria: Per NMAC 6.20.2.14.C money received and receipted shall be deposited in the bank within twenty four (24) hours or one banking day. The bank deposit slip shall have the numbers from applicable receipts entered on it or attached as a reference.

Effect: The District is not safeguarding cash received. Funds could go missing.

Cause: The Schools have not been provided adequate training in regards to documenting or retaining information to cash receipts collected. This includes depositing funds within 24 hours of receipt.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-010 Activity Cash Receipts, (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency) (continued)

Auditors' Recommendations: The District should update policies and procedures for all receipting of cash receipts related student activities including athletics. In addition, we suggest that training be provided to staff collecting money to ensure that individuals understand how to complete the count sheets and when funds are to be deposited with the bank. We recommend that the finance department perform periodic reviews against the club receipt books to ensure that each school has controls in place for segregation of duties and proper documentation of funds received.

Management's Response: Training was inadequate in regards to dated receipts and the 24 hour deposit requirement.

Current Status/Plan of Action: At the Annual Secretaries Meeting, the Executive Director of Finance will review the District's policies and procedures for all cash receipts to ensure those responsible for collecting money understand how to complete the count sheets and when the funds are required to be deposited with the bank. In addition, the finance department will review cash receipts from each school at least one time per year to ensure compliance with the District's policies and procedures. The Director of Accounting will be responsible for performing that review.

Person Responsible: Executive Director of Finance and Director of Accounting

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-011 Adjustments to Client Provided Information, Significant Deficiency

Condition: During the performance of audit procedures relating to accrual accounts, the following was noted:

- The management of the District prepared the accounts payable listing which improperly excluded \$283,790, which was discovered during subsequent disbursement testwork.
- The management of the District prepared the accounts payable listing which improperly included \$38,739, which was discovered during subsequent disbursement testwork.
- The management of the District failed to identify a prepaid expense in account 27114 in the amount of \$45,884.
- The management of the District failed to identify the commodity amounts that are not recorded on a cash basis in fund 21000. Total adjustment to revenue and expenses was \$277,843.
- The management of the District failed to identify \$3,500 of unearned revenue that should have been recognized in the current year.
- The management of the District failed to identify receivables in the PreK Initiative fund of \$230,194, K3 plus program of \$208,454 and food services fund of \$381,888.

Criteria: 2011 GAO-12-331G Government Accounting Standards Section 3.51, states the District is required to prepare accurate account balances for financial presentation.

Effect: When sufficient controls over the preparation of financial statements and related disclosures are not designed, implemented and operating effectively, an entity's ability to prevent or detect a misstatement in its financial statements is limited.

Cause: The District did not have proper controls in place to ensure all accrual adjustments were properly accounted for.

Recommendation: We recommend that the District develop and implement policies and procedures to ensure that all accrual adjustments are complete and accurate.

Management's Response: On a monthly basis, the District's trial balance is maintained on the Cash basis of accounting. This was the first year we attempted to prepare the adjustment entries needed for modified accrual financial statements.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-011 Adjustments to Client Provided Information, Significant Deficiency (continued)

Current Status/Plan of Action: In order to comply with year-end reporting requirements, adjusting entries must be booked to adjust the trial balance to an Accrual basis of accounting. These entries include, but are not limited to, recording accounts payable, recording accounts receivable, reviewing fund balances for prepaid funds, recording the fair market value adjustments on investments, and recording commodities inventory. As part of the District's year-end procedures, the Executive Director of Finance will review all cash receipts and cash disbursements subsequent to year-end to ensure any amounts related to the year-end are properly accrued in the general ledger. The Executive Director of Finance will also review the fund balance accounts on the trial balance to determine if there are any prepaid funds, which need to be adjusted for the accrual basis financials. These entries will be prepared by the Director of Accounting and reviewed by the Executive Director of Finance prior to the start of the 2016-2017 annual audit.

Person Responsible: The Executive Director of Finance

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-012 Late Audit Submission, (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: The District's audit report for the year ended June 30, 2016 was not submitted to the State Auditor by the required due date, November 15, 2016.

Criteria: Audit reports not received on or before the due date, November 15, are considered to be in non-compliance with requirements of Section 2.2.2.9.A of the State Audit Rule.

Effect: The result was the late submission of the District's audit report for the year ended June 30, 2016. The users of the audited financial statements and the District's management do not have timely information. In addition, untimely financial audits may affect federal and state funding.

Cause: The District needed additional time to reconcile prior year receivable, unspent grant revenue, fixed assets and cash.

Auditors' Recommendations: The District must prepare all necessary reconciliations and schedules to the auditor's timely and accurately.

Management's Response: We needed additional time to reconcile prior year information presented in the June 30, 2015 audit.

Current Status: Plan of Action: It is the Districts intent to start the June 30, 2017 year end audit with all the necessary reconciliations and schedules prepared timely and accurately. To accomplish this, the District has/will implement the accounting procedures identified in finding 2016-009. The trial balance will be reviewed and the adjusting entries required to present the trial balance on an accrual basis will be made prior to the start of the audit. The audit schedules requested by the auditors will be prepared, reviewed and agreed to the trial balance prior to submittal to the auditors.

Person Responsible: Executive Director of Finance and Director of Accounting

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-013 Restatement, Material Weakness

Condition: The prior year fund balance and net position balances were understated as a result of the following errors noted:

- Receivables were understated in the following funds. Request for reimbursements (RFR)'s requested and subsequently received from the NMPED were not included in the 2015 receivable balances:

○ Fund 24101 Title I	\$ 176,202
○ Fund 24106 IDEA-B Entitlement	90,511
○ Fund 24109 Pre-School IDEA-B	900
○ Fund 27149 Pre-K	8,386
○ Fund 27155 Breakfast for elem	1,314
○ Fund 27166 Kindergarten	8,555

- An overstatement of receivables in the amount of \$10,398 in fund 24176. RFR was disapproved by the NMPED.
- An overstatement of deferred revenues in the amount of \$682,434 in fund 27108. Expenditures of \$682,434 were spent as of June 30, 2015.
- An understatement of accounts payable in the amount of \$102,115 in fund 31700.
- An overstatement of accounts payable in the amount of \$12,287 in fund 11000. Of this amount \$2,521 was understated in fund 13000, \$2778 was understated in fund 14000, \$568 was understated in fund 22000 and \$6,420 was understated in fund 23000.
- An overstatement of accounts payable in the amount of \$32,394 in fund 31900. \$32,394 was understated in fund 31100.
- An understatement of accounts payable in the amount of \$102,115 in fund 31700 and an understatement of accounts payable in the amount of \$44,294.
- Receivables were overstated as a result of 2005 through 2014 receivables related to the following funds:

○ Fund 24105 Migrant Consortium	\$ 18591
○ Fund 24107 Discretionary IDEA-B	13,358
○ Fund 24108 Competitive IDEA-B	4,770
○ Fund 24113 Education for Homeless	513
○ Fund 24118 Fresh Fruit & Vegetables	1,039
○ Fund 24120 IDEA-B Risk Pool	12,747
○ Fund 24124 Title I 1003g grant	111,200
○ Fund 24135 Comprehensive School reform	31,309
○ Fund 24143 ELL Title III Incentive Awards	6,596
○ Fund 24149 Enhancing Ed through Tech	79,062
○ Fund 24150 Title V-Part A Innovation Ed	115
○ Fund 24153 English Language Acquisition	15,702
○ Fund 24154 Teacher/Principal Training	158,608
○ Fund 24160 Rural and Low Income Schools	15,465
○ Fund 24162 Title I-School Improvement	51,515

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-013 Restatement, Material Weakness (continued)

○ Fund 24167 Reading First	54,503
○ Fund 24175 Carl Perkins Secondary	42,416
○ Fund 24201 Title I Federal Stimulus	1,245
○ Fund 25171 Child and Adult Food	1,999
○ Fund 25200 ROTC	\$ 18,108
○ Fund 25205 Gear Up NM	46,366
○ Fund 25249 Emergency Response	19,279
○ Fund 27102 Community Based Org-PED	7,289
○ Fund 27103 Dual Credit Instruction Materials	5,000
○ Fund 27105 2008 GO Bond Student Library	18,134
○ Fund 27106 2010 GO Bond Student Library	2,608
○ Fund 27107 2012 GO Bond Student Library	28,471
○ Fund 27121 Physical Ed Classes-PED	3,597
○ Fund 27136 TANF-Full day Kinder	3
○ Fund 27138 Incentives for School Improv.	11,190
○ Fund 27145 Libraries GO Bond-Laws of 2004	10,347
○ Fund 27158 Reading Materials	7,896
○ Fund 27162 Technology Equity	28,957
○ Fund 27170 Libraries-SB 301 GO Bond	41,527
○ Fund 27171 2010 GOB Instruc. Materials	44,812
○ Fund 27514 Advanced Computers	9,300
○ Fund 28136 Crisis Intervention Training	12,588
○ Fund 28178 Gear Up	7,666

Criteria: Good accounting practices call for accurate and timely records and NMSA 1978 6-5-2 specifies that agencies shall implement internal accounting controls designed to prevent accounting errors and violations of state and federal law and rules related to financial matters.

Effect: Fund 11000 was overstated by \$754,837, fund 13000 was overstated by \$2,521, fund 14000 was overstated by \$7,778, fund 21000 was understated by \$1,039, fund 31000 was overstated by \$76,580 non-major special revenue funds were understated by \$922,047, non-major capital project funds were overstated by \$69,821. Total fund balance for fiscal year 2015 was understated by \$11,541 Total net position for fiscal year 2015 was overstated by \$917,152.

Cause: The District does not have proper controls in place to reconcile accounts receivable and accounts payable balances. The District has been carrying over receivable balances from fiscal years 2002 through fiscal years 2014.

Auditor's Recommendation: We recommend that the District reconcile all receivable balances (including beginning balances) to ensure that amounts are collectible and determine whether an allowance policy should be adopted. In addition, we recommend that the District implement additional controls to verify that the unearned revenue and accounts payable are complete and accurate.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-013 Restatement, Material Weakness (continued)

Management's Response: We lacked controls for accrual based accounting adjustments.

Current Status/Plan of Action: On a monthly basis, the District's trial balance is maintained on the Cash basis of accounting. In order to comply with year-end reporting requirements, adjusting entries must be booked to adjust the trial balance to an Accrual basis of accounting. The two primary adjustments are recording accounts receivable and accounts payable balances.

As of February 2017, the Executive Director of Finance has completed a reconciliation of all accounts receivable balances. All entries to restate prior year have been recorded to the trial balance to ensure a proper rollforward of the accounts receivable activity. At the end of the 2016-2017 school year, the Executive Director of Finance will perform a review of the June 2016 receivable balances to verify that the amounts were collected. If they were not collected, the Executive Director of Finance will evaluate the need to record an allowance for uncollectable receivables. In addition, the Executive Director of Finance will review the fund balances to determine whether any new receivables should be recorded. This review and related adjusting entries will be performed prior to the beginning of the June 30, 2017 audit.

The Executive Director of Finance will also ensure that the accounts payable adjustment is recorded prior to the start of the June 30, 2017 audit. He will review all subsequent disbursements, unpaid bills, and fund balances after June 30, 2017 to determine what amounts related to the 2016-2017 school and record the payable balance accordingly.

Person Responsible: Executive Director of Finance

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-014 Indirect Cost, (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

CFDA Number	Federal Agency/Pass-through Entity – Program Name	Award Number	Award Year	Questioned Costs
84.367	United States Department of Education/ Improving Teacher Quality State Grants	24154	2016	None

Condition: During our testing of indirect costs, it was noted that the District charged in excess indirect costs to the program as follows:

Indirect costs allowed	\$	9,605
Indirect costs charged		9,618
Excess indirect costs		13

Criteria: District is required to use the indirect cost rate provided by the NMPED per 34 CFR 75.560.

Effect: The District overcharged indirect costs.

Cause: There were no controls in place to reconcile the indirect costs at year-end.

Auditors' Recommendations: We recommend that the District implement controls to review indirect cost calculations to ensure proper indirect cost amounts are allocated to the grant based on the approved NMPED indirect cost rates.

Management's Response: Adjustment to expenses was recorded after indirect cost was calculated.

Current Status/Plan of Action: Indirect costs are recorded at a rate determined by the NMPED. Currently the District records the entry for indirect costs annually. The entry is prepared by the Director of Accounting, and reviewed by the Executive Director of Finance. If a fund reimbursement adjustment is required, the Director of Accounting will submit the adjustment prior to recording the indirect costs to ensure the indirect costs are not overcharged by year-end.

Person Responsible: Director of Accounting and Executive Director of Finance

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-015 Fund Accounting Reconciliations, (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: During our review of the District’s general ledger, we noted several funds which are carrying cash and unearned revenue balances forward from year-to-year that have not been reconciled by the district, including amounts that may need to transferred back to PED. All of these funds are considered reimbursement type funds and should not have cash balances or unearned revenue carryforward:

24115 Title II	\$	619
24116 Emergency Immigrant		1,253
24127 Goals		219
24131 Goals		2,406
24132 Goals		219
24133 Enhancing Education		28,806
24147 Reading Excellence		2,023
24157 Drug Free		71,266
24163 Immigrant funding		4,716
24218 Child Nutrition Stimulus		26,244
25246 Emergency Food		<u>6,250</u>
Total	\$	<u>144,021</u>

We noted the following reimbursement type funds are carrying cash and restricted fund balances forward from year-to-year:

Technology for Education PED (27117)	\$	142,170
Computerized Learning System (27123)		109
Truancy CYFD (27139)		1,381
School Improvement Framework (27164)		6,600
GRADS-Instruction (28190)		<u>25,665</u>
Total	\$	<u>175,925</u>

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-015 Fund Accounting Reconciliations, (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency) (continued)

We also noted the following funds are carrying cash balances forward from year-to-year that are due to other funds:

Javits Gifted & Talented Students (24102)	\$	1,206
Entitlement IDEA-B – Federal Stimulus (24206)		79
State Equalization Guarantee – Federal Stimulus (25250)		2,495
PNM Foundation Inc. (26123)		227
Reading is Fundamental (26137)		18
A plus for Energy (26179)		49
State grants (27000)		13,917
Family & Youth Resource Pro PED (27140)		8,021
Reading Improvement Initiatives (27152)		6
Mid-school Tutoring (27153)		745
Beginning Teacher Mentoring (27154)		14,677
Space Grant Consortium NMSU (28157)		<u>729</u>
 Total	 \$	 <u>41,169</u>

Criteria: Good accounting policy indicates that funds that are no longer being used should be adjusted to \$0, closed out and no longer used. All transfers should get approved and acted upon in a timely fashion. Funds should be cleaned up to ensure an accurate reflection of fund activity and balances from year-to-year.

Effect: The District has not been reporting accurate fund information to PED and is at risk of not having budget approval.

Cause: The District did not have proper controls in place to reconcile carryover cash balances.

Auditors’ Recommendations: We recommend that the District reconcile the list of funds and determine whether funds need to be returned to the grantor or transferred to the general fund. Should amounts need to be transferred we recommend that a permanent cash transfer per PED policies be completed and approved prior to adjustment.

Management’s Response: Cash balances were being carried forward without review.

Current Status/Plan of Action: By April 2017, the Executive Director of Finance will complete a review of all of the fund balances determining which funds need to be transferred, returned to the grantor or budgeted for expenditure. All entries will be recorded accordingly in the trial balance to ensure accurate reporting of the fund balances to the NMPED. If a transfer is required, the cash transfer will be reviewed with the PED.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-015 Fund Accounting Reconciliations, (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency) (continued)

Beginning February 2017, a monthly report showing the fund revenues, expenditures, and fund balance will be sent to the respective director of the grant for review. The Grant Director is responsible to review the revenues and expenditures for allowability, accuracy, complete and adequate backup support, and compliance with the grant term. They will also review the fund transactions to ensure they are posted to the correct fund and accounts.

Person Responsible: Executive Director of Finance and Grant Director

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-016 Budgetary Conditions (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: The District had expenditure functions where actual expenditures exceeded budgetary authority

Student Activities	
Support Services	<u>\$ 6,178</u>
Education Technology	
Support Services	<u>\$ 360</u>

The District budgeted cash carryover of \$490,005 in fund 23000. Per the prior year financial statements, the District only had available cash carryover of \$356,724 for an over budget of \$133,281.

Criteria: Per NMAC 6.20.2.9(A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2 NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information.

Per NMAC 6.20.2.10.B, School districts shall submit budget adjustment requests for the operating budget to the department for budget increases, budget decreases, transfers between functional categories, and transfers from the emergency reserve account. Expenditures shall not be made by the school district until budget authority has been established and approval received from the department. Budget adjustments shall not be incorporated into the school district’s accounting system until approval is received by the department.

Effect: The District has budgeted cash balance that does not exist. If the District spends the entire budget there would be insufficient funds to cover the expenditures. In addition, the District had expenditures that were in a function that was not properly budgeted.

Cause: When the District establishes its budget for the next year, this work is done several months before year-end. This requires the District to estimate the cash balance remaining in funds at year-end and to budget this cash for expenditure in the following year. The District is supposed to review its budgeted cash and compare to actual cash balance at year-end. The District should then adjust the budget to match the actual cash balance. One fund was missed in the review process and was not properly reduced.

Auditor’s Recommendation: We recommend the District establish a policy of budgetary review at the end of each quarter and have the board approve the necessary budgetary adjustments to ensure that cash carryover amounts are appropriate and do not exceed available cash and that expenditures do not exceed functions budgeted.

Management’s Response: Budget was prepared with estimated cash balance and not adjusted.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-016 Budgetary Conditions (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency) (continued)

Current Status/Plan of Action: The District will implement a procedure to prepare, submit, maintain, and report budgetary information in accordance with NMAC 6.20.2.9(A) Sections 22-8-5 thru 22-8-12.2. The original budget will be presented to the Board for review and approval. In addition, all budget adjustments including changes to the cash carryover amounts will be presented to the Board for review and approval on a monthly basis.

The budgeted beginning cash balance for 2017-2018 will be reviewed at June 30, 2017 and corrected as needed by the Executive Director of Finance. The correction will be presented to the Board for approval as a Budget Adjustment Request (BAR).

Person Responsible: Executive Director of Finance

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-017 Fixed Assets, Material Weakness

Condition: The following fixed asset exceptions were noted during testing:

- During our test work of the capital assets and construction in progress, we received multiple versions of the fixed asset roll forward in order to reconcile prior year and current year activity.
- The District has not reconciled its inventory completed during the year to its fixed asset listing.

Criteria: Per NMAC 6.20.2.22 Fixed Assets: Assets of long-term character which are intended to continue to be held or used, such as land (including acquisition and improvements to grounds), buildings (including initial, acquisition, improvements, remodeling, additions, and replacement), furniture, machinery and equipment shall be acquired and accounted for through the development and implementation of a complete property control system which shall be adopted by the local board and in accordance with GAAP.

Effect: The District could have an inaccurate accounting of its fixed assets.

Cause: The District did not have controls in plan to maintain its fixed asset listing.

Auditor's Recommendation: We recommend that the District track all capital asset activity in the accounting system no less than quarterly. Final annual reports should be available for external audit review no later than 60 days subsequent to the fiscal year end. We also recommend that management add a control to properly reconcile all additions and deletions from the capital asset listing to the accounting system and the inventory controls.

Management's Response: Fixed assets were maintained in excel worksheets and some expenses for fixed asset in prior years were identified and beginning balances were adjusted.

Current Status/Plan of Action: The district's policy is capitalize assets greater than \$5,000. The district intends to perform a full physical inventory of its fixed assets during the 2016-2017 school year. Once the inventory is complete, the trial balance will be reconciled to the inventory listing and any adjustments required will be reviewed with the School Board of Education and the Office of the State Auditor. All adjustments will be recorded to the trial balance. The fixed asset rollforward reconciling the prior year and current year activity will be updated annually and completed prior to the audit.

Person Responsible: Executive Director of Finance

2016-021 Internal Controls over Schedule of Expenditures of Federal Awards, Significant Deficiency

The District has not established adequate internal controls to ensure grants are properly reported on the schedule of expenditures of federal awards. We identified a non-federal award that was identified as a federal award on the schedule of expenditures of federal awards. See the details reporting of Finding 2016-021 in Section III of the Schedule of Findings and Questioned Costs.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

CESAR CHAVEZ HIGH SCHOOL CHARTER SCHOOL

2013-001A NMPED Cash Reporting, (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: We noted the NMPED Cash Report for 11000, 24000, and 31200 Fund did not agree to the general ledger balance, we noted a net difference of \$35,257.

Management has not made progress in regards to reconciling cash report to the general ledger.

Criteria: Per state audit rule Section 6.20.2.13 (D) and (E) of NMAC, the audit report of each school district shall include a cash reconciliation schedule which reconciled the cash balance as of the end of the previous fiscal year to the cash balance at the end of the current fiscal year.

Effect: The NMPED does not have an accurate accounting of the School's activity.

Cause: The Schools cash report does not include adjustments previously made to the general ledger.

Auditor's Recommendation: We recommend that policies and procedures be implemented to ensure that all adjustments be completed before the final reports are submitted to the department. Additionally, an individual should review the report to ensure that the report matched the general ledger and the cash accounts as appropriate.

Management Response: The previous audit entries through June 30, 2015 have been made to the general ledger. The Business Manager will submit the corrections to NMPED on the upcoming quarterly reports ending December 2016.

Person Responsible: Business Manager

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2013-004A Budgetary Conditions (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: The School has expenditure functions where actual expenditures exceeded budgetary authority:

Title I	\$3,854
Title I School Improvement	\$13,660

Management has not made progress in regards to budgetary conditions.

Criteria: Per NMAC 6.20.2.9(A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2 NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information. Budgetary control shall be at the function level. Over-expenditure of a function shall not be allowed.

Per NMAC 6.20.2.10.B, School districts shall submit budget adjustment requests for the operating budget to the department for budget increases, budget decreases, transfers between functional categories, and transfers from the emergency reserve account. Expenditures shall not be made by the school district until budget authority has been established and approval received from the department. Budget adjustments shall not be incorporated into the school district's accounting system until approval is received by the department.

Effect: The School was out of compliance with New Mexico state statute and funds spent could be considered unallowable.

Cause: The School did not have an approved budget adjustment request (BAR) aforementioned federal flow-through funds submitted.

Auditor's Recommendation: We recommend the School establish a policy of budgetary review at the end of each quarter and have the board approve the necessary budgetary adjustments to ensure funds are not over expended. We recommend that all BARs are properly completed for all changes in funding received and that all BARs are approved by the board and submitted to the department prior to the end of the year.

Management's Response: The Principal and Governing Council will establish an appropriate policy and timeline of budgetary review prior to April 2017. The Business Manager will coordinate with Deming Public Schools on an ongoing basis to ensure that the budget for each fund is entered into the Operating Budget Management System (OBMS).

Person Responsible: Principal, Governing Council and Business Manager

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-001A Internal Control Structure, Significant Deficiency

Condition: During our audit we encountered the following issues:

- Four journal entries tested were not reviewed and approved.
- One employee contract tested was not signed prior to the start of school year.
- Fiscal year 2015 books had not been closed when the audit had started. This caused beginning cash and fund balances balance to not properly rollforward into the current year general ledger. Subsequent to year-end, management closed the prior year books and reconciled the beginning cash and fund balances to the general ledger.
- The school does not have policies and procedures for operating funds or student activity funds over how cash is collected and recorded in the general ledger.

Criteria: Per NMAC 6.20.2.11 Internal Control Structure Standards, 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, and 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.

Effect: Misstatements of financial statements and/or possible misappropriation of assets.

Cause: Journal entries were made without having a signed written approval. An employee contract was signed after the employee began employment. Previous year books were not closed appropriately by the start of the audit. By the end of the audit, the issues were resolved and the general ledger was reconciled to the cash balance. School activity funds have been tracked and reconciled through a spreadsheet outside the primary accounting software.

Auditor's Recommendation: We recommend that management ensure that adequate internal controls are established surrounding the financial reporting process including journal entries and closing of books. In addition, we recommend that the school ensure all employee contracts are properly signed when employees are hired. Finally, we recommend that policies and procedures be created to ensure all cash is properly received and recorded.

Management's Response: The Principal and Business Manager will ensure a system of review and approval for contracts and journal entries by January 2017. The Principal has implemented a system to ensure employee contracts are signed prior to beginning work. The Business Manager has made the corrections necessary and rolled forward all previous year balances according to audited balances. The Business Manager will transfer the records of the activity funds to AptaFund prior to February 2017.

Person Responsible: Principal and Business Manager

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-002A New Mexico Retiree Health Care Contributions, (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: During our testwork we noted the New Mexico Retiree Health Care (NMRHC) payments and reports for October 31, 2015 (\$70,031), and July 31, 2015 (\$22,024) were not submitted until November 12, 2015, and August 14, 2015, respectively.

Criteria: Monthly contributions to the Retiree Health Care (NMRHC) are required to be remitted no later than the 10th of the following month, per NMSA 1978 10-7C-15.

Effect: In accordance with the RHC rules, penalties will be assessed to the administrative unit when contributions and/or reports are not remitted by the due date.

Cause: NMRHC was submitted two and four days late respectively by a former employee.

Auditor's Recommendation: We recommend the Charter implement a monthly review checklist of all payments to ensure that NMRHC payments are processed and paid in a timely manner.

Management's Response: The Charter has implemented a payment due schedule beginning November 2016 and will ensure that the NMRHC payments are paid prior to the 10th of the following month. The Business Manager will ensure that all NMRHC payments are made prior to the 10th of the following month.

Person Responsible: Business Manager

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-003A Fixed Assets (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: The school did not perform a physical inventory or maintain a fixed asset schedule during the 2015-2016 year.

Criteria: Per NMAC 6.20.2.22 Assets of a long-term character which are intended to continue to be held or used, such as land (including acquisition and improvements to grounds), buildings (including initial, acquisition, improvements, remodeling, additions, and replacement), furniture, machinery and equipment shall be acquired and accounted for through the development and implementation of a complete property control system which shall be adopted by the local board and in accordance with GAAP. General services department (GSD) rules(s), the state Procurement Code, and any other applicable state and federal requirements.

Per NMAC 2.20.1.16, Annual inventory, at the end of the fiscal year, each agency shall conduct a physical inventory of the fixed assets consisting of those with historical cost of five thousand (\$5,000) or more, under the control of governing authority. 12-6-10(A) NMSA 1978 requires each agency to conduct an annual physical inventory of moveable chattels and equipment on the inventory list at the end of each physical year. The agency shall certify the correctness of the inventory after the physical inventory.

Effect: The school could be purchasing items that are not being properly inventoried or capitalized as required by State Audit Rule. This poses the risk of misstatement and misappropriation of assets.

Cause: A complete physical inventory was not completed due to postings of previous audits. The fixed asset schedule did not include leasehold improvements.

Auditor's Recommendation: We recommend the school implement policies and procedure to ensure that all items are properly added or deleted from the capitalization listing and that a physical inventory is completed annually.

Management's Response: The Principal and Governing Council will implement policies and procedures for physical inventory and asset management prior to April 2017. The School has updated the asset inventory. The Business Manager will ensure the procedure for physical inventory is followed.

Person Responsible: Principal, Governing Council and Business Manager

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-004A Stale Dated Checks, (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: During cash test work, we noted 1 check that was written over a year ago listed as outstanding checks in the amount of \$48.00 on the June 30, 2016 bank reconciliation.

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.

Effect: The School and NMPED does not have an accurate understanding of their cash position.

Cause: A check was not voided in the accounting system due to the prior year books not being closed.

Auditor's Recommendation: We recommend that the stale checks be voided as soon as possible and that a procedure be implemented to track stale dated checks.

Management's Response: The check was voided in the accounting system in November 2016 by the Business Manager. The Principal and Business Manager will revise the bank reconciliation process by February 2017 to ensure cancelation of stale dated checks.

Person Responsible: Principal and Business Manager

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-005A Audit Committee, (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: We noted the school does not have a parent volunteer on the audit committee that is independent from the school board.

Criteria: Per NMSA 22-8-12.3, each local school board shall appoint an audit committee that consists of two board members, one volunteer member who is a parent of a student attending the school district and one volunteer member who has experience in accounting or financial matters.

Effect: The School does not have the proper oversight as required by NMSA 22-8-12.3 which could result in errors going undetected.

Cause: Management made several attempts to solicit the required members and have not been successful recruiting a parent member.

Auditor's Recommendation: We recommend that the School find the required members to be in compliance with the state requirement.

Management's Response: The Principal and Governing Council will continue efforts to recruit and seat a parent volunteer to the audit committee by April 2017.

Person Responsible: Principal and Governing Council

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-006A Cash disbursements – (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: We noted a purchase order was approved on June, 6 2016 for travel by a board member that had occurred on June 2, 2016 in the amount of \$263.06.

Criteria: Public Schools Accounting & Budgeting Supplement 13-Purchasing states that “the preparation and execution of duly authorized purchase order must precede the placement of any order for goods, services or construction.

Effect: The lack of enforcing policies and procedures may result in the non-authorized purchase of goods and/or services.

Cause: There was no prior encumbrance to a travel expense.

Auditors’ Recommendation: We recommend that the Charter review policies and procedures and that all purchase orders be properly completed and approved before purchase.

Management’s Response: The Principal will implement a travel procedure by February 2017 to ensure encumbrance prior to travel.

Person Responsible: Principal

STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-007A Cash Control Standards – (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: The school is not reconciling their bank accounts to the general ledger. There was a difference of \$326,900 due to prior year ending cash not properly rolling forward as prior year books were not closed. We noted that with the prior year cash, the school had a remaining difference of \$1,811. This difference was determined to be the student activity fund, which was not be properly maintained in the general ledger. In addition, bank reconciliation are not being reviewed and approved.

Criteria: NMAC 6.20.2.14K states that all bank accounts shall be reconciled on a monthly basis. PSAB Supplement 7 also requires that school districts perform bank reconciliations timely.

Per NMAC 6.20.2.14 (K), all bank accounts shall be reconciled on a monthly basis. Reconciled bank statements are to be reviewed by the business manager and/or assistant superintendent.

Effect: Without performing bank reconciliations timely, incorrect posting to the general ledger will not be recognized. In addition, it is often difficult to detect fraudulent activity if bank reconciliations are not prepared timely or reviewed by someone other than the preparer. Fraudulent transactions can take place and not be detected.

Cause: Due to prior years not being closed, the expected general ledger balance was not current. Bank statements were not reviewed by a second party.

Auditors' Recommendation: We recommend that the Charter perform bank reconciliations on a monthly basis and be reviewed by the director or a board member.

Management's Response: The prior years have been closed and balances reflect previous audit balances. The Principal will establish a procedure by February 2017 for a second party to review bank reconciliations.

Person Responsible: Principal

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-008A Policies and Procedures over Background Checks – (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: We noted the school does not have any written polices or procedures over ensuring background checks are completed on all personnel before hiring. In addition, we noted one background check that was completed after the employee was hired.

Criteria: NMSA-22-10A-5 requires them to "develop policies and procedures to require background checks on an applicant who has been offered employment, a contractor or a contractor's employee with unsupervised access to students at a public school.

Effect: The result is unnecessary risk and potential danger to the students or fellow personnel, also inadequate vetting can also increase the risk of public funds being misused.

Cause: There is no formal policy or procedure for obtaining background checks prior to hire. Background checks were made on an individual after hire.

Auditors' Recommendation: We recommend that the school establish procedures to ensure that all employees are fingerprinted prior to hiring.

Management's Response: The Principal will establish a procedure by February 2017 to ensure employees and any individual with unsupervised access to students have completed background checks prior to hire. The School will continue to conduct background checks through the Deming Public School district.

Person Responsible: Principal

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-009A Uniform Guidance Written Policies and Procedures (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: The school had not implemented the written policies and procedures required under the Uniform Grant Guidance.

Criteria: Per Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), the entity must have “written procedures for determining the allowability of costs in accordance with Subpart E-Cost Principles of this part and the terms and conditions of the Federal award” as well as “written procedures to implement the requirements of Section 200.305 Payment”. In addition for travel costs, per Uniform Guidance, “Costs incurred by employees and officers for travel, including costs of lodging, other subsistence, and incidental expenses, must be considered reasonable and otherwise allowable only to the extent such costs do not exceed charges normally allowed by the non-Federal entity in its regular operations as the result of the non-Federal entity’s written travel policy. In addition, if these costs are charged directly to the Federal award, documentation must justify that: (1) Participation of the individual is necessary to the Federal award; and (2) The costs are reasonable and consistent with non-Federal entity’s established travel policy.

Effect: The school is not in compliance with Uniform Grant Guidance standards for allowable cost principles, cash management, and travel costs.

Cause: The School does not have written policies and procedures as per the Uniform Grant Guidance.

Auditor’s Recommendation: We recommend management update their accounting manual to include the applicable standards required under the Uniform Grant Guidance.

Management’s Response: The School will implement a policy for the applicable standards required under the Uniform Grant Guidance by May 2017. A third party has been identified to assist this process. The Business Manager will be responsible for ensuring compliance.

Person Responsible: Business Manager

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-010A 4th quarter NMPED reports, (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: We noted the 4th quarter budget to actual report submitted to the New Mexico Public Education Department (NMPED) did not agree to the general ledger.

Criteria: Per the Manual of Procedures for Public School Accounting and Budgeting Actual reporting involves the submission of actual revenues and expenditures (a summary report) on the district or Charter's general ledger on a monthly or quarterly basis.

Effect: The Charter has not reported the correct actual amount to the NMPED.

Cause: Reconciling journal entries from previous audits were not received and entered. As such school was waiting to close books.

Auditor Recommendation: We recommend school ensure that all adjustments have been made to the trial balance prior to the submission of actuals to the NMPED.

Management Response: The previous audit entries through June 30, 2015 have been made to the general ledger. The Business Manager for DCCCHS will submit the corrections to NMPED on the upcoming December 2016 quarterly reports.

Person Responsible: Business Manager

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-011A Restatement, Material Weakness

Condition: The prior year fund balance and net position balances were overstated as a result of 2015 receivable related to fiscal year 2013 and fiscal year 2014 revenues. We noted an overstatement of receivables related to Title I IASA (\$124,290), School Improvement (\$108,038), IDEA-B Entitlement (\$1,059) and Title I Stimulus (\$1,030). This resulted in an error of \$234,417 that was corrected through a restatement of operational fund balance and net position as of June 30, 2015.

Criteria: Good accounting practices call for accurate and timely records and NMSA 1978 6-5-2 specifies that agencies shall implement internal accounting controls designed to prevent accounting errors and violations of state and federal law and rules related to financial matters.

Effect: The fiscal year 2015 net position and operational fund balance were overstated by \$234,417 and corrected by restating these balances.

Cause: The Charter does not have proper controls in place to reconcile beginning accounts receivable balances. The Charter could not request reimbursement on funds when they had not received budget authority to spend monies. In addition, request for reimbursements were submitted by the district after the due date to the NMPED and could no longer be requested. These requests were denied in October 2014 and financial statements were not corrected in 2015.

Auditor's Recommendation: We recommend that the Charter reconcile all receivable balances (including beginning balances) to ensure that amounts are collectible and determine whether an allowance policy should be adopted.

Management's Response: Management will have more due diligence on reviewing our final financial statements before issuance. Finance committee will review financial packets and bank statements, each month. The Principal and Business Manager will adopt and implement a procedure by February 2017.

Person Responsible: Finance Committee, Business Manager and Principal

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION II-FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-012A Late Audit Submission, (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: The Charter's audit report for the year ended June 30, 2016 was not submitted to the State Auditor by the required due date, November 15, 2016.

Criteria: Audit reports not received on or before the due date, November 15, are considered to be in non-compliance with requirements of Section 2.2.2.9.A of the State Audit Rule.

Effect: The result was the late submission of the Charter's audit report for the year ended June 30, 2016. The users of the audited financial statements and the Charter's management do not have timely information. In addition, untimely financial audits may affect federal and state funding.

Cause: The Charter's bank accounts were not reconciled to the general ledger on a timely basis.

Auditors' Recommendations: The Charter must prepare all necessary reconciliations and schedules to the auditor's timely and accurately.

Management's Response: The Charter's bank accounts have been reconciled to the general ledger. The accounting system and closing process has been modified to ensure that the previous error does not reoccur. In future audits, both the Business Manager of the charter school and auditor will work to ensure timely submittal of the audit.

Person Responsible: Business Manager

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

SECTION III-FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

2016-018 – Written Policies & Procedures for Uniform Guidance Requirements, Significant deficiency

CFDA Number	Federal Agency/Pass-through Entity – Program Name	Award Number	Award year	Questioned Costs
10.555, 10.553, 10.559	United States Department of Agriculture/ Child Nutrition Cluster	n/a	2016	None
84.367	United States Department of Education/ Improving Teacher Quality State Grants	24154	2016	None

Condition: We noted that the District had not implemented the written policies and procedures required under the Uniform Grant Guidance as of year-end.

Criteria: Per Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), the entity must have “written procedures for determining the allowability of costs in accordance with Subpart E-Cost Principles of this part and the terms and conditions of the Federal award” as well as “written procedures to implement the requirements of Section 200.305 Payment”. In addition for travel costs, per Uniform Guidance, “Costs incurred by employees and officers for travel, including costs of lodging, other subsistence, and incidental expenses, must be considered reasonable and otherwise allowable only to the extent such costs do not exceed charges normally allowed by the non-Federal entity in its regular operations as the result of the non-Federal entity’s written travel policy. In addition, if these costs are charged directly to the Federal award, documentation must justify that: (1) Participation of the individual is necessary to the Federal award; and (2) The costs are reasonable and consistent with non-Federal entity’s established travel policy.

Questioned costs: None

Effect: The District is not in compliance with Uniform Grant Guidance standards for allowable cost principles, cash management, and travel costs.

Cause: The District did not update policies and procedures during the Uniform Guidance implementation.

Auditor’s Recommendation: We recommend the District update their accounting manual to include the applicable standards required under the Uniform Grant Guidance.

Management Response: At this time the district does not have a written standard on allowable cost principles, cash management and travel costs in accordance with the requirements under the Uniform Grant Guidance.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION III-FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS (CONTINUED)

2016-018 – Written Policies & Procedures for Uniform Guidance Requirements, Significant deficiency (continued)

Current Status/Plan of Action: The Executive Director of Finance will update the accounting manual to include the applicable standards required under the Uniform Grant Guidance. This update will be completed by the end of the 2016-2017 school year.

Person Responsible: The Executive Director of Finance

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

SECTION III-FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS (CONTINUED)

2016-019 – Special Tests and Provisions, Material Weakness and Instance of Noncompliance

<i>CFDA Number</i>	<i>Federal Agency/Pass-through Entity – Program Name</i>	<i>Award Number</i>	<i>Award Year</i>	<i>Questioned Costs</i>
10.555, 10.553, 10.559	United States Department of Agriculture/ Child Nutrition Cluster	n/a	2016	None

Condition: The District’s Cafeteria Fund has net cash resources at year end that exceed the allowable net cash resources for a nonprofit school food service account. Net cash resources at year end were approximately \$3,775,000, while three months’ average expenditures for the Child Nutrition Cluster were approximately \$980,000. The District did not have written documentation of approval from the New Mexico Public Education Department (PED) for the excess cash of approximately \$2,795,000 at year-end.

Criteria: According to 7 U.S. Code of Federal Regulations Part 210.14, School Food Authorities must limit their net cash resources to an amount that does not exceed three months’ average expenditures or such other amount as may be approved by the State agency (PED).

Effect: In the absence of an approved plan to expense excess cash resources, PED may make adjustments to the District’s rate of reimbursement under the program.

Questioned costs: None

Cause: The District failed to obtain written approval from PED for the excess cash prior to year end.

Recommendation: We recommend that the District obtain PED approval for a plan to expend the excess cash balance. The plan may include improved food quality or other action to improve the nonprofit school food service.

Management Response: We had not submitted a plan for use of additional cash balance.

Current Status/Plan of Action: The Director of Student Nutrition submitted a plan to expend the excess funds to the NMPED and received their approval of the plan on October 12, 2016 from the Student Nutrition Office at the NMPED. No food service funds will revert to NMPED/USDA. The excess funds will continue to rollover year-to-year.

Person Responsible: The Director of Student Nutrition

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION III-FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS (CONTINUED)

2016-020 – Reporting, Significant Deficiency and Instance of Noncompliance

<i>CFDA Number</i>	<i>Federal Agency/Pass-through Entity – Program Name</i>	<i>Award Number</i>	<i>Award Year</i>	<i>Questioned Costs</i>
84.367	United States Department of Education/ Improving Teacher Quality State Grants	24154	2016	None

Condition: Four out of four reports tested were submitted late. First quarter was due October 31, 2015 and submitted on November 19, 2015. Second quarter was due February 29, 2016 and submitted March 3, 2016. Third quarter was due May 31, 2015 and submitted June 13, 2016. Fourth quarter was due July 31, 2016 and submitted August 31, 2016.

Criteria: Per 34 CFR 80.41 Financial Reporting when reports are required on a quarterly basis, they will be due 30 days after the reporting period.

Questioned costs: None

Effect: The State of New Mexico does not have a timely reporting of the Districts activity.

Cause: The District does not have proper controls in place to ensure that reports are submitted timely.

Recommendation: We recommend the District perform reconciliations more timely. This will assist with their monthly reporting requirements.

Management Response: Quarterly expense reports were submitted late during the year.

Current Status/Plan of Action: It is the District’s intent to prepare and file timely and accurate quarter reports. To accomplish this, the District has/will implement the accounting procedures identified in 2016-009. Prior to filing, the fund balances and trial balance will be reviewed by the Director of Accounting, and the Executive Director of Finance. Beginning February 2017, a monthly report showing each funds’ revenues, expenditures, and fund balance will be sent to the respective director of the grant for review. These enhanced review procedures will help to ensure accurate information for inclusion in the quarterly reports and facilitate timely filings.

Person Responsible: Director of Accounting and Executive Director of Finance

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

SECTION III-FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS (CONTINUED)

2016-021 – Internal Controls over Schedule of Expenditures of Federal Awards, Significant Deficiency

<i>CFDA Number</i>	<i>Federal Agency/Pass-through Entity – Program Name</i>	<i>Award Number</i>	<i>Award year</i>	<i>Questioned Costs</i>
All programs in SEFA	All agencies in SEFA	All award numbers in SEFA	2015 2016	None

Condition: The District does not have adequate controls over the preparation of the schedule of expenditures of federal awards (SEFA).

Criteria: The District’s management is responsible for establishing and maintaining internal controls for the proper recording and reporting of all the District’s accounting transactions.

Questioned costs: None

Effect: Multiple versions of the schedule of expenditures of federal awards were provided by the District and significant adjustments were made by management in order to properly state the schedule of expenditures of federal awards.

Cause: This was the first year that the District attempted to draft their own SEFA. The District has not established controls to ensure grant expenditures and subrecipient balances are properly reported on the schedule of expenditures of federal awards.

Auditor’s Recommendation: We recommend the District review grant reporting procedures to ensure that the grant activity is properly reported on the SEFA. Grant expenditures should be reconciled to the general ledger to ensure the schedule is complete.

Management’s Response: This was the first year we attempted to prepare the SEFA and had not established proper controls.

Current Status/Plan of Action: The Executive Director of Finance is responsible for preparing the Schedule of Expenditures of Federal Awards. To ensure that the activity reported on the report is correct and accurate the Executive Director of Finance will reconcile the year-end fund balance on the trial balance to ensure all activity has been properly recorded and the SEFA schedule is complete. In addition, monthly reports showing the fund revenues, expenditures, and fund balance will be sent to the respective director of the grant for review. The Grant Director is responsible to review the revenues and expenditures for allowability, accuracy, complete and adequate backup support, and compliance with the grant terms. They will also review the fund transactions to ensure they are posted to the correct fund and accounts.

Person Responsible: Executive Director of Finance and Grant Director

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

SECTION III-FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS (CONTINUED)

2016-022 – Special Tests and Provisions, Material Weakness and Instance of Noncompliance

<i>CFDA Number</i>	<i>Federal Agency/Pass-through Entity – Program Name</i>	<i>Award Number</i>	<i>Award Year</i>	<i>Questioned Costs</i>
84.367	United States Department of Education/ Improving Teacher Quality State Grants	24154	2016	None

Condition: The school wide program plan did not include a section for strategies to increase parent involvement.

Criteria: According to 34 U.S. Code of Federal Regulations Part 200.28, A schoolwide program must include the following: (c)(1) A schoolwide program must involve parents in the planning, review, and improvement of the schoolwide program plan. (2) A schoolwide program must have a parental involvement policy, consistent with section 1118(b) of the ESEA, that-(i) includes strategies, such as family literacy services, to increase parental involvement in accordance with sections 1118(c) through (f) and 9101(32) of the ESEA; and (ii) describes how the school will provide individual student academic assessment results, including an interpretation of those results, to the parents of students who participate in the academic assessments required by section 200.2.

Questioned costs: None

Effect: The schoolwide program plan is not in compliance with grant requirements and the District and funding related to the program could be affected if the plan is not corrected.

Cause: Parent involvement was not included in the plan that was approved three years ago and was not updated to include the compliance requirements.

Recommendation: We recommend that the District modify their schoolwide program plan to ensure that they include a section for increase parent involvement in accordance with 34CFR part 200.28.

Management Response: At this time the district does not have a specific policy on parent involvement that aligns with the Title II E-9.

Current Status/Plan of Action: Title II and Title I both require a parent involvement plan. Title II's schoolwide program plan aligns with the Title I parent involvement plans for each school site. NMPED accepted and approved the Title II 2015-2016 proposal which did utilize the Title I parent involvement plans. The Title II application addresses this requirement under section E-9 which states: Parent involvement is best encouraged through regular two-way, and meaningful communications about student learning and other school activities. Effective strategies may include (1) promoting the understanding that parents are true partners in their children's education and communicating the need for parents to help their children succeed in school, and (2) providing parents with specific suggestions on an ongoing basis about ways to encourage learning at home and ways to be actively involved in their child's education at school. Each of the school site parent involvement plans align with E-9.

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

SECTION III-FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS (CONTINUED)

**2016-022 – Special Tests and Provisions, Material Weakness and Instance of Noncompliance
(continued)**

The district has a procedure addressing parent involvement through district and school site EPSS plans. As the district moves from EPSS plans to 90 day plans, the procedure will need to be updated.

Therefore the Executive Director of Human Resources will work to write a policy and have it approved by Deming School Board before the beginning of the 2017-2018 school year. The parent involvement policy will be presented to the Board for a first reading at the February 2017 Board Meeting and will be presented for approval at the March 2017 Board Meeting.

Person Responsible: Executive Director of Finance

STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

SECTION III-FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS (CONTINUED)

2016-023 – Suspension & Debarment, Significant Deficiency and Instance of Non-Compliance

<i>CFDA Number</i>	<i>Federal Agency/Pass-through Entity – Program Name</i>	<i>Award Number</i>	<i>Award Year</i>	<i>Questioned Costs</i>
10.555, 10.553, 10.559	Department of Agriculture /Child Nutrition Cluster	n/a	2016	None

Condition: For one of three items tested, documentation was not retained to demonstrate verification of whether the vendor tested was debarred, suspended or otherwise excluded. The District does not have proper controls in place to ensure compliance.

Criteria: Non-Federal entities are prohibited from contracting with or making sub-awards under covered transactions to parties that are suspended or debarred. “Covered transactions” include those procurement contracts for goods and services awarded under a non-procurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 U.S. Code of Federal Regulations (CFR) section 180.220. When a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-federal entity must verify that the entity, as defined in 2 CFR section 180.995 and agency adopting regulations, is not suspended or debarred or otherwise excluded from participating in the transaction.

Questioned costs: None

Effect: Transactions could be entered into with vendors who are debarred, suspended or otherwise excluded. The program is not in compliance with grant requirements which could result in loss of federal funding.

Cause: The Procurement Officer failed to document performance of an excluded parties list system search, collect a certification from the entity, or add a clause or condition to the covered transactions with the entity in accordance with 2 CFR section 180.300.

Recommendation: We recommend that documentation of suspension and debarment checks is maintained by the District.

Management Response: We were not checking and recording the results of vendor suspension or disbarment searches.

Current Status/Plan of Action: The Chief Procurement Officer, will check the SAM.gov web site for suspended or disbarred vendors. She will maintain documentation of her review.

Person responsible: Chief Procurement Officer

DEMING PUBLIC SCHOOLS
“Student Success through Staff and Community Togetherness”

Dr. Daniel J. Lere, Superintendent
Ray Trejo, Assistant Superintendent

Fred Parker, Executive Director of Curriculum and Instruction
Nancy Patterson, Executive Director of Human Resources
Ted Burr, Executive Director of Finance

**STATE OF NEW MEXICO
DEMING PUBLIC SCHOOLS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Findings – Financial Statement Audit

District

2014-001 Payment of State Withholding (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: The District remitted its July 2014 and November 2014 employee state withholdings after the due dates for the remittances. This resulted in \$1,453 in penalties and interest that the District was required to pay.

Current Status: Cleared

2013-003 (2013-3) Per Diem and Mileage Reimbursement (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: In a test of 30 transactions, we noted the District reimbursed employees for motel rooms for out-of-state travel in excess of \$215 on one occasion, without proper approval from either the Superintendent or the Board of Education, resulting in an over-expenditure of \$10. In addition, we noted instances where procurement cards were used for travel expenses by District personnel, and in some cases, the receipts provided did not provide the necessary detail, resulting in \$212 in expenditures which could not be verified. Finally, we noted one instance where \$550 was paid for room damage, and \$246 was paid for motel rooms for which the occupant never showed.

Current Status: Cleared

Component Unit

2013-001 Cash Reporting (Non-Compliance in Accordance with the New Mexico State Audit Rule, Does not Rise to the Level of Significant Deficiency)

Condition: The school’s actual cash in bank was \$38,745 more than that reported to the New Mexico Public Education Department on the School’s year end cash report. Although the reconciled balance was accurately reflected on the cash report, it did not agree to the cash balances by fund in that same report.

DEMING PUBLIC SCHOOLS
“Student Success through Staff and Community Togetherness”

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Ray Trejo, Assistant Superintendent

Fred Parker, Executive Director of Curriculum and Instruction
Nancy Patterson, Executive Director of Human Resources
Ted Burr, Executive Director of Finance

Current Status: Repeated

Reason for finding reoccurrence: The School was not able to identify and correct the difference in cash before the final year end reports were prepared.

Corrective Action Plan: The previous audit entries through June 30, 2015 have been made to the general ledger. The Business Manager for DCCCHS will submit the corrections to the NMPED on the upcoming December 2016 quarterly reports.

Person Responsible: Charter School Business Manager

**STATE OF NEW MEXICO
 DEMING PUBLIC SCHOOLS
 EXIT CONFERENCE
 FOR THE YEAR ENDED JUNE 30, 2016**

The contents of this report were discussed on February 13, 2017. Present at these exit conferences were:

Name	Title	Affiliation
Deming Public Schools		
Bayne Anderson	Board Secretary	Deming Public Schools
Matt Robinson	Board Member	Deming Public Schools
Lloyd Valentine	Audit Committee Member	Deming Public Schools
Teresa Hutts	Audit Committee Member	Deming Public Schools
Dan Lere	Superintendent	Deming Public Schools
Ted Burr	Executive Director of Finance	Deming Public Schools
Amanda McMillan	Director of Accounting	Deming Public Schools
Sheila Herrera, CPA	Assurance Senior Manager	Moss Adams LLP

The Exit Conference for Cesar Chavez Charter School was conducted on November 22, 2016

Chris Masters	Business Manager	Cesar Chavez High School
Dan Sanchez	Board Member	Cesar Chavez High School
Sheila Herrera, CPA	Assurance Senior Manager	Moss Adams LLP
Darcy Odom	Assurance Staff	Moss Adams LLP

The financial statements were prepared by Moss Adams LLP, with substantial assistance from Deming Public Schools personnel, who have acknowledged and accepted responsibility for the financial statements.